



FINANCIAL ACTION TASK FORCE
PLENARY MEETING 2019
UNITED STATES OF AMERICA



FATF BUSINESS BULLETIN

This report provides a brief update on outcomes from the June 2019 plenary meeting that are relevant for the private sector. For additional details, please see the [FATF public website](#).

July 2019

FATF - 30th Anniversary 1989-2019

- During this Plenary, delegates celebrated the **30th Anniversary of the FATF**. In recent years, the international community is following FATF's work increasingly closely. Recent **G20 statements** and the **United Nations Security Council resolutions** recognise the FATF's important role in protecting the integrity of the financial system. In May 2019, the FATF Ministerial meeting resulted in a **new, open-ended mandate** and **greater Ministerial involvement in the work of the FATF**, recognising the substantial achievement of the FATF over three decades. This Plenary meeting was the first under the FATF's new mandate.

Major Strategic Initiatives

- Mitigating risks from **virtual asset** activities, including a **public statement** and a **risk-approach guidance on virtual assets and virtual asset service providers**.
- Launching a **Strategic Review** to analyse the progress made on effective implementation of Anti-Money Laundering and Counter-Financing of Terrorism (AML/CFT) measures, review the FATF/FSRB assessment processes, and identify drivers of positive change.
- FATF's current action to **combat terrorist financing**, including a **statement on FATF Actions to identify ISIL, Al-Qaeda and Affiliates Financing** and the adoption of **Guidance for jurisdictions on assessing terrorist financing risk**.
- FATF's efforts to strengthen its standards on **Countering the Financing of Proliferation**.



FATF Mutual Evaluations

Greece

The Plenary concluded that Greece has a sound legal framework to support effective action against money laundering and terrorist financing, but that the country needs to improve its prosecution of these crimes, the supervision of its designated non-financial professions and businesses and NPO sector, and the confiscation of proceeds of crime.

The mutual evaluation reports of Greece and HKC will be published in September 2019 after the quality and consistency review, in accordance with procedures.

Hong Kong, China

The Plenary discussed the joint APG-FATF assessment of Hong Kong, China (HKC) and concluded that the jurisdiction has a strong legal foundation to underpin its AML/CFT regime. HKC understands its risks, has effective measures in place to combat terrorist financing and to confiscate the proceeds of crime, and actively cooperates with international partners. However, it needs to prioritise efforts to prosecute ML linked to foreign predicates, increase risk understanding and AML/CFT implementation by smaller institutions, and strengthen supervisory measures for some sectors.

Follow-up Process

Iceland achieved technical compliance re-ratings

- The Plenary discussed the progress that Iceland has made since its mutual evaluation report was adopted last year. The FATF Plenary agreed to re-rate Iceland on a number of FATF Recommendations to reflect the country's current level of technical compliance. After a quality and consistency review, FATF will publish the follow-up report which sets out the actions that Iceland has taken to strengthen the effectiveness of its measures to combat money laundering and the financing of terrorism and proliferation.

Review and Compliance

- Issuing **a statement on Brazil's progress** in addressing the deficiencies identified in its mutual evaluation report
- Identifying jurisdictions with strategic AML/CFT deficiencies
 - **Jurisdictions with strategic AML/CFT deficiencies for which a call for action applies**
 - **Jurisdictions with strategic AML/CFT deficiencies for which they have developed an action plan with the FATF**
- Jurisdiction no longer subject to monitoring: **Serbia**
- New jurisdiction subject to monitoring: **Panama**
- Monitoring **Iran's** actions to address deficiencies in its AML/CFT system



New Guidance



***Risk-Based Approach
Guidance for
Legal Professionals***



***Risk-Based Approach
Guidance for
Accounting Profession***



***Risk-Based Approach
Guidance for Trust and
Company Services Providers***



***Risk-Based Approach Guidance
to Virtual Assets and
Virtual Asset Service Providers***



***Terrorist Financing Risk
Assessment Guidance***

FATF Report to G20 Leaders' Summit

- The FATF published its [report to the G20 Leaders' Summit](#), which took place in Osaka, Japan on 28-29 June 2019. The report sets out FATF's ongoing work to fight money laundering and terrorist financing.



Welcoming the Kingdom of Saudi Arabia as a member to the FATF

- The FATF granted full membership to Saudi Arabia. In 2018, the country underwent a mutual evaluation. Since then, Saudi Arabia has worked according to an action plan to address the key effectiveness issues identified during the evaluation. Based on the country's commitment to complete the items on its action plan and the continuing progress to improve its AML/CFT, the Plenary agreed to grant membership.



Mr. Xiangmin Liu of the People's Republic of China assumed the position of President of the FATF. He succeeded Marshall Billingslea of the United States. Mr. Liu currently serves as Director-General of the Legal Department at the People's Bank of China, China's central bank. In this role, he is responsible for developing many of China's key financial sector laws, regulations and policies.



Dr. Marcus Pleyer of Germany assumed the position of Vice-President of the FATF. Dr. Marcus Pleyer serves as Deputy Director General in Germany's Federal Ministry of Finance with responsibilities for policy development and international engagement pertaining to International Financial Markets, AML/CFT, Financial Sanctions Policy, Digital Finance including Payment Services and Cyber Security and national and international development banks.

FATF priorities under the Chinese Presidency

The FATF Plenary discussed and approved the [priorities of the FATF under the Presidency of Xiangmin Liu](#) which commenced on 1 July 2019. The main priority is the Strategic Review, but among other priorities, the FATF agreed to continue its important work to mitigate the money laundering and terrorist financing risks of new technologies and at the same time exploit the opportunities to more effectively fight these risks. Under the Chinese Presidency, the FATF will also prioritise work to promote and enable more effective supervision by national authorities.

FSRB Reports



CFATF

- ▶ Trinidad and Tobago - [Follow-up Report](#)



ESAAMLG

- ▶ Zambia - [Mutual Evaluation Report](#)
- ▶ Mauritius - [Follow-up Report](#)
- ▶ Zimbabwe - [Follow-up Report](#)
- ▶ Botswana - [Follow-up Report](#)



MENAFATF

- ▶ Morocco - [Mutual Evaluation Report](#)

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