



The Compliance Commission of The Bahamas

NOTICE

Re: FATF PLENARY OUTCOMES, JURISDICTIONS UNDER INCREASED MONITORING, JURISDICTIONS SUBJECT TO A CALL OF ACTION, THE SUSPENSION OF THE RUSSIAN FEDERATION CONTINUES TO STAND- OCTOBER 30TH 2024

Dear Registrant,

The Compliance Commission wishes to inform registrants that the Financial Action Task Force (FATF), an intergovernmental body that establishes international standards for money laundering, countering the financing of terrorism and countering the financing of proliferation of weapons of mass destruction (AML/CFT/CPF), concluded its plenary meeting on October 25th, 2024.

The FATF achieved a significant milestone in approving the last two assessment reports in the FATF's fourth cycle of assessments, the joint FATF-GAFILAT assessment of the Argentine Republic (Argentina) and the joint FATF/MENAFATF assessment of the Sultanate of Oman (Oman). The FATF will now focus on its new round which will deliver more focused, risk-based mutual evaluations.

Members agreed to release for public consultation proposed revisions to the standards related to FATF's ongoing focus on financial inclusion. FATF also approved new guidance on national risk assessments to support countries to understand the illicit finance risks they face.

Strategic Initiatives

National Risk Assessment

The risk-based approach is at the core of the FATF Recommendations and effective measures to tackle the trillions of dollars of financial flows that fuel crime and terror. A risk assessment is key to a country being able to identify, assess, and understand the risks it faces so that it can direct its resources where it makes the greatest impact.

The FATF has revised its guidance for a national money laundering risk assessment to reflect experiences and lessons it has learnt since 2013, when the guidance was first issued. The guidance will help countries, and in particular low-capacity countries, understand and mitigate their illicit finance risks. The guidance benefits from the experience of over 90 countries across the FATF Global Network facing different risks, challenges and at various levels of capacity.

Financial Inclusion and the Risk-based Approach

At this Plenary, members agreed to release for public consultation proposed revisions to the FATF Standards (mainly Recommendation 1 on assessing risk and applying a risk-based approach) to support financial inclusion.

This work was carried out as a result of the FATF Stocktake report on mitigating the Unintended Consequences of the FATF Standards, which concluded that the flexibility envisaged under the FATF's risk-based approach is not being fully used. The revisions aim to encourage countries to allow simplified measures as appropriate where countries assess risks to be lower.

The FATF aims to finalise these revisions and guidance to support this work in 2025.

Compliance with the FATF Standards

Jurisdictions under Increased Monitoring

At the conclusion of the Plenary, the FATF now also identifies Algeria, Angola, Côte d'Ivoire and Lebanon to the list of jurisdictions subject to increased monitoring.

The FATF in a public statement advised of its jurisdictions under increased monitoring (Grey List) that are actively working to address strategic deficiencies in their anti-money laundering and counterterrorist financing (AML/CTF) regimes that have committed to resolving swiftly the identified strategic deficiencies within agreed timeframes and is subject to increased monitoring. This list is often externally referred to as the "grey list".

The FATF does not call for the application of enhanced due diligence measures to be applied to these jurisdictions but calls for the application of a risk-based approach. Therefore, the FATF encourages its members and all jurisdictions to consider the information presented below in their risk analysis.

Jurisdictions Under Increased Monitoring were identified as: Algeria, Angola, Bulgaria, Burkina Faso, Cameroon, Côte d'Ivoire, Croatia, Democratic Republic of the Congo, Haiti, Kenya,

Lebanon, Mali, Monaco, Mozambique, Namibia, Nigeria, Philippines, South Africa, South Sudan, Syria, Tanzania, Venezuela, Vietnam, Yemen.

Please see link to Jurisdictions Under Increased Monitoring FATF Press Release: [Jurisdictions under Increased Monitoring - 25 October 2024](#)

Jurisdictions no Longer under Increased Monitoring- Senegal

The FATF plenary congratulated Senegal for their significant progress in addressing the strategic AML/CFT deficiencies previously identified during its mutual evaluations. Senegal has completed its Action Plans to resolve the identified strategic deficiencies within agreed timeframes and will no longer be subject to the FATF's increased monitoring process.

Jurisdictions subject to a call for action

Regarding the FATF identified High Risk Jurisdictions subject to a call for action, the Democratic People's Republic of Korea (DPRK) and Iran remain on the list of jurisdictions subject to a call for action to apply counter-measures. The FATF reiterated its concerns over the DPRK continued failure to address the significant deficiencies in its AML/CFT regime and the serious threats posed by the DPRK's illicit activities related to the proliferation of weapons of mass destruction and its financing. In particular, the FATF notes that the DPRK has increased connectivity with the international financial system, which raises proliferation financing risks.

All countries identified as high-risk by the FATF are subject to enhanced due diligence, and, in the most serious cases, countries are called upon to apply counter-measures to protect the international financial system from 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". Myanmar is still subject to the application of enhanced due diligence but not countermeasures.

Please see link to Jurisdictions subject to a call for action FATF Press Release: [High-Risk Jurisdictions subject to a Call for Action - 25 October 2024](#)

FATF Recommendation 19 specifies examples of the countermeasures that could be undertaken by countries.

<https://www.fatf-gafi.org/content/dam/fatf-gafi/recommendations/FATF%20Recommendations%202012.pdf.coredownload.inline.pdf>

Link to Interpretive Note to Recommendation 19 (Higher-Risk Countries) [https://www.fatf-](https://www.fatf-gafi.org/content/dam/fatf-)

[gafi/recommendations/FATF%20Recommendations%202012.pdf.coredownload.inline.pdf](https://www.fatf-gafi.org/content/dam/fatf-gafi/recommendations/FATF%20Recommendations%202012.pdf.coredownload.inline.pdf)

The suspension of the FATF membership of the Russian Federation continues to stand

<https://www.fatf-gafi.org/en/publications/Fatfgeneral/fatf-statement-russian-federation.html>

Thank you for your careful attention to this matter.

Yours Truly,

A handwritten signature in black ink, appearing to read "A Strachan". The signature is stylized with a large initial "A" and a cursive "Strachan".

Andrew Strachan
Inspector of The Compliance Commission