Jurisdictions under Increased Monitoring - 27 October 2023

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Topic: FATF public and other monitoring documents

Paris, 27 October 2023: Jurisdictions under Increased Monitoring are actively working with the FATF to address strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing. When the FATF places a jurisdiction under increased monitoring, it means that the country is committed to resolving the strategic deficiencies within agreed timeframes and is subject to increased monitoring. This list is often referred to as the "grey list".

The FATF and FSRB global agreeing leaders (GGL) continue to work with the jurisdictions below as they work on the progress achieved in addressing their strategic deficiencies. The FATF calls on these jurisdictions to complete their action plans expeditiously and within the proposed timeline. The FATF welcomes their commitment and will closely monitor their progress. The FATF does not call for the application of enhanced due diligence measures in these jurisdictions. Recently, the FATF, the Asia Pacific Group on Money Laundering (APG) and the Caribbean Financial Action Task Force (CFATF) completed the application of a risk-based approach. The FATF encourages its members and all jurisdictions to take the risks arising from the deficiencies presented below in their risk analysis.

The FATF identifies additional jurisdictions, on an ongoing basis, that have strategic deficiencies in their regime to counter money laundering, terrorist financing, and proliferation financing. A number of jurisdictions have not yet been rated by the FATF, or their FSRBs, but will be in due course.

The FATF process means that jurisdictions provide high-level political commitments to address the agreed action plans in a mutually agreed timeline. The following jurisdictions have their progress reviewed by the FATF since June 2023: Albania, Barbados, Burkina Faso, Cambodia, Cayman Islands, Democratic Republic of Congo, Gibraltar, Haiti, Jamaica, Jordan, Mali, Mozambique, Nigeria, Panama, Philippines, South Africa, South Sudan, Syria, Tanzania, Türkiye, Vietnam, Yemen, Uganda. The above countries, updated statements are provided below: Cameroon, Croatia, Syria, and Vietnam chose to delay reporting. Thus, the statements issued in October 2022 for those jurisdictions are included below, but it may not necessarily reflect the most recent status of the jurisdictions' AML/CFT regimes. Following review, the FATF now also identifies Singapore.

BARBADOS

In February 2020, Barbados made a high-level political commitment to work with the FATF and CFATF to strengthen the effectiveness of its AML/CFT regime. At its October 2020 Plenary, the FATF noted the initial determination that Barbados has substantially completed its action plan and warrants an on-site verification to review the progress made by Barbados. The FATF thanks Barbados for being a pathfinder country and for its strong political commitment to address its strategic deficiencies.

Barbados has made the following key reforms, including: (1) conducting risk-based supervision of financial institutions and applying sanctions as appropriate, (2) ensuring that accurate and up-to-date beneficial ownership information is available to competent authorities, (3) improving and enhancing the use of financial intelligence, and (4) ensuring regulation and sharing of confiscated assets with other countries.

BULGARIA

In October 2019, Bulgaria made a high-level political commitment to work with the FATF and MONEYVAL to strengthen the effectiveness of its AML/CFT regime. Since the adoption of its mutual evaluation report, Bulgaria has made progress on a number of the agreed actions to strengthen its anti-money laundering and terrorist financing framework. Bulgaria has now completed all its agreed actions. Bulgaria has demonstrated that it has: (1) implementing its national risk assessment (NRA) priorities, (2) improving and enhancing the use of financial intelligence, and (3) ensuring regulation and sharing of confiscated assets with other countries.

BURKINA FASO

Since February 2021, when Burkina Faso made a high-level political commitment to work with the FATF and GIABA to strengthen the effectiveness of its AML/CFT regime, Burkina Faso has been working to address the strategic deficiencies that the West Africa Regional Group identified in its anti-money laundering/ terrorist financing mutual evaluation report. Burkina Faso has made significant progress on international cooperation and terrorist financing preventive measures. Burkina Faso should continue to work on implementing its action plan to address the strategic deficiencies, including by: (1) strengthening national cooperation and coordination, including operational cooperation between competent authorities to combat illicit cross-border currency movements, (2) conducting risk-based supervision of all designated categories of obliged entities, (3) ensuring the diversity of suspicious transactions reporting, (4) establishing procedures for effective implementation of declaration of suspicious transactions related to terrorist financing, (5) establishing a mechanism to identify targets for designation, (6) investigating and prosecuting TF activities in line with the country profile, and (7) implementing an effective TFS regime related to TF and IP as well as risk-based monitoring and supervision of NPOs.

Since June 2021, Burkina Faso has been subject to increased monitoring as it has not completed the agreed action plan within the original timeline. The FATF urges Burkina Faso to swiftly implement its action plan to address the above-mentioned strategic deficiencies as soon as possible on all deadlines agreed in December 2022.

CAMEROON

(Statement from June 2023)

In June 2023, Cameroon made a high-level political commitment to work with the FATF and GIABGC to strengthen the effectiveness of its AML/CFT regime. Since the adoption of its mutual evaluation report, Cameroon has made progress on a number of the agreed actions to strengthen its anti-money laundering and terrorist financing framework. Cameroon has now completed all its agreed actions. Cameroon has demonstrated that it has: (1) implementing its national risk assessment (NRA) priorities, (2) improving and enhancing the use of financial intelligence, (3) ensuring regulation and sharing of confiscated assets with other countries, (4) implementing a risk-based approach to supervision, (5) implementing preventive measures for politically exposed persons (PEPs) and correspondent banking relationships, (6) implementing targeted financial sanctions related to proliferation financing, (7) improving AML/CFT national strategies and policies with the findings of the NRA and monitoring their implementation, (8) ensuring that financial institutions and designated non-financial businesses and professions (DNFBPs) have a clear understanding of their anti-money laundering/ terrorist financing obligations and risks, (9) ensuring risk-based supervision of financial institutions and DNFBPs, (10) implementing an effective system of suspicious transactions reporting, (11) investigations and prosecutions of TF activities in line with the country profile, and (12) implementing an effective TFS regime related to TF and IP as well as risk-based monitoring and supervision of NPOs.

Since June 2021, when Cameroon made a high-level political commitment to work with the FATF and GIABGC, Cameroon has been working to address the strategic deficiencies that the West Africa Regional Group identified in its anti-money laundering/ terrorist financing mutual evaluation report. The FATF urges Burkina Faso to swiftly implement its action plan to address the above-mentioned strategic deficiencies as soon as possible on all deadlines agreed in December 2022.

CAYMAN ISLANDS

(Statement from June 2023)

In June 2023, Cayman Islands made a high-level political commitment to work with the FATF and GIABGC to strengthen the effectiveness of its AML/CFT regime. Since the adoption of its mutual evaluation report, Cayman Islands has made progress on a number of the agreed actions to strengthen its anti-money laundering and terrorist financing framework. Cayman Islands has now completed all its agreed actions. Cayman Islands has demonstrated that it has: (1) implementing its national risk assessment (NRA) priorities, (2) improving and enhancing the use of financial intelligence, (3) ensuring regulation and sharing of confiscated assets with other countries, (4) implementing a risk-based approach to supervision, (5) implementing preventive measures for politically exposed persons (PEPs) and correspondent banking relationships, (6) implementing targeted financial sanctions related to proliferation financing, (7) improving AML/CFT national strategies and policies with the findings of the NRA and monitoring their implementation, (8) ensuring that financial institutions and designated non-financial businesses and professions (DNFBPs) have a clear understanding of their anti-money laundering/ terrorist financing obligations and risks, (9) ensuring risk-based supervision of financial institutions and DNFBPs, (10) implementing an effective system of suspicious transactions reporting, (11) investigations and prosecutions of TF activities in line with the country profile, and (12) implementing an effective TFS regime related to TF and IP as well as risk-based monitoring and supervision of NPOs.

Since June 2021, when Cayman Islands made a high-level political commitment to work with the FATF and GIABGC, Cayman Islands has been working to address the strategic deficiencies that the Caribbean Financial Action Task Force identified in its anti-money laundering/ terrorist financing mutual evaluation report. The FATF urges Cayman Islands to swiftly implement its action plan to address the above-mentioned strategic deficiencies as soon possible on all deadlines agreed in December 2022.

CROATIA

(Statement from June 2023)

In June 2023, Croatia made a high-level political commitment to work with the FATF and MONEYVAL to strengthen the effectiveness of its AML/CFT regime. Since the adoption of its mutual evaluation report, Croatia has made progress on a number of the agreed actions to strengthen its anti-money laundering and terrorist financing framework. Croatia has now completed all its agreed actions. Croatia has demonstrated that it has: (1) implementing its national risk assessment (NRA) priorities, (2) improving and enhancing the use of financial intelligence, (3) ensuring regulation and sharing of confiscated assets with other countries, (4) implementing a risk-based approach to supervision, (5) implementing preventive measures for politically exposed persons (PEPs) and correspondent banking relationships, (6) implementing targeted financial sanctions related to proliferation financing, (7) improving AML/CFT national strategies and policies with the findings of the NRA and monitoring their implementation, (8) ensuring that financial institutions and designated non-financial businesses and professions (DNFBPs) have a clear understanding of their anti-money laundering/ terrorist financing obligations and risks, (9) ensuring risk-based supervision of financial institutions and DNFBPs, (10) implementing an effective system of suspicious transactions reporting, (11) investigations and prosecutions of TF activities in line with the country profile, and (12) implementing an effective TFS regime related to TF and IP as well as risk-based monitoring and supervision of NPOs.

Since June 2021, when Croatia made a high-level political commitment to work with the FATF and MONEYVAL, Croatia has been working to address the strategic deficiencies that MONEYVAL identified in its anti-money laundering/ terrorist financing mutual evaluation report. The FATF urges Croatia to swiftly implement its action plan to address the above-mentioned strategic deficiencies as soon as possible on all deadlines agreed in December 2022.

DEMOCRATIC REPUBLIC OF THE CONGO

Since October 2022, when the DRC made a high-level political commitment to work with the FATF and GIABGC to strengthen the effectiveness of its AML/CFT regime, the DRC has been working to address the strategic deficiencies that the West Africa Regional Group identified in its anti-money laundering/ terrorist financing mutual evaluation report. The DRC has made progress on addressing most of the technical compliance deficiencies in its AML/CFT framework and has expressed its intent to address the strategic deficiencies identified in its mutual evaluation report by adopting its action plan to address the strategic deficiencies, including by: (1) demonstrating the NRA as AML and TF and adopting an AML/CFT national strategy, (2) developing and implementing a risk-based supervision of the banking sector, (3) demonstrating that financial institutions and designated non-financial businesses and professions understand the nature and level of the money laundering and terrorist financing risks, (4) demonstrating effective implementation of TF and IP related TFS.

GIBRALTAR

(Statement from June 2023)

In June 2023, Gibraltar made a high-level political commitment to work with the FATF and MONEYVAL to strengthen the effectiveness of its AML/CFT regime. Since the adoption of its mutual evaluation report, Gibraltar has made progress on a number of the agreed actions to strengthen its anti-money laundering and terrorist financing framework. Gibraltar has now completed all its agreed actions. Gibraltar has demonstrated that it has: (1) implementing its national risk assessment (NRA) priorities, (2) improving and enhancing the use of financial intelligence, (3) ensuring regulation and sharing of confiscated assets with other countries, (4) implementing a risk-based approach to supervision, (5) implementing preventive measures for politically exposed persons (PEPs) and correspondent banking relationships, (6) implementing targeted financial sanctions related to proliferation financing, (7) improving AML/CFT national strategies and policies with the findings of the NRA and monitoring their implementation, (8) ensuring that financial institutions and designated non-financial businesses and professions (DNFBPs) have a clear understanding of their anti-money laundering/ terrorist financing obligations and risks, (9) ensuring risk-based supervision of financial institutions and DNFBPs, (10) implementing an effective system of suspicious transactions reporting, (11) investigations and prosecutions of TF activities in line with the country profile, and (12) implementing an effective TFS regime related to TF and IP as well as risk-based monitoring and supervision of NPOs.

Since June 2021, when Gibraltar made a high-level political commitment to work with the FATF and MONEYVAL, Gibraltar has been working to address the strategic deficiencies that MONEYVAL identified in its anti-money laundering/ terrorist financing mutual evaluation report. The FATF urges Gibraltar to swiftly implement its action plan to address the above-mentioned strategic deficiencies as soon as possible on all deadlines agreed in December 2022.

HAITI

Since June 2021, when Haiti made a high-level political commitment to work with the FATF and CFATF to strengthen the effectiveness of its AML/CFT regime, Haiti has been working towards improving its AML/CFT regime, including by developing risk assessment methodology, by supervising the implementation of high-risk DNFBPs, demonstrating the application of sanctions for AML/CFT noncompliance, and strengthening the capacity of law enforcement in money laundering investigations. Haiti should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) completing the national risk assessment and ensuring that it is used to inform the application of risk-based measures, (2) ensuring that financial institutions and DNFBPs understand their anti-money laundering/ terrorist financing obligations and apply risk-based AML/CFT measures, (3) ensuring that financial institutions and DNFBPs are subject to risk-based supervision, and (4) investigating TF activities in line with the country's risk profile, including by conducting parallel financial investigations, and (5) ensuring that authorities are able to freeze the assets of designated persons and entities without delay, and (6) ensuring that TF targeted financial sanctions are implemented without delay.

JAMAICA

Since February 2020, when Jamaica made a high-level political commitment to work with the FATF and CFATF to strengthen the effectiveness of its AML/CFT regime, Jamaica has been working to address the strategic deficiencies that the CFATF regards Jamaica's remaining strategic deficiencies as minor. Jamaica is now completed its action plan and is now implementing its action plan to address its strategic deficiencies by demonstrating that accurate and up-to-date beneficial ownership information is available to competent authorities, and ensuring that sanctions are applied for violations of AML/CFT requirements.

The FATF again expresses concern that Jamaica failed to complete its action plan, which fully expired in January 2020. The FATF strongly urges Jamaica to swiftly implement its remaining action plan to address the strategic deficiencies that the FATF will consider next steps, which could include calling on its members and urging all jurisdictions to apply enhanced due diligence to business relations and transactions with Jamaica.

JORDAN

Since October 2021, when Jordan made a high-level political commitment to work with the FATF and GIABA to strengthen the effectiveness of its AML/CFT regime, Jordan has been working to address the strategic deficiencies that the MENAFATF identified in its anti-money laundering/ combating the financing of terrorism and proliferation financing mutual evaluation report. Jordan has made progress on addressing most of the technical compliance deficiencies in its AML/CFT framework, and has expressed its intent to address the strategic deficiencies identified in its mutual evaluation report by adopting its action plan to address the strategic deficiencies, including by: (1) demonstrating that NRA priorities and AML/CFT national strategies are informed by the risks identified in the NRA, (2) demonstrating that supervision of financial institutions and DNFBPs is based on risk, and that supervisors have the tools to compel production of information from supervised entities, (3) demonstrating that supervisors are imposing proportionate and dissuasive sanctions against AML/CFT violations, (4) ensuring updated beneficial ownership information is adequate, accurate and timely, (5) demonstrating effective implementation of TF and IP related TFS.

MALI

Since October 2021, when Mali made a high-level political commitment to work with the FATF and GIABA to strengthen the effectiveness of its AML/CFT regime, Mali has been working towards improving its AML/CFT regime, including by developing risk assessment methodology, by supervising the implementation of high-risk DNFBPs, demonstrating the application of sanctions for AML/CFT noncompliance, and strengthening the capacity of law enforcement in money laundering investigations. Mali should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) completing the national risk assessment and ensuring that it is used to inform the application of risk-based measures, (2) ensuring that financial institutions and DNFBPs understand their anti-money laundering/ terrorist financing obligations and risks and apply risk-based AML/CFT measures, (3) ensuring that financial institutions and DNFBPs are subject to risk-based supervision, and (4) investigating TF activities in line with the country's risk profile, including by conducting parallel financial investigations, and (5) ensuring that authorities are able to freeze the assets of designated persons and entities without delay, and (6) ensuring that TF targeted financial sanctions are implemented without delay.

MOZAMBIQUE

In October 2022, Mozambique made a high-level political commitment to work with the FATF and ESAAMLG to strengthen the effectiveness of its AML/CFT regime. Mozambique has been working towards improving its AML/CFT regime, including by completing its national risk assessment, developing a risk-based supervision of the banking sector, demonstrating the application of sanctions for violations of AML/CFT requirements, and demonstrating an increase in the dissemination of financial intelligence by the FIU and its use by LEAs. Mozambique is expected to continue to: (1) demonstrating a sustained increase in ML investigations and prosecutions in line with its risk profile, (2) demonstrating that competent authorities are seizing and confiscating criminal proceeds, (3) demonstrating a sufficient number of STR reports, analysis and disclosures, (4) demonstrating sustained increase in investigations and prosecutions of dangerous legislative AT activities in line with risk and enhancing interagency cooperation on TF investigations, and (5) conducting risk-based and targeted outreach to NPOs at risk of TF abuse and implementing risk-based monitoring for the subset of NPOs at risk of TF abuse without disrupting or discouraging legitimate NPO activities.

PHILIPPINES

In June 2021, the Philippines made a high-level political commitment to work with the FATF and APG to strengthen the effectiveness of its AML/CFT regime. Since the adoption of its mutual evaluation report, the Philippines has been working to address its strategic deficiencies. The Philippines has fully effected its national assessment of ML/TF risks, demonstrating that it understands the risks facing AML/CFT practitioners, enhanced risk-based supervision of DNFBPs, and demonstrating and absenteeming LEA access to BO information and taking steps to ensure that BO information is accurate and up-to-date. The Philippines should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) enhancing understanding of the ML/TF risk associated with foreign customers, (2) demonstrating a comprehensive review of its AML/CFT framework, and (3) demonstrating a sustained increase in ML investigations and prosecutions in line with its risk profile, (4) improving risk-based supervision of DNFBPs and demonstrating that all supervisors are applying a risk-based approach to supervision, (5) demonstrating that competent authorities are seizing and confiscating criminal proceeds, (6) demonstrating a sufficient number of STR reports, analysis and disclosures, (7) demonstrating sustained increase in investigations and prosecutions of dangerous legislative AT activities in line with risk and enhancing interagency cooperation on TF investigations, and (8) conducting risk-based and targeted outreach to NPOs at risk of TF abuse and implementing risk-based monitoring for the subset of NPOs at risk of TF abuse without disrupting or discouraging legitimate NPO activities.

SOUTH AFRICA

Since February 2021, when South Africa made a high-level political commitment to work with the FATF and ESAAMLG to strengthen the effectiveness of its AML/CFT regime, South Africa has been steps towards improving its AML/CFT regime including by addressing technical deficiencies in its AML/CFT framework and by enhancing its ML investigations and prosecutions. South Africa should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) demonstrating increased ML investigations and prosecutions of high-risk crimes, (2) demonstrating that authorities are seizing and confiscating criminal proceeds, (3) demonstrating a sustained increase in ML investigations and prosecutions of TF activities in line with its risk profile, (4) improving risk-based supervision of DNFBPs and demonstrating that all supervisors are applying a risk-based approach to supervision, (5) demonstrating that financial institutions and DNFBPs are applying risk-based AML/CFT measures, (6) demonstrating a sustained increase in law enforcement agencies' requests for financial intelligence from the FIC to support investigations, (7) demonstrating that authorities are identifying, investigating and prosecuting ML cases in a manner consistent with their's risk profile, (8) demonstrating that authorities are seizing and confiscating the proceeds of crime, (9) addressing the technical deficiencies in its AML/CFT framework, including on beneficial ownership, and (10) conducting appropriate risk-based monitoring of NPOs vulnerable to TF abuse without disrupting or discouraging legitimate NPO activities.

The FATF notes South's continued progress in addressing its action plan, however all deadlines have now expired and work remains. The FATF encourages South Africa to continue to implement its action plan to address the above-mentioned strategic deficiencies as soon as possible on all deadlines expired in September 2022.

SOUTH SUDAN

Since February 2021, when South Sudan made a high-level political commitment to work with the FATF and ESAAMLG to strengthen the effectiveness of its AML/CFT regime, South Sudan has been working towards improving its AML/CFT regime including by addressing technical deficiencies in its AML/CFT framework and by enhancing its MTBs falling within the FATF's definition of MVTS. South Sudan should continue to work on implementing its action plan, including by: (1) conducting a comprehensive review of its AML/CFT Act (2015), with the support of international partners, including technical assistance, to comply with the FATF Standards, (2) securing a sector risk assessment, (3) implementing the 1995 Foreign Exchange Act (1995) Parallel Currency Market, and (4) ensuring that authorities are suitably educated and sensitized on the requirements of the AML/CFT Act (2012) and the Foreign Exchange Act (1995) and the implications of non-compliance, (5) ensure that authorities are able to freeze assets without delay, (6) ensure that authorities are able to seize and confiscate proceeds of crime, (7) ensure that authorities are able to identify, trace, value, and confiscate proceeds of crime, (8) ensure that authorities are able to freeze assets without delay, (9) ensure that authorities are able to identify, trace, value, and confiscate proceeds of crime, (10) ensure that authorities are able to freeze assets without delay, (11) ensure that authorities are able to identify, trace, value, and confiscate proceeds of crime, (12) ensure that authorities are able to freeze assets without delay,