

Financial Intelligence Unit

Circular

Financial Action Task Force (FATF) “Black-List”

High-Risk Jurisdictions subject to a Call for Action – June 2021

High-risk jurisdictions are jurisdictions that have significant strategic deficiencies in their regimes to counter money laundering, terrorist financing and proliferation financing.

For all countries identified as high-risk, the FATF calls on all members and urges all jurisdictions to apply enhanced due diligence, and in the most serious cases, countries are called upon to apply counter-measures to protect the international financial system from the ongoing money laundering, terrorist financing, and proliferation financing (ML/TF/PF) risks emanating from the country. This list is often externally referred to as the “black-list”.

Since February 2020, considering the COVID-19 pandemic, the FATF has paused the review process for countries in the list of High-Risk Jurisdictions subject to a Call for Action, given that they are already subject to the FATF’s call for countermeasures. Therefore, please refer to the statement on these jurisdictions adopted in February 2020. While the statement may not necessarily reflect the most recent status of Iran and the Democratic People’s Republic of Korea’s AML/CFT regimes, the FATF’s call for action on these high-risk jurisdictions remains in effect.

FATF’s statement in relation **Democratic People’s Republic of Korea (DPRK) adopted in February 2020:**

The FATF remains concerned by the DPRK’s failure to address the significant deficiencies in its anti-money laundering and combating the financing of terrorism (AML/CFT) regime and the serious threats they pose to the integrity of the international financial system. The FATF has urged the DPRK to immediately and meaningfully address its AML/CFT deficiencies. Further, FATF has serious concerns with the threat posed by DPRK’s illicit activities related to the proliferation of weapons of mass destruction (WMDs) and its financing.

Reporting entities are therefore advised to give special attention to business relationships and transactions with the DPRK, including DPRK companies, financial institutions and those acting on their behalf, and wherever and whenever it is required, to comply with the applicable provisions

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of sections 68A(1) to (4) and 68E(1) to (4) of the AML/CFT Act 2009 as amended, relating to targeted financial sanctions.

FATF also urged jurisdictions to take necessary measures to close existing branches, subsidiaries and representative offices of DPRK banks within their territories and terminate correspondent relationships with DPRK banks, where required by relevant UNSC resolutions.

FATF's statement in relation to **Iran**

Reporting entities are advised to continue to apply enhanced due diligence with respect to business relationships and transactions with natural and legal persons from Iran, including: (i) obtaining information on the reasons for intended transaction(s); and (ii) conducting enhanced monitoring of business relationships, by increasing the number and timing of controls applied, and selecting patterns of transactions that need further examination.

Reporting entities should take the FATF statement into account when considering whether a particular transaction should be reported to the Financial Intelligence Unit (FIU) as a suspicious transaction under Section 18(4) of the Anti-Money Laundering and Countering the Financing of Terrorism (AMLCFT) Act 2009. Where a transaction is reportable under Regulation 12 of Regulations 2010 (made under the AMLCFT Act) as a threshold transaction, reporting entities should remember that a suspicious transaction report may be required in addition to the threshold report, where suspicion or reasonable grounds for suspicion exist that the funds, transaction or attempted transaction are linked or related to money laundering or terrorist financing offences, or the funds are linked to or is to be used for terrorist acts or by terrorist organisations.

Reporting entities should be aware that the application of enhanced due diligence and countermeasures on DPRK and Iran may differ from country to country and that such measures may have implications for reporting entities in Guyana dealing with these high-risk jurisdictions.

The FATF's publication of February 21, 2020 in relation to *High-Risk Jurisdictions subject to a Call for Action* can be viewed via the FATF website at <http://www.fatf-gafi.org>.

Note:

The information contained in this document is intended only to provide a summary and general overview on these matters. It is not intended to be comprehensive. It does not constitute, nor should it be treated as, legal advice or opinion.