Financial Action Task Force ♦ Groupe d'action financière

FATF Statement

25 February 2009

IRAN

The FATF welcomes Iran's initial engagement with the international community on money laundering. However, the FATF remains concerned by Iran's failure to meaningfully address the ongoing and substantial deficiencies in its anti-money laundering and combating the financing of terrorism (AML/CFT) regime. The FATF remains particularly concerned about Iran's failure to address the risk of terrorist financing and the serious threat this poses to the integrity of the international financial system. The FATF urges Iran to immediately and meaningfully address its AML/CFT deficiencies, in particular by criminalising terrorist financing and effectively implementing suspicious transaction reporting (STR) requirements.

The FATF reaffirms its call on members and urges all jurisdictions to advise their financial institutions to give special attention to business relationships and transactions with Iran, including Iranian companies and financial institutions. In addition to enhanced scrutiny, the FATF further calls on its members and urges all jurisdictions to apply effective counter-measures to protect their financial sectors from money laundering and financing of terrorism (ML/FT) risks emanating from Iran. Jurisdictions should also protect against correspondent relationships being used to bypass or evade counter-measures and risk mitigation practices, and take into account ML/FT risks when considering requests by Iranian financial institutions to open branches and subsidiaries in their jurisdiction.

The FATF remains prepared to engage directly in assisting Iran to address its AML/CFT deficiencies, including through the FATF Secretariat.

UZBEKISTAN

The FATF welcomes the process undertaken by Uzbekistan to adopt comprehensive AML/CFT measures within a specific timeframe. Nevertheless, given that concrete measures to address the identified deficiencies have not yet been implemented, the FATF reiterates its statement of 16 October 2008, calling on its members and urging all jurisdictions to strengthen preventive measures to protect their financial sectors from the ML/FT risk emanating from Uzbekistan.

TURKMENISTAN

Despite a prolonged dialogue with the FATF and other international institutions, Turkmenistan has not yet made progress in adopting AML legislation. Financial institutions should remain aware that the lack of an AML/CFT regime in Turkmenistan constitutes an ML/FT vulnerability in the international financial system and should take appropriate measures to address this risk. Turkmenistan is urged to adopt without further delay a comprehensive AML/CFT regime that meets international AML/CFT standards. Turkmenistan is encouraged to continue to work closely with the Eurasian Group and the International Monetary Fund to achieve this.

PAKISTAN

The FATF reaffirms its public statement of 28 February 2008 regarding the ML/FT risks posed by Pakistan. The FATF welcomes the process underway in Pakistan to improve its AML/CFT regime. The FATF encourages Pakistan to continue to fully co-operate with the World Bank and the Asia Pacific Group on Money Laundering (APG) on its mutual evaluation process

SÃO TOMÉ AND PRÍNCIPE

The FATF welcomes São Tomé and Príncipe's recent steps toward addressing identified AML deficiencies, in particular, through the adoption of an AML law in November 2008. The FATF urges São Tomé and Príncipe to address the remaining AML/CFT deficiencies, particularly relating to terrorist financing.

Notes:

1. For further information, journalists are invited to contact Helen Fisher, OECD Media Relations, (Tel: +33 1 45 24 80 97 or helen.fisher@oecd.org) or the FATF Secretariat, 2, rue André-Pascal, 75775 Paris Cedex 16 (tel: +33 1 45 24 90 90, fax: +33 1 44 30 61 37, email: contact@fatf-gafi.org).

2. The FATF is an inter-governmental body whose purpose is the development and promotion of policies, both at national and international levels, to combat money laundering and terrorist financing. The FATF Secretariat is housed at the OECD.

3. The thirty-four members of the FATF are: Argentina; Australia; Austria; Belgium; Brazil; Canada; China; Denmark; the European Commission; Finland; France; Germany; Greece; the Gulf Co-operation Council; Hong Kong, China; Iceland; Ireland; Italy; Japan; Luxembourg; Mexico; the Kingdom of the Netherlands; New Zealand; Norway; Portugal; the Russian Federation; Singapore; South Africa; Spain; Sweden; Switzerland; Turkey; the United Kingdom; and the United States.

4. India and the Republic of Korea are observer countries. The Asia Pacific Group on Money Laundering (APG)[1], the Caribbean Financial Action Task Force (CFATF)[2], the Grupo de Acción Financiera de Sudamérica (GAFISUD)[3], the Middle East and North Africa Financial Action Task Force (MENAFATF)[4] and the Council of Europe Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL)[5] are Associate Members.

5. The global network that is committed to combating money laundering and terrorist financing also includes three other regional bodies: the Eastern and South African Anti Money Laundering Group (ESAAMLG)[6], the Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG)[7] and the Groupe Inter-gouvernemental d'Action Contre le Blanchiment en Afrique (GIABA)[8]. The Offshore Group of Banking Supervisors (OGBS)[9] is a part of this network as well.

[1] www.apgml.org
[2] www.cfatf.org
[3] www.gafisud.org
[4] www.menafatf.org
[5] www.coe.int/moneyval
[6] www.esaamlg.org
[7] www.eurasiangroup.org
[8] www.giaba.org
[9] www.ogbs.net