

## **Outcome of the FATF Plenary and Working Group Meetings in October 2020**

Subsequent to the Financial Action Task Force (FATF) Plenary and Working Group meetings held virtually in October 2020, FATF issued (a) a public statement on high-risk jurisdictions subject to a call for action; and (b) a document titled "Jurisdictions under Increased Monitoring". Details are as follows -

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

A [\*FATF Statement on High Risk Jurisdictions Subject to a Call for Action\*](#) was published on 23 October 2020. On 2 August 2020, the FATF decided to pause the review process for the list of high-risk jurisdictions subject to a call for action. Therefore, members are advised to refer to the [\*statement on these jurisdictions adopted in February 2020\*](#). While the statement may not necessarily reflect the most recent status in Iran and the Democratic People's Republic of Korea's anti-money laundering (AML)/counter-terrorist financing (CFT) regime, the FATF's call for action on these two high-risk jurisdictions remains in effect.

To recap, the Democratic People's Republic of Korea is subject to a FATF call on its members and other jurisdictions to apply counter-measures to protect the international financial system from the on-going and substantial money laundering and terrorist financing risks emanating from the jurisdiction.

Meanwhile, Iran is subject to a FATF call on its members and other jurisdictions to apply, in line with Recommendation 19<sup>Note</sup> (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.

<sup>Note</sup> *According to Recommendation 23, (DNFBPs) should be required to comply with the higher-risk countries requirements set out in Recommendation 19.*

## **(ii) Jurisdictions under Increased Monitoring**

In another document titled [\*Jurisdictions under Increased Monitoring\*](#), the FATF gave the option for jurisdictions publicly identified to not report at the meeting given their focus on addressing the impact of the COVID-19 pandemic. The following countries chose to report: Albania, Botswana, Cambodia, Ghana, Mauritius, Pakistan and Zimbabwe. For these countries, updated statements are provided. The following countries deferred their reporting: Barbados, Jamaica, Myanmar, Nicaragua, Panama and Uganda. The statements issued in February 2020 for these jurisdictions are included, but they may not necessarily reflect the most recent status of the jurisdiction's AML/CFT regime.

You may wish to note that Iceland and Mongolia are no longer subject to increased monitoring by the FATF.

(10 November 2020)