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Financial Intelligence Unit

Circular

Financial Action Task Force (FATF) Public Statement of October 19, 2018 relating to high-risk and non-cooperative jurisdictions.

On October 19, 2018 the Financial Action Task Force (FATF), the global standard setting body for anti-money laundering and combating the financing of terrorism (AML/CFT), issued an updated statement on "Jurisdictions that have strategic deficiencies in their anti-money laundering and combatting the financing of terrorism (AML/CFT) regime. This statement lists those jurisdictions in two categories and effectively replaces any earlier statements regarding those jurisdictions.

Category (I) - Jurisdictions 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 (ML/FT) risks.

- **Democratic People's Republic of Korea (DPRK)**

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 urges 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 advised to give special attention to business relationships and transactions with the DPRK, including DPRK companies, financial institutions and those acting on their behalf.

Reporting entities should be aware that the imposition of countermeasures on DPRK may differ from country to country and that such measures may have implications for reporting entities in Guyana dealing with DPRK.

Financial Intelligence Unit
Ministry of Finance Compound
49 Main & Urquhart Streets
Georgetown, Guyana
Tel: 592-231-6781 Email: info@fiu.gov.gy

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Category (II) - Jurisdictions 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

- **Iran**

Reporting entities are advised to continue to apply enhanced due diligence, including obtaining information on the reasons for intended transactions, to business relationships and transactions with natural and legal persons from Iran, consistent with FATF Recommendation 19.

Reporting entities should be aware that the application of enhanced due diligence may differ from country to country and that such measures may have implications for reporting entities in Guyana dealing with Iran.

A copy of the updated FATF statement of October 19, 2018 can also be viewed via the FATF website at http://www.fatf-gafi.org.

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 grounds for suspicion exist.

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.