

Financial Intelligence Unit

Circular

Jurisdictions under Increased Monitoring – February 23, 2024

Financial Action Task Force (FATF) ‘Grey List’

Jurisdictions under increased monitoring are jurisdictions that are actively working with the FATF to address strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing and have committed to resolve swiftly, the identified strategic deficiencies within agreed timeframes.

Jurisdictions with strategic AML/CFT deficiencies and are under increased monitoring are as follows:

<i>Bulgaria</i>	<i>Kenya</i>	<i>South Africa</i>
<i>Burkina Faso</i>	<i>Mozambique</i>	<i>South Sudan</i>
<i>Cameroon</i>	<i>Namibia</i>	<i>Syria</i>
<i>Croatia</i>	<i>Nigeria</i>	<i>Tanzania</i>
<i>Democratic Republic of Congo</i>	<i>Mali</i>	<i>Turkey</i>
<i>Haiti</i>	<i>Philippines</i>	<i>Vietnam</i>
<i>Jamaica</i>	<i>Senegal</i>	<i>Yemen</i>

New jurisdiction subject to increased monitoring is BULGARIA.

Due to the COVID-19 pandemic, the FATF continues to provide some flexibility to jurisdictions not facing immediate deadlines to report progress on a voluntary basis. The following countries had their progress reviewed by the FATF since October 2023:

<i>Barbados</i>	<i>Democratic Republic of Congo</i>	<i>Mozambique</i>	<i>South Africa</i>	<i>UAE</i>
<i>Bulgaria</i>	<i>Gibraltar</i>	<i>Nigeria</i>	<i>South Sudan</i>	<i>Uganda</i>
<i>Faso</i>	<i>Jamaica</i>	<i>Philippines</i>	<i>Tanzania</i>	
<i>Croatia</i>	<i>Mali</i>	<i>Senegal</i>	<i>Turkey</i>	

The FATF and FATF-style regional bodies (FSRBs) continue to work with the jurisdictions with strategic AML/CFT deficiencies listed above as they report on the progress made in addressing their strategic deficiencies.

No. 1

February 29, 2024

The FATF calls on these jurisdictions to complete their action plans expeditiously and within the agreed timeframes. FATF will continue to closely monitor their progress.

While the FATF does not call for the application of enhanced due diligence measures to be applied to these jurisdictions, the FATF calls for the application of a risk-based approach and encourages its members and all jurisdictions to consider the information presented in the full statement “*Jurisdictions under Increased Monitoring – October 27, 2023*” in their risk analysis.

Jurisdictions no longer subject to increased monitoring by FATF:

BARBADOS

The FATF welcomes Barbados’ significant progress in improving its AML/CFT regime. Barbados strengthened the effectiveness of its AML/CFT regime to meet the commitments in its action plan regarding the strategic deficiencies that the FATF identified in February 2020, including (1) demonstrating it effectively applies risk-based supervision for FIs and DNFBPs; (2) taking appropriate measures to prevent legal persons and arrangements from being misused for criminal purposes, and ensuring that accurate updated beneficial ownership information is available on a timely basis; (3) increasing the capacity of the FIU to improve the quality of its financial information to further assist LEAs in investigating ML or TF; (4) demonstrating that money laundering investigations and prosecutions are in line with the country’s risk profile and reducing the backlog in the adjudication of criminal cases, in particular ML cases involving confiscation, and demonstrating the application of sanctions when appropriate; and (5) further pursuing confiscation in ML, including by seeking assistance from foreign counterparts. Barbados is therefore no longer subject to the FATF’s increased monitoring process.

GIBRALTAR

The FATF welcomes Gibraltar’s significant progress in improving its AML/CFT regime. Gibraltar strengthened the effectiveness of its AML/CFT regime to meet the commitments in its action plan regarding the strategic deficiencies that the FATF identified in June 2022 including by (1) applying effective, proportionate, and dissuasive sanctions for AML/CFT breaches in non-bank financial institutions and DNFBPs sectors; and (2) pursuing final confiscation judgments commensurate with the risk and context of Gibraltar. Gibraltar is therefore no longer subject to the FATF’s increased monitoring process.

UGANDA

The FATF welcomes Uganda's significant progress in improving its AML/CFT regime. Uganda strengthened the effectiveness of its AML/CFT regime to meet the commitments in its action plan regarding the strategic deficiencies that the FATF identified in February 2020 including by: (1) adopting a national AML/CFT strategy; (2) enhancing the use of MLA and maintaining statistics; (3) developing risk-based supervision of the financial and DNFBP sectors; (4) assessing the ML/TF risks related to legal persons and ensuring that competent authorities have timely access to accurate basic and beneficial ownership information; (5) pursuing ML investigations and prosecutions, applying ML charges consistent with the country's risk profile and establishing procedures to trace and seize proceeds of crimes; (6) demonstrating an ability to conduct TF investigation and prosecution; (7) addressing the technical deficiencies in the legal framework to implement PF-related TFS; (8) developing an outreach and risk-based oversight plan to protect its NPO sector from potential TF abuse. Uganda is therefore no longer subject to the FATF's increased monitoring process.

UNITED ARAB EMIRATES

The FATF welcomes the UAE's significant progress in improving its AML/CFT regime. The UAE strengthened the effectiveness of its AML/CFT regime to meet the commitments in its action plan regarding the strategic deficiencies that the FATF identified in February 2022 including by: (1) increasing outbound MLA requests to facilitate ML/TF investigations; (2) improving understanding of ML/TF risks of DNFBP supervisors, applying effective and proportionate sanctions for AML/CFT noncompliance involving FIs and DNFBPs, and increasing STR filing for those sectors; (3) developing a better understanding of risk of abuse of legal persons and implementing risk-based mitigating measures to prevent their abuse; (4) providing additional resources to the FIU to increase its capacity to provide financial intelligence to LEA and making greater use of financial intelligence, including from foreign counterparts, to pursue high-risk ML threats; (5) increasing investigations and prosecution of ML; (6) ensuring effective implementation of TFS through sanctioning noncompliance among reporting entities and demonstrating a better understanding of UN sanctions evasion among the private sector. The UAE is therefore no longer subject to the FATF's increased monitoring process.

The FATF encourages these countries to continue to work with their respective FSRB (*CFATF*, *MONEYVAL*, *ESAAMLG* and *MENAFATF* respectively) to further improve their AML/CFT systems.

Please refer to the FATF's publication of February 23, 2024 at <https://www.fatf-gafi.org/en/publications/High-risk-and-other-monitored-jurisdictions/Increased-monitoring-february-2024.html> for the updated and complete statements on these jurisdictions.

No. 1
February 29, 2024



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 of 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, and 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.

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 opinions.