

Actions taken by FATF Members and Other Jurisdictions - FATF Public Statement

Subsequent to the Financial Action Task Force (FATF) Plenary and Working Group meetings held in June 2024, the FATF issued (i) a public statement on high-risk jurisdictions subject to a call for action; and (ii) a document titled “Jurisdictions under Increased Monitoring”. Details are as follows -

(i) FATF Statement on High-Risk Jurisdictions subject to a Call for Action

2. A [*FATF Statement on High Risk Jurisdictions Subject to a Call for Action*](#) was published on 28 June 2024. Since February 2020, in light of the COVID-19 pandemic, the FATF has paused the review process for Iran and Democratic People’s Republic of Korea, given that they are already subject to the FATF’s call for countermeasures. Since February 2020, only Iran once reported in January 2024 with no material changes in the status of its action plan. Given heightened proliferation financing risks, the FATF reiterates its call to apply countermeasures on these [high-risk jurisdictions](#).

3. To recap, the Democratic People’s Republic of Korea is subject to a FATF call on its members and other jurisdictions to apply countermeasures to protect the international financial system from the on-going money laundering (ML), terrorist financing (TF), and proliferation financing risks emanating from the jurisdiction.

4. Meanwhile, Iran is subject to a FATF call on its members and other jurisdictions to apply, in line with Recommendation 19 ^{Note} (i.e. Higher Risk Countries) –

- (a) increased supervisory examination for branches and subsidiaries of financial institutions based in Iran;
- (b) enhanced relevant reporting mechanisms or systematic reporting of financial transactions; and

- (c) increased external audit requirements for financial groups with respect to any of their branches and subsidiaries located in Iran.

Note According to Recommendation 23, (designated non-financial businesses and professions (DNFBPs)) should be required to comply with the higher-risk countries requirements set out in Recommendation 19.

(ii) Jurisdiction subject to a FATF call on its members and other jurisdictions to apply enhanced due diligence measures proportionate to the risks arising from the jurisdiction

5. In February 2020, Myanmar committed to address its strategic deficiencies. Myanmar's action plan expired in September 2021. In October 2022, given the continued lack of progress and the majority of its action items still not addressed after a year beyond the action plan deadline, the FATF decided that further action was necessary in line with its procedures and FATF calls on its members and other jurisdictions to apply enhanced due diligence measures proportionate to the risk arising from Myanmar. The FATF requires that as part of enhanced due diligence, financial institutions should increase the degree and nature of monitoring of the business relationship, in order to determine whether those transactions or activities appear unusual or suspicious. When applying enhanced due diligence measures, countries should ensure that flows of funds for humanitarian assistance, legitimate non-profit organisations (NPO) activity and remittances are not disrupted. If no further progress is made by October 2024, the FATF will consider countermeasures.

6. The FATF urges Myanmar to work to fully address its anti-money laundering and counter-terrorist financing (AML/CFT) deficiencies, including to demonstrate that its monitoring and supervision of money or value transfer services (MVTs) is based on documented and sound understanding of ML/TF risks to mitigate undue scrutiny of legitimate financial flows.

7. Myanmar will remain on the list of countries subject to a call for action until its full action plan is completed.

8. For further FATF comment to Myanmar, please refer to the hyper link in para 2 above.

(iii) Jurisdictions under Increased Monitoring

9. FATF issued another document titled [*Jurisdictions under Increased Monitoring*](#). The FATF provides some flexibility to jurisdictions not facing immediate deadlines to report progress on a voluntary basis. The following countries had their progress reviewed by the FATF since February 2024: Bulgaria, Burkina Faso, Cameroon, Croatia, Democratic Republic of Congo, Haiti, Jamaica, Mali, Mozambique, Nigeria, Philippines, Senegal, South Africa, South Sudan, Tanzania, Türkiye and Vietnam. For these countries, updated statements are provided. Kenya, Namibia, Syria and Yemen chose to defer reporting; thus, the statements issued previously for those jurisdictions are included, but it may not necessarily reflect the most recent status of the jurisdictions' AML/CFT regimes. Following review, the FATF now also identifies Monaco and Venezuela.

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