



An effective system to combat money laundering and terrorist financing

The purpose of implementing anti-money laundering and counter-terrorist financing (AML/CFT) measures is to protect the financial system from abuse. A country's efforts in developing sound laws and regulations and implementing and enforcing them should focus on one goal, the high-level objective of an effective AML/CFT framework:

High-Level Objective

Financial systems and the broader economy are protected from the threats of money laundering and the financing of terrorism and proliferation, thereby strengthening financial sector integrity and contributing to safety and security.

This objective can only be achieved if the components of a country's AML/CFT framework are operating well together. The intermediate outcomes below represent the thematic goals of an AML/CFT system that is effectively protecting financial sector integrity and contributing to safety and security.

Intermediate outcomes



To achieve these intermediate outcomes, the FATF has identified 11 key goals that an effective AML/CFT framework should achieve. These key goals or ‘immediate outcomes’ are organised by thematic goal. During its mutual evaluations, the FATF will assess the effectiveness of a country’s efforts against each of these 11 immediate outcomes.

The extent to which a country implements the technical requirements of each of the FATF Recommendations remains important, they are after all the building blocks for an effective framework to protect the financial system.

But, adopting compliant laws and regulations is not sufficient. Each country must enforce these measures, and ensure that the operational, law enforcement and legal components of an AML/CFT system work together effectively to deliver results: the 11 immediate outcomes.

During an assessment, the FATF will look for evidence that demonstrates how well all these components are working together in the context of the risks that the country is exposed to.

Immediate outcomes



1 | Risk, Policy and Coordination
Money laundering and terrorist financing risks are understood and, where appropriate, actions coordinated domestically to combat money laundering and the financing of terrorism and proliferation.

2 | International cooperation
International cooperation delivers appropriate information, financial intelligence, and evidence, and facilitates action against criminals and their assets.

3 | Supervision
Supervisors appropriately supervise, monitor and regulate financial institutions and DNFBPs for compliance with AML/CFT requirements commensurate with their risks



4 | Preventive measures
Financial institutions and DNFBPs adequately apply AML/CFT preventive measures commensurate with their risks, and report suspicious transactions.

5 | Legal persons and arrangements
Legal persons and arrangements are prevented from misuse for money laundering or terrorist financing, and information on their beneficial ownership is available to competent authorities without impediments

6 | Financial intelligence
Financial intelligence and all other relevant information are appropriately used by competent authorities for money laundering and terrorist financing investigations.

7 | Money laundering investigation & prosecution
Money laundering offences and activities are investigated and offenders are prosecuted and subject to effective, proportionate and dissuasive sanctions.

8 | Confiscation
Proceeds and instrumentalities of crime are confiscated.

9 | Terrorist financing investigation & prosecution
Terrorist financing offences and activities are investigated and persons who finance terrorism are prosecuted and subject to effective, proportionate and dissuasive sanctions.



10 | Terrorist financing preventive measures & financial sanctions
Terrorists, terrorist organisations and terrorist financiers are prevented from raising, moving and using funds, and from abusing the NPO sector.

11 | Proliferation financial sanctions
Persons and entities involved in the proliferation of weapons of mass destruction are prevented from raising, moving and using funds, consistent with the relevant UNSCRs.