4th Follow-Up Report

Mutual Evaluation
of Myanmar

August 2022

The Asia/Pacific Group on Money Laundering (APG) is an inter-governmental organisation consisting of 41 members in the Asia-Pacific region, as well as organisations, and observers from outside the region.

Under Article 1 of the APG Terms of Reference 2019, the APG is a non-political, technical body, whose members are committed to the effective implementation and enforcement of the internationally accepted standards against money laundering, financing of terrorism and proliferation financing set by the Financial Action Task Force.

This document, any expression herein, and/or any map included herein, are without prejudice to the status of, or sovereignty over, any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

Under the APG Terms of Reference, membership in the APG is open to jurisdictions which have a presence in the Asia-Pacific region.

For more information about the APG, please visit the website: www.apgml.org

MYANMAR: 4TH ENHANCED EXPEDITED FOLLOW-UP REPORT FEBRUARY 2022
Adopted 27 July 2022

I.   INTRODUCTION

1.   The mutual evaluation report (MER) of Myanmar was published in October 2018.

2.   This FUR analyses the progress of Myanmar in addressing the technical compliance requirements of the recommendations being re-rated. Technical compliance re-ratings are given where sufficient progress has been demonstrated.

3.   This report does not analyse any progress Myanmar has made to improve its effectiveness.

4.   The assessment of Myanmar's request for technical compliance re-ratings and the preparation of this report was undertaken by the following experts:
- *Mr Yusuke Yatsu, Ministry of Finance, Japan*
- *Sh Arvind Saran, Ministry of Finance, India*

5.   Section III of this report summarises the progress made to improve technical compliance. Section IV contains the conclusion and a table illustrating Myanmar's current technical compliance ratings.

II.   FINDINGS OF THE MUTUAL EVALUATION REPORT & FOLLOW-UP

6.   Myanmar's MER ratings[1] and updated ratings based on earlier FURs[2] are as follows:

R.	Rating	R.	Rating
1	**PC** (2018 MER) ↑ **LC** (2019 Feb FUR)	21	**LC** (2018 MER)
2	**LC** (2018 MER)	22	**PC** (2018 MER) ↑ **LC** (2021 Feb FUR)
3	**C** (2018 MER)	23	**PC** (2018 MER) ↑ **LC** (2021 Feb FUR)
4	**LC** (2018 MER)	24	**NC** (2018 MER) ↑ **PC** (2020 Feb FUR)
5	**LC** (2018 MER)	25	**NC** (2018 MER)
6	**LC** (2018 MER)	26	**PC** (2018 MER)
7	**NC** (2018 MER)	27	**C** (2018 MER)
8	**PC** (2018 MER)	28	**NC** (2018 MER)
9	**C** (2018 MER)	29	**PC** (2018 MER)
10	**PC** (2018 MER) ↑ **LC** (2020 Feb FUR)	30	**LC** (2018 MER)
11	**C** (2018 MER)	31	**LC** (2018 MER)

---

[1] There four possible levels of technical compliance are: compliant (C), largely compliant (LC), partially compliant (PC), and non-compliant (NC). Effectiveness ratings for the 11 Immediate Outcomes are: Low, Moderate (Mod), Substantial or High.
[2] Current ratings and the year confirmed are indicated based on the original MER or follow-up re-ratings.

12	PC (2018 MER) ↑ LC (2020 Feb FUR)	32	PC (2018 MER)
13	PC (2018 MER) ↑ LC (2020 Feb FUR)	33	PC (2018 MER)
14	NC (2018 MER) ↑ PC (2020 Feb FUR)	34	PC (2018 MER)
15	LC (2018 MER) ↓ PC (2020 Feb FUR)	35	PC (2018 MER)
16	LC (2018 MER)	36	PC (2018 MER)
17	C (2018 MER)	37	PC (2018 MER)
18	C (2018 MER) ↓ LC (2019 Feb FUR)	38	PC (2018 MER)
19	NC (2018 MER) ↑ PC (2019 Feb FUR) ↑ C (2021 Feb FUR)	39	PC (2018 MER)
20	C (2018 MER)	40	LC (2018 MER)

IO 1	IO 2	IO 3	IO 4	IO 5	IO 6	IO 7	IO 8	IO 9	IO 10	IO 11
Low	Low	Low	Low	Low	Mod.	Low	Low	Low	Low	Low

7. Given these results, Myanmar remained on enhanced expedited follow-up as of the last FUR[3].

III. OVERVIEW OF PROGRESS TO IMPROVE TECHNICAL COMPLIANCE

8. In keeping with the APG Mutual Evaluation Procedures, this FUR considers progress made up until 1 February 2022. In line with the ME Procedures and FATF Methodology, the review team analysis has considered progress to address the deficiencies identified in the MER and the entirety (all criteria) of each Recommendation under review, noting that this is cursory where the legal, institutional or operational framework is unchanged since the MER or previous FUR.

9. This section summarises the progress made by Myanmar to improve its technical compliance by implementing requirements in place at the time of the MER.

3.1. Progress to address technical compliance deficiencies identified in the MER

10. Myanmar requested re-ratings of R.28 (which was rated NC); and R.14, R.26, R.33 and R.34 (which were rated PC).

11. The APG welcomes the steps that Myanmar has taken to improve its technical compliance with R.14, R.26, R.28, R.33 and R.34. As a result of this progress, Myanmar has been re-rated on R.28 and R.33. However, insufficient progress has been made to justify a re-rating of R.14, R.26 and R.34.

Recommendation 14 [R.14] (Originally rated NC in the MER, re-rated to PC in Feb 2020 FUR)

12. The 2018 MER rated Myanmar NC for R.14 and it was re-rated to PC in the 2020 FUR. The MER identified that there were no actions undertaken by Myanmar authorities to identify natural or legal persons that carry out illegal money value transfer services (MVTS), and no appropriate and dissuasive sanctions had been applied to such persons. Myanmar sought re-ratings for R.14 in its 2020 and 2021 FUR. The 2020 FUR found that Myanmar had made progress in setting up a formal licensing regime, although significant gaps identified in the MER related to the unregulated sector remained unaddressed.

---

[3] There are three categories of follow-up based on mutual evaluation reports: regular, enhanced and enhanced (expedited). For further information see the APG Mutual Evaluation Procedures.

13.	**Criterion 14.1** is *met* (as per the MER and 2020 FUR). The analysis in the FUR 2020 noted the CBM's new licensing framework the Remittance Business Regulation (notification 21/2019) principally addresses those MVTS providers that have relationships with banks. Banks who are partnering with international remittance companies are required to strictly follow the CDD measures for any international remittance transactions. The 2020 FUR noted the lack of an express prohibition on the conduct of domestic MVTS without a licence/registration, as the prohibitions on operating without a licence are only found in the Foreign Exchange Management Law (Section 2(h)) of the Foreign Exchange. The Financial Institutions Law imposes a general requirement for licensing for all non-bank financial institutions (which would include MVTS providers), but the detailed obligations articulated in the Regulation on Remittance Business did not clearly extend to all MVTS.

14.	**Criterion 14.2** is *partly met*. Since the last 2020 FUR Myanmar has only demonstrated that it has taken enforcement action on a natural person conducting illegal remittance business in one case, i.e. in April 2022. It is not clear whether there is on-going action undertaken by Myanmar authorities to identify natural or legal persons that carry out MVTS without a licence or registration, and applying proportionate and dissuasive sanctions to them.

15.	**Criterion 14.3** is *met* (as per the FUR 2020). The analysis in the MER and available material supports the criterion rating.

16.	**Criterion 14.4** is *partly met*. CBM's licensing framework for MVTS (the Remittance Business Regulation (notification 21/2019)) contains very minor obligations on licenced MVTS to provide the CBM with information to demonstrate the 'clean background' of agents or sub-agents abroad (art.4(g)). This does not extend to an obligation on MVTS providers to be licensed or registered or for the MVTS provider to maintain a current list of its agents accessible by competent authorities in the countries in which the MVTS provider and its agents operate.

17.	**Criterion 14.5** is *not met*. There is still no legal obligation for MVTS providers to include their agents in their AML/CFT programmes and to monitor the agents for compliance with such programmes.

Weighting and Conclusion

18.	Gaps remain in relation to actions taken to identify and sanction MVTS providers and requirements for MVTS providers to maintain a current list of their agents. The shortcomings are considered as major based on Myanmar's risk and context.

19.	***Recommendation 14 remains Partially Compliant.***

Recommendation 26 [R.26] (Originally rated PC in the MER)

20.	Myanmar was rated PC for R.26 in its 2018 MER. The MER identified that consolidated group supervision on AML/CFT did not occur, supervision of core principles institutions was not yet conducted and no AML/CFT supervision on non-bank money changers, non-bank FIs (NBFIs) and mobile financial services providers. There was also a lack of risk-based supervisory and monitoring mechanisms in ensuring FIs' compliance with AML/CFT requirements.

21.	The 2019, 2020 and 2021 FURs identified progress in Myanmar's compliance with R.26, but moderate deficiencies remained. These include gaps in fit and proper requirements (limited to banks and particular NBFIs), absence of AML/CFT supervision for core principles FIs other than banks, lack of risk-based supervisory and monitoring measures and lack of any evidence for a periodical review of ML/TF risk profiles for FIs other than banks.

22.   **Criterion 26.1** is *met (*as per the MER 2018). The analysis in the MER and available material supports the criterion rating.

23.   **Criterion 26.2** is *met (*as per the MER 2018). The analysis in the MER and available material supports the criterion rating.

24.   **Criterion 26.3** is *partly met*. Myanmar has issued detailed information on fit and proper criteria *vide* Directive 8/2019 (for banks, including state owned banks), Notification No. 1/2021 (NBFIs), Directive 7/2020 (insurance companies), and Announcement No. 1/2015 read together with Instruction No. 2/2019 (securities firms). However, there are still gaps identified in the fit and proper requirements for most of these sectors. For NBFIs, the fit and proper requirements do not appear to extend to beneficial owners (BOs) and there are no fit and proper requirements for non-bank remittance service providers. For insurance companies, the fit and proper requirements do not extend to all persons holding management functions and those holding (or being BO of) a significant or controlling interest. There are also limited measures to prevent criminals or their associates from holding a licence or managing an insurance business as there is no requirement for a criminal history.

25.   For securities firms*,* there are very few provisions to ensure criminals and their associates are prevented from holding (or being the BO of) a significant or controlling interest, or holding a management function, with requirements relating to financial or honesty-related crimes only. The fit and proper requirements are limited to directors and do not include other officers holding management function. There is no requirement for a criminal history. For microfinance*,* while the microfinance SOP include fit and proper requirements when applying for a microfinance business licence, there are gaps in the fit and proper requirements as they do not appear to cover BOs and significant controlling interests.

26.   **Criterion 26.4** is *mostly met* (as per the MER 2018). Myanmar did not submit further information for this criterion. The analysis in the MER and available material supports the criterion rating. Deficiencies remain with the supervision of core principles FIs and group supervision, as well as limited scope of supervision of non-bank money changers, NBFIs and mobile financial services providers.

27.   **Criterion 26.5** is *partly met.* The analysis in the MER and available material supports the criterion rating.

28.   Sub-criterion 26.5(a) to (c) – Myanmar authorities have updated that some measures have been undertaken by the respective supervisory authorities to further address the deficiencies identified previously. However, none of the measures undertaken demonstrate that the frequency and intensity of on-site and off-site AML/CFT supervision of FIs or groups in Myanmar are determined on the basis of ML/TF risks and controls, as well as the characteristics of the FIs or groups. Nothing in the FI Law (for banks), guidelines or inspection manuals issued by the relevant supervisory authorities including Securities Exchange Commission of Myanmar (SECM) (for securities firms) and the Financial Regulatory Department of the Ministry of Planning and Finance (for *insurance companies*) provide the basis to determine the frequency and intensity of supervision activities to be undertaken.

29.   **Criterion 26.6** is *mostly met* (as per the MER 2018). Myanmar did not submit further information for this criterion. The analysis in the MER and available material supports the criterion rating. Deficiencies remain with regard to supervisors (other than Central Bank of Myanmar for banks) not reviewing ML/TF risk profiles periodically or where there are major changes and developments in the management or operations of the FI.

Weighting and Conclusion

30.   The review team welcomes the progress made by Myanmar to address deficiencies identified in the MER. However, moderate shortcomings remain with regard to fit and proper requirements across different FIs (particularly no fit and proper requirement for non-bank remittance service providers) and no proper basis to determine the frequency and intensity of supervision activities. Particular weight is given to these gaps based on the risk and context of Myanmar. In addition, the deficiencies identified in the 2018 MER regarding supervision of core principles FIs and group supervision, limited scope of supervision and no periodic review of ML/TF risk profile remain.

31.   ***Recommendation 26 remains Partially Compliant.***

Recommendation 28 [R.28] (Originally rated NC in the MER)

32.   Myanmar was rated NC for R.28 in its 2018 MER. Major shortcomings include no licensing requirements for casinos to operate in Myanmar and the absence of fit and proper requirements and AML/CFT supervision of the DNFBP sector.

33.   **Criterion 28.1** is *partly met*.

34.   Sub-criterion 28.1(a) – The Gambling Law (enacted in May 2019) provides the requirement for a casino to be licensed and the Union Government may permit the establishment and opening of casinos.

35.   Sub-criterion 28.1 (b) – There are no legal or regulatory measures to prevent criminals or their associates from holding (or being the BO of) a significant or controlling interest, or holding a management function, or being an operator of a casino in Myanmar.

36.   Sub-criterion 28.1 (c) – Under the Presidential Order 1/2020, Anti-Money Laundering Central Body (AMLCB) has assigned Myanmar Financial Intelligence Unit (MFIU) as the competent authority to supervise the compliance of DNFBPs, including casinos, with the AML Law, rules, directives, procedures and regulations. While the AML Law permits MFIU as the competent authority to issue directives, procedures and regulations approved by AMLCB [section 69(c)], it is not clear whether MFIU has issued any of these instruments to the casinos. It is also not clear whether any supervision activities on casinos have occurred in practice.

37.   **Criterion 28.2** is *met* (as per MER 2018). At the time of the 2018 MER, AMLCB had designated self-regulatory bodies and industry associations as competent authorities (regulators and supervisors) under the AML Law. In 2020, the Office of the President issued Order 1/2020, which assigned MFIU as the competent authority for supervising and regulating DNFBPs.

38.   **Criterion 28.3** is *partly met*. MFIU has been assigned as the competent authority for supervising and regulating DNFBPs (Presidential Order (No. 1/2020)). The AML Law (section 36) sets out the requirement for the competent authority to supervise ROs' compliance with AML/CFT preventive measures (Chapter VIII AML Law). Myanmar conducted supervision - both on-site and off-site - on a total of 15 DNFBPs including real estate agents, dealers in precious metals and stones and accountants from July to August 2020. It is not clear if lawyers are subjected to any forms of monitoring compliance with AML/CFT obligations.

39.   **Criterion 28.4** is *partly met*.

40.   Sub-criterion 28.4(a) – The AML Law provides the competent authority (i.e. MFIU pursuant to the Presidential Order) with adequate supervisory powers to perform its functions, including power

to collect and compel information from DNFBP entities and to issue AML/CFT related directives, procedures and by-laws with the approval of the AMLCB [sections 36 and 69(c)].

41.   Sub-criterion 28.4(b) – The AML Law confers MFIU with the power to establish fit and proper criteria on persons owning, controlling, or participating (directly or indirectly), in the administration, management or operation of ROs [section 36(j)]. This power appears not to cover any measures to prevent criminals or their associates from holding (or being the beneficial owner of) a significant or controlling interest, or holding a management function in an RO, including DNFBPs.

42.   Although MFIU has been conferred with the above powers, in practice MFIU has not established or issued any procedures to assess fit and proper controls for DNFBPs.

43.   Sub-criterion 28.4(c) – The AML Law provides that competent authorities may impose sanctions on ROs, directors, board of directors, executive officials or administrator for failure to comply with the AML/CFT requirements (section 37). The sanctions include written warnings, compel by specific instructions, causing to submit the reports in accord with the stipulation in respect of measures on the identified violation and other appropriate measures. The administrative sanctions available to MFIU have not changed since the 2018 MER, noting that the penalties available under Chapter IX[4] of the AML Law are narrow and may not be dissuasive for larger ROs and that competent authorities cannot issue administrative fines for non-compliance with AML/CFT requirements.

44.   The AML Law also empowers the competent authority to report to the Anti-Money Laundering Central Body (licensing authority) for suspension, restriction and revocation of licence as well as prohibition of the continuation of business by DNFBPs (section 36j). However, this can only be imposed by AMLCB. It is unclear if this power can be used for failure to comply with AML/CFT requirements.

45.   **Criterion 28.5** is *partly met*. The MFIU has conducted supervision on some DNFBP sectors, but it is unclear whether the supervision was performed based on a risk-sensitive basis as required under criterion 28.5(a) and (b).

Weighting and Conclusion

46.   Myanmar has made progress in setting up a formal licensing regime for casinos. However, there are still moderate shortcomings. There are no measures imposed to prevent criminals and their associates from holding a management function or holding (or being BO of) a significant or controlling interest in casinos or other DNFBPs. In addition, no fit and proper criteria/procedures have been established by any competent authorities, administrative penalties under AML Law are narrow and may not be dissuasive for larger ROs and competent authorities. Supervision of DNFBP sectors does not reflect a risk-based approach and has not commenced for lawyers.

47.   ***Recommendation 28 is re-rated to Partially Compliant.***

Recommendation 33 [R.33] (Originally rated PC in the MER)

48.   Myanmar was rated as PC for R.33 in its 2018 MER. The MER found there were some weaknesses with collecting and maintaining data and statistics on provisional measures and on agency-to-agency cooperation with foreign counterparts.

---

[4] Sub-criterion 27.4 and sub-criterion 28.4(c) of the Myanmar 2018 MER refers to penalties that can be imposed for failures to comply with AML/CFT requirements. Chapter XI of the AML Law is incorrectly cited. The reference should be Chapter IX of the AML Law.

49.   **Criterion 33.1** is *mostly met*. At the policy level, the guidelines issued by MFIU and AMLCB provide the framework for the collation of statistics and dissemination to internal agencies.

50.   The AMLCB letter to Myanmar Police Force, BSI, Customs Department, Internal Revenue Department, Forest Department and Anti-Corruption Commission, dated 28 December 2021, mandates that comprehensive records shall be maintained particularly on STRs received and disseminated, ML/TF investigations, prosecutions and convictions, property frozen, seized and confiscated and mutual legal assistance requests or other international requests for cooperation made and received. Myanmar also reported that in November 2021, the authorities have developed a database to maintain comprehensive statistics on the items as per c33.1(a) to (d).

51.   Sub-criterion C.33.1 (a) - Myanmar demonstrated that it keeps statistics on STRs. Myanmar provided statistics from 2019–2021 on STRs and threshold transaction reports, received, analysed and disseminated. STR statistics also included which agencies the disseminations were made to and the relevant crime.

52.   Sub-criterion C.33.1 (b) - Myanmar demonstrated that it keeps statistics on ML/TF investigations, prosecutions and convictions. Statistics were provided from 2019–2021 covering the number of ML investigations, prosecutions and convictions.

53.   Sub-criterion C.33.1 (c) - Myanmar demonstrated that it keeps statistics on asset recovery. Statistics covering 2019–2021 were provided including the monetary value of property frozen seized and confiscated and the number of investigations involved.

54.   Sub-criterion C.33.1 (d) - Myanmar demonstrated that it keeps statistics on international cooperation. Statistics were provided from 2019–2021 on international cooperation, both formal cooperation through MLA and FIU to FIU cooperation. This included both incoming and outgoing requests, the country the request was to/from and the relevant crime type. Myanmar did not demonstrate that it keeps statistics on other agency-to-agency cooperation with foreign counterparts.

Weighting and Conclusion

55.   Myanmar has a broad framework on collection of statistics and although the statistics are not always comprehensive, Myanmar keeps statistics on matters relevant to the effectiveness and efficiency of its AML/CFT systems.

56.   ***Recommendation 33 is re-rated to Largely Compliant.***

Recommendation 34 [R.34] (Originally rated PC in the MER)

57.   Myanmar was rated PC for R.34 in its 2018 MER, citing a number of key areas requiring enhanced guidance and greater feedback.

58.   **Criterion 34.1** is *partly met*. In September 2018, the AMLCB widely disseminated the National Risk Assessment (NRA) report to domestic authorities as well as to the private sector in order to optimise their risk mitigation strategies. MFIU, CBM, SECM, AMLCB and AML/CFT Steering Committee issued range of directives and orders to FI and DNDFBP to assist them in complying with their AML/CFT obligations. These include directives and orders on fit and proper, AML/CFT risk management and controls (including CDD, high risk countries, PEPs and BO). In addition, the Countering the Financing of Terrorism Working Committee has issued Guidance on Implementation of Targeted Financial Sanctions (TFS) against terrorism (Order 2/2020) and TFS against Proliferation of Weapons of Mass Destruction (March 2021 Order).

59.   All sectors have received some guidance, with CDD or enhanced due diligence (EDD) directives/orders provided to all FIs including banks, insurance, securities, microfinance, mobile financial services, money changers, NBFIs and other ROs including DNFBPs.

60.   The review team welcomes the steps undertaken by Myanmar. However, the lack of specific guidance on NPOs and STR reporting, and feedback by MFIU on the quality of STRs submitted by ROs are of particular concern. In addition, it is also not clear if Myanmar has mechanisms to adequately provide feedback (some feedback is provided only by CBM in form of post-inspection reports) and whether it has conducted outreach sessions to ROs.

Weighting and Conclusion

61.   There has been some progress on providing guidance to ROs (FIs and DNFBPs) but there are still gaps in relation to guidance on STRs and guidance to NPOs. Particular weight is given to these gaps based on Myanmar's risk and context. In addition, there is no clear mechanism for Myanmar authorities to provide feedback to ROs, particularly on the quality of STR submitted.

62.   ***Recommendation 34 remains Partially Compliant.***

IV.   CONCLUSION

63.   Overall, Myanmar has made some progress in addressing the technical compliance deficiencies identified in its MER and has been re-rated to LC for Recommendation 33. Recommendation. R.28 has been re-rated to PC. Insufficient progress has been made to support a re-rating for R.14, R.26 and R.34.

64.   A summary table setting out the underlying deficiencies for each of the recommendations assessed in this report is included at **Annex A**.

65.   Overall, in light of the progress made by Myanmar since its MER was adopted, its technical compliance with the FATF Recommendations is as follows as of the reporting date February 2022:

R.	Rating	R.	Rating
1	**PC** (2018 MER) ↑ **LC** (2019 Feb FUR)	21	**LC** (2018 MER)
2	**LC** (2018 MER)	22	**PC** (2018 MER) ↑ **LC** (2021 Feb FUR)
3	**C** (2018 MER)	23	**PC** (2018 MER) ↑ **LC** (2021 Feb FUR)
4	**LC** (2018 MER)	24	**NC** (2018 MER) ↑ **PC** (2020 Feb FUR)
5	**LC** (2018 MER)	25	**NC** (2018 MER)
6	**LC** (2018 MER)	26	**PC** (2018 MER)
7	**NC** (2018 MER)	27	**C** (2018 MER)
8	**PC** (2018 MER)	28	**NC** (2018 MER) ↑ **PC** (2022 Feb FUR)
9	**C** (2018 MER)	29	**PC** (2018 MER)
10	**PC** (2018 MER) ↑ **LC** (2020 Feb FUR)	30	**LC** (2018 MER)
11	**C** (2018 MER)	31	**LC** (2018 MER)
12	**PC** (2018 MER) ↑ **LC** (2020 Feb FUR)	32	**PC** (2018 MER)

R.	Rating	R.	Rating
13	**PC** (2018 MER) ↑ **LC** (2020 Feb FUR)	33	**PC** (2018 MER) ↑ **LC** (2022 Feb FUR)
14	**NC** (2018 MER) ↑ **PC** (2020 Feb FUR)	34	**PC** (2018 MER)
15	**LC** (2018 MER) ↓ **PC** (2020 Feb FUR)	35	**PC** (2018 MER)
16	**LC** (2018 MER)	36	**PC** (2018 MER)
17	**C** (2018 MER)	37	**PC** (2018 MER)
18	**C** (2018 MER) ↓ **LC** (2019 Feb FUR)	38	**PC** (2018 MER)
19	**NC** (2018 MER) ↑ **PC** (2019 Feb FUR) ↑ **C** (2021 Feb FUR)	39	**PC** (2018 MER)
20	**C** (2018 MER)	40	**LC** (2018 MER)

66.   Myanmar has 24 recommendations rated C or LC. Myanmar will remain in enhanced (expedited) follow-up. Myanmar's next progress report is due 1 February 2023.

Summary of Technical Compliance – Deficiencies underlying the ratings [5]

Compliance with FATF Recommendations		
Recommendation	**Rating**	**Factor(s) Underlying the Rating**[6]
14. Money or value transfer services	NC (MER 2018) PC (FUR 2020) PC (FUR 2022)	• Gaps in obligations on and supervision of MVTS agents (c.14.5) • Major gaps remain with identifying MVTS providers that operate without licence and applying proportionate and dissuasive sanctions to them (c.14.2).
26. Regulation and supervision of FIs	PC (MER 2018) PC (FUR 2022)	• Moderate shortcomings on fit and proper requirements across different FIs (particularly no fit and proper requirement for non-bank remittance service providers) (c.26.3) • Deficiencies with the supervision of core principles FIs and group supervision, as well as limited scope of supervision of non-bank money changers, NBFIs and mobile financial services providers (c.26.4) • No proper basis to determine the frequency and intensity of supervision activities (c.26.5).
28. Regulation and supervision of DNFBPs	NC (MER 2018) PC (FUR 2022)	• Shortcomings with licensing obligations on casinos, including fit and proper and no commencement of risk based supervision of casinos (c.28.1) • Not all categories of DNFBPs are subject to systems for monitoring compliance with AML/CFT requirements (c.28.3) • Absence of fit and proper requirements for DNFBPs (c.28.4) and an absence of AML/CFT supervision of the DNFBP sector (MER2018). • Supervision of DNFBP sectors does not reflect a risk-based approach (c.28.5).
33. Statistics	PC (MER 2018) LC (FUR 2022)	• Keeping statistics in relation to international cooperation was not fully demonstrated (c.33.1).
34. Guidance and feedback	PC (MER 2018) PC (FUR 2022)	• Gaps in relation to guidance on STRs and NPOs (c.34.1). • No clear mechanisms for ROs to provide feedback to Myanmar authorities (c.34.1).

---

[5] Ratings and factors underlying the ratings are only include for those recommendations under review in this FUR.
[6] Deficiencies listed are those identified in the MER unless marked as having been identified in a subsequent FUR.