



Status of implementation of Recommendation 15 by FATF Members and Jurisdictions with Materially Important VASP Activity

March 2024



Acknowledgements

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Introduction

Following a 12-month process to collect and evaluate information, the FATF is publishing a table which sets out the status of implementation by FATF members and jurisdictions with materially important virtual asset service providers (VASP) activity of the FATF's Standards on virtual assets and VASPs (Recommendation 15).

Why is the FATF issuing the table?

Virtual assets are inherently international and borderless, meaning a failure to regulate VASPs in one jurisdiction can have serious global implications. This is particularly concerning given emerging trends in this space. Recent reports raise serious concerns about the Democratic People's Republic of Korea's (DPRK) theft¹ and laundering of hundreds of millions of dollars' worth of virtual assets for financing the proliferation of weapons of mass destruction, enabling an unprecedented number of recent launches of ballistic missiles. Ransomware incidents have grown significantly in recent years, and ransomware payments are almost exclusively demanded in virtual assets². Although the increase in ransomware incidents was reported to slow down in 2023, the situation remains a serious concern. Terrorist groups, including ISIL, Al Qaeda and their affiliates, as well as ethnically or racially motivated terrorist entities, are also known to be increasingly using virtual assets to raise and move funds globally³.

In October 2018, the FATF strengthened its Recommendation 15 (R.15) to address virtual assets and VASPs. The table below shows the steps FATF members and FSRB

¹ See reports of the UN Panel of Experts established pursuant to Resolution 1874 (2009); in particular the *2022 midterm report (S/2022/668)*, and the *2023 midterm report (S/2023/656)*, both available from www.un.org/securitycouncil/sanctions/1718/panel_experts/reports

² See FATF (2023), *Countering Ransomware Financing*, www.fatf-gafi.org/en/publications/Methodsand Trends/countering-ransomware-financing.html

³ Including in combination with crowdfunding platforms, as set out in FATF (2023), *Crowdfunding for Terrorist Financing*, www.fatf-gafi.org/en/publications/Methodsand Trends/crowdfunding-for-terrorism-financing.html

jurisdictions with materially important VASP activity have taken to implement the FATF Standards in relation to regulating and supervising VASPs. The purposes of this table are to enable the FATF network to best support these jurisdictions in regulating and supervising VASPs for AML/CFT purposes and to encourage jurisdictions with materially important VASP activity to fully implement Recommendation 15 in a timely manner. This table also seeks to help supervisors/regulators and the private sector around the globe discern the status of implementation of R.15 by jurisdictions with materially important VASP activity. The publication of this table is endorsed by the G20, Financial Stability Board (FSB), and other policy forums and international organisations.

The focus on FATF members reflects the importance for them to take a leading role on AML/CFT and on those with materially important VASP activity reflects a risk-based approach to addressing the inherent risks of services, products, and customers. This approach aims to address the global nature and risks inherently posed by virtual assets while recognising that jurisdictions should consider all AML/CFT risks and regulatory gaps in their individual jurisdictions. Jurisdictions should thus prioritise implementing the FATF standards for virtual assets based on such risks.

How are jurisdictions expected to use this table?

In line with the FATF's 2021 [Updated Guidance on a Risk-Based Approach for VASPs](#), jurisdictions should consider the risks of virtual asset transfers with jurisdictions that have not taken steps towards regulating or banning VASPs. Subject to their own ML/TF risk assessment, jurisdictions may also consider designating VASPs from jurisdictions which do not effectively implement licensing or registration requirements as higher risk.⁴

How have jurisdictions been selected for inclusion in the table?

The table includes all FATF members plus twenty jurisdictions with materially important VASP activity. These jurisdictions were identified based on two criteria: trading volume and userbase, based on open-source datasets from January to December 2022 and cross-checked against data from blockchain analytics companies. It is important to note that large-scale trend data related to virtual assets is difficult to obtain, incomplete, and may change rapidly. This table provides a snapshot in time of jurisdictions that are identified as having materially important VASP activities as well as jurisdictions that are FATF members.

⁴ Please see FATF (2021) Updated Guidance on a Risk-Based Approach for VASPs, para.199. <https://www.fatf-gafi.org/media/fatf/documents/recommendations/Updated-Guidance-VA-VASP.pdf>

How was the information on jurisdictions' progress collected?

The information is based on jurisdictions' responses to the FATF's 2023 self-reported survey⁵ where relevant survey questions were posed alongside a selection of three possible answer choices (Yes/No/In Progress). From January to March 2024, all jurisdictions were asked to provide up-to-date information on their progress. The FATF Secretariat reached out to jurisdictions included in the table for materials⁶ to support their responses from January to March 2024.

How does this information relate to the FATF mutual evaluation process?

Users should note that this table **does not** provide any assessment on the level of a jurisdiction's implementation of measures to combat ML/TF and **is not** related to the FATF's identification of high-risk and other monitored jurisdictions. Neither the open-source data used to compile the table, nor the data from blockchain analytics companies used for verification purposes, is based on any assessment of a jurisdiction's illicit finance risks associated with VA or of compliance with the FATF standards.

A jurisdiction's inclusion in the table therefore carries **no** indication – either positive or negative – regarding that jurisdiction's degree of risk or its level of compliance with R15. The table provides an overview of the implementation status of R15 at the time of the update (from January to March 2024) and identifies each jurisdiction's rating for R 15, if applicable, at the date of the rating; this information may not reflect the latest implementation progress of each jurisdiction.

The information in this table **does not** replicate or replace a mutual evaluation or follow-up assessment of the country's compliance with R15. While the data has been cross-checked against available assessment results, it **has not been** subject to detailed analysis against the FATF Methodology. Users are cautioned to independently verify and confirm the information in this table by undertaking their own independent research before using this information.

⁵ The survey was distributed in English, French, and Spanish.

⁶ Jurisdictions were asked to provide basic evidence to support their responses (e.g., a link to the legislation).

Steps taken by all FATF members and jurisdictions with materially important VASP activity towards implementing R.15

1	2	3	4	5	6	7	8	9
Jurisdiction	Has conducted a risk assessment covering virtual assets and VASPs	Has explicitly prohibited the use of Vas and VASPs	Has enacted legislation/regulation requiring VASPs to be registered or licensed and apply AML/CFT measures ¹	Has registered or licensed VASP(s) in practice	Has conducted a supervisory inspection or included VASPs in its current inspection plan	Has taken enforcement action or other supervisory action against VASPs	Has passed or enacted the travel rule for VASPs ¹	R.15 rating (where assessed against the revised FATF Standards) ³ and the date of assessment
■ Argentina	Yes	No	In progress	No	No	No	In progress	N/A
■ Australia	In progress	No	Yes	Yes	Yes	Yes	No	N/A
■ Austria	Yes	No	Yes	Yes	Yes	Yes	Yes	N/A
■ Bahamas	Yes	No	Yes	Yes	Yes	Yes	Yes	C (2022)
■ Belgium	Yes	No	Yes	No	Yes	Yes	Yes	N/A
■ Brazil	Yes	No	Yes	No	Yes	No	In progress	PC (2023)
■ Canada	Yes	No	Yes	Yes	Yes	In progress	Yes	LC (2021)
■ Cayman Islands	Yes	No	Yes	Yes	Yes	Yes	Yes	LC (2021)
■ China	Yes	Yes	N/A	N/A	N/A	N/A	N/A	LC (2020)
■ Colombia	Yes	No	In progress	No	No	Yes	In progress	PC (2022)

■ FATF Member
■ Non FATF Member

C=compliant
LC = largely compliant
PC = partially compliant
NC = non-compliant

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1	2	3	4	5	6	7	8	9
Jurisdiction	Has conducted a risk assessment covering virtual assets and VASPs	Has explicitly prohibited the use of Vas and VASPs	Has enacted legislation/regulation requiring VASPs to be registered or licensed and apply AML/CFT measures ¹	Has registered or licensed VASP(s) in practice	Has conducted a supervisory inspection or included VASPs in its current inspection plan	Has taken enforcement action or other supervisory action against VASPs	Has passed or enacted the travel rule for VASPs ¹	R.15 rating (where assessed against the revised FATF Standards) ³ and the date of assessment
<p>■ FATF Member</p> <p>■ Non-FATF Member</p>								<p>C=compliant</p> <p>LC = largely compliant</p> <p>PC = partially compliant</p> <p>NC = non-compliant</p>
■ Cyprus	Yes	No	Yes	Yes	Yes	Yes	Yes	LC (2023)
■ Denmark	Yes	No	Yes	Yes	Yes	Yes	Yes	PC (2021)
■ Egypt	Yes	Yes	N/A	N/A	N/A	Yes	N/A	PC (2021)
■ Estonia	Yes	No	Yes	Yes	Yes	Yes	Yes	PC (2023)
■ Finland	In progress	No	Yes	Yes	Yes	No	Yes	PC (2021)
■ France	Yes	No	Yes	Yes	Yes	Yes	Yes	LC (2022)
■ Germany	Yes	No	Yes	Yes	Yes	Yes	Yes	LC (2022)
■ Gibraltar	Yes	No	Yes	Yes	Yes	Yes	Yes	LC (2021)
■ Greece	In progress	No	Yes	Yes	Yes	Yes	Yes	N/A
■ Hong Kong, China	Yes	No	Yes	Yes	Yes	Yes	Yes	PC (2023)
■ Iceland	Yes	No	Yes	Yes	Yes	No	No	PC (2020)

STATUS OF IMPLEMENTATION OF RECOMMENDATION 15 BY FATF MEMBERS AND JURISDICTIONS WITH MATERIALLY IMPORTANT VASP ACTIVITY | 7





1	2	3	4	5	6	7	8	9
Jurisdiction	Has conducted a risk assessment covering virtual assets and VASPs	Has explicitly prohibited the use of Vas and VASPs	Has enacted legislation/regulation requiring VASPs to be registered or licensed and apply AML/CFT measures ¹	Has registered or licensed VASP(s) in practice	Has conducted a supervisory inspection or included VASPs in its current inspection plan	Has taken enforcement action or other supervisory action against VASPs	Has passed or enacted the travel rule for VASPs ¹	R.15 rating (where assessed against the revised FATF Standards) ³ and the date of assessment
<p>■ FATF Member</p> <p>■ Non FATF Member</p>								<p>C=compliant</p> <p>LC = largely compliant</p> <p>PC = partially compliant</p> <p>NC = non-compliant</p>
■ India	Yes	No	Yes	Yes	Yes	Yes	Yes	N/A
■ Indonesia	Yes	In progress	Yes	Yes	Yes	In progress	Yes	LC (2023)
■ Ireland	Yes	No	Yes	Yes	Yes	No	Yes	LC (2022)
■ Israel	Yes	No	Yes	Yes	Yes	Yes	Yes	LC (2022)
■ Italy	Yes	No	Yes	Yes	Yes	Yes	Yes	N/A
■ Japan	Yes	No	Yes	Yes	Yes	Yes	Yes	LC (2021)
■ Kazakhstan	Yes	No	Yes	Yes	Yes	Yes	Yes	PC (2023)
■ Lithuania	Yes	No	Yes	Yes	Yes	Yes	Yes	PC (2022)
■ Luxembourg	Yes	No	Yes	Yes	Yes	Yes	Yes	LC (2023)
■ Malaysia	In progress	No	Yes	Yes	Yes	Yes	Yes	N/A
■ Malta	Yes	No	Yes	Yes	Yes	Yes	In progress	LC (2021)



8 | STATUS OF IMPLEMENTATION OF RECOMMENDATION 15 BY FATF MEMBERS AND JURISDICTIONS WITH MATERIALLY IMPORTANT VASP ACTIVITY

1	2	3	4	5	6	7	8	9
Jurisdiction	Has conducted a risk assessment covering virtual assets and VASPs	Has explicitly prohibited the use of Vas and VASPs	Has enacted legislation/regulation requiring VASPs to be registered or licensed and apply AML/CFT measures ¹	Has registered or licensed VASP(s) in practice	Has conducted a supervisory inspection or included VASPs in its current inspection plan	Has taken enforcement action or other supervisory action against VASPs	Has passed or enacted the travel rule for VASPs ¹	R.15 rating (where assessed against the revised FATF Standards) ³ and the date of assessment
<p>■ FATF Member</p> <p>■ Non FATF Member</p>								<p>C=compliant</p> <p>LC = largely compliant</p> <p>PC = partially compliant</p> <p>NC = non-compliant</p>
■ Mexico	Yes	No	Yes	Yes	Yes	Yes	In progress	LC (2021)
■ Netherlands	Yes	No	Yes	Yes	In progress	Yes	Yes	PC (2022)
■ New Zealand	Yes	No	No	No	Yes	Yes	In progress	LC (2022)
■ Nigeria	Yes	No	Yes	In progress	Yes	Yes	Yes	PC (2022)
■ Norway	Yes	No	Yes	Yes	Yes	Yes	In progress	LC (2023)
■ Philippines	Yes	No	Yes	Yes	Yes	Yes	Yes	PC (2020)
■ Poland	Yes	No	Yes	Yes	Yes	Yes	Yes	PC (2021)
■ Portugal	In progress	No	Yes	Yes	Yes	Yes	Yes	N/A
■ Republic of Korea	Yes	No	Yes	Yes	Yes	Yes	Yes	N/A
■ Russian Federation*	Yes	No	Yes	Yes	Yes	No	No	PC (2023)
■ Saudi Arabia	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A

1	2	3	4	5	6	7	8	9
Jurisdiction	Has conducted a risk assessment covering virtual assets and VASPs	Has explicitly prohibited the use of Vas and VASPs	Has enacted legislation/regulation requiring VASPs to be registered or licensed and apply AML/CFT measures ¹	Has registered or licensed VASP(s) in practice	Has conducted a supervisory inspection or included VASPs in its current inspection plan	Has taken enforcement action or other supervisory action against VASPs	Has passed or enacted the travel rule for VASPs ¹	R.15 rating (where assessed against the revised FATF Standards) ³ and the date of assessment
<ul style="list-style-type: none"> ■ FATF Member ■ Non FATF Member 								C=compliant LC = largely compliant PC = partially compliant NC = non-compliant
■ Seychelles	Yes	In progress	In progress	No	Yes	Yes	In progress	NC (2020)
■ Singapore	Yes	No	Yes	Yes	Yes	Yes	Yes	N/A
■ South Africa	Yes	No	Yes	Yes	Yes	No	No	PC (2023)
■ Spain	Yes	No	Yes	Yes	Yes	No	Yes	N/A
■ Sweden	Yes	No	Yes	Yes	Yes	Yes	Yes	LC (2020)
■ Switzerland	Yes	No	Yes	Yes	Yes	Yes	Yes	LC (2020)
■ Thailand	Yes	No	Yes	Yes	Yes	Yes	In progress	LC (2021)
■ Türkiye	Yes	No	In progress	No	Yes	Yes	In progress	PC (2023)
■ Ukraine	Yes	No	Yes	No	No	No	No	PC (2020)
■ United Arab Emirates	Yes	No	Yes	Yes	Yes	Yes	Yes	PC (2021)
■ United Kingdom	Yes	No	Yes	Yes	Yes	Yes	Yes	LC (2022)

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1	2	3	4	5	6	7	8	9
Jurisdiction	Has conducted a risk assessment covering virtual assets and VASPs	Has explicitly prohibited the use of Vas and VASPs	Has enacted legislation/regulation requiring VASPs to be registered or licensed and apply AML/CFT measures ¹	Has registered or licensed VASP(s) in practice	Has conducted a supervisory inspection or included VASPs in its current inspection plan	Has taken enforcement action or other supervisory action against VASPs	Has passed or enacted the travel rule for VASPs ¹	R.15 rating (where assessed against the revised FATF Standards) ³ and the date of assessment
 United States	Yes	No	Yes	Yes	Yes	Yes	Yes	LC (2020)
 Venezuela	Yes	No	Yes	Yes	Yes	Yes	Yes	PC (2023)
 Vietnam	Yes	No	No	No	No	No	No	NC (2022)
 Virgin Islands (British)	Yes	No	Yes	Yes	In progress	In progress	Yes	LC (2024)

 FATF Member
 Non-FATF Member

C=compliant
 LC = largely compliant
 PC = partially compliant
 NC = non-compliant

Note: * The FATF suspended the membership of the Russian Federation on 24 February 2023.

- ¹ Jurisdictions are considered in progress of passing/enacting legislation/regulation where they have, e.g., tabled draft legislation, issued a draft law, undertaken a public consultation on draft legislation, etc.
- ² The elements in columns 4-8 (licensing/registration, inspection/supervision/enforcement, travel rule) are not relevant to jurisdictions that prohibit VASPs and are therefore marked as not applicable (N/A). However, where jurisdictions have taken measures to enforce prohibition, this is noted in column 7 (enforcement).
- ³ This column refers to ratings attained by jurisdictions which have been assessed against the revised FATF Standards on R.15. It is important to note that the ratings may not reflect the current progress made by jurisdictions towards implementing the FATF Standards on VA and VASPs, elements of which are shown in columns 4-8 based on the FATF 2023 self-reported survey (conducted from 24 February to 7 April 2023) and additional updates provided by jurisdictions from January to March 2024. For jurisdictions which have not been assessed against the revised FATF Standards on VA and VASPs as of March 2024, the R.15 rating is marked as not applicable (N/A).

Source: FATF 2023 survey of the global network (conducted from 24 February to 7 April 2023); updates provided by jurisdictions from January to March 2024; mutual evaluation and follow-up assessment reports; information from implicated jurisdictions.

Methodology for identifying jurisdictions with materially important virtual asset activities

This table of jurisdictions with materially important virtual asset service provider (VASP) activities includes all FATF members (by virtue of their membership of FATF) plus 20 non-FATF member jurisdictions which host materially important VASP activities. This section sets out the basis on which the latter 20 jurisdictions were identified.

The FATF used a methodology adopted at the June 2023 Plenary as the basis for the Table. This uses the following two criteria:

- Jurisdictions with materially important VASPs, based on trading volume (over 0.25% of global trading); and/or
- Jurisdictions with a large virtual asset user base (over 1 million users).

In total, 20 non-FATF jurisdictions met the criteria for inclusion: 11 non-FATF jurisdictions met the first criterion (trading volume), 5 met the second criterion (user base), and 4 met both criteria.

Criterion 1: Trading Volume

The first criterion, trading volume, was measured using open-source data from a widely-used open-source provider of market information relating to VASP activity. This data was used to identify the 207 VASPs with the largest average daily trading volume from January 2022 to December 2022. The trading volume conducted by each VASP was then attributed to the relevant jurisdiction(s). Through this process, the FATF Secretariat was able to identify all jurisdictions with over a 0.25% market share of global trading volume (i.e., meeting criterion 1).

For most VASPs, the entire trading volume was attributed to the jurisdiction of incorporation (or, where this information was not available, the physical location of the VASP). For the 15 largest VASPs (those with over a 2% market share) the attribution of their trading volume was divided equally across multiple jurisdictions, including the jurisdiction of incorporation and those jurisdictions where the VASP is licensed/registered. This was done in order to prevent the market concentration of a few dominant entities in the global VASP sector from distorting the analysis of where significant VASP activity takes place.

The results of the analysis above were then cross-checked against data from blockchain analytics companies (BACs), in order to verify the accuracy of the open-source data and eliminate any anomalous results. Jurisdictions which met the criteria based on open-source data, but were *not* identified in any of the BAC datasets for this criterion, were not included in the table.

Criterion 2: User base

As with the first criterion, the FATF Secretariat started with open-source data on virtual asset use in all jurisdictions to identify those jurisdictions with over 1 million users. This provided the Secretariat with an initial group of jurisdictions that appeared to meet criterion 2. As with criterion 1, this initial group of jurisdictions was cross-checked against BAC data for user numbers, site visits to exchanges, or a proxy¹. The Secretariat confirmed that each jurisdiction identified in the open-source data was also identified by at least one BAC. Jurisdictions which met the criteria based on open-source data, but were not identified in any of the BAC datasets for this criterion, were not included in the table.

Additional Considerations

In addition to *excluding* jurisdictions from the table if their material importance for either criterion was not verified based on BAC data, the BAC data was also used to check that there were no additional jurisdictions which were considered materially important by BACs, but which had not been identified based on open-source information (which might indicate that the choice of thresholds should be reconsidered). No such jurisdictions were identified.

What does it mean for jurisdictions to be on the Table?

Based on the criteria above, it should be clear that the inclusion of a jurisdiction in the table is based on meeting one or more of three conditions:

- FATF membership;
- Hosts VASPs with > 0.25% of global virtual asset trading volume; and/or
- Has 1 million or more virtual asset users

Neither the open-source data used to compile the table, nor the BAC data used for verification purposes, is based on any assessment of a jurisdiction's illicit finance risks associated with virtual assets or of compliance with the FATF standards. A jurisdiction's inclusion in the table therefore carries no indication – either positive or negative – regarding that jurisdiction's degree of risk or its level of compliance. The purpose of this exercise is to identify jurisdictions with materially important virtual asset sectors, so that the FATF network can better support them in regulating and supervising VASPs for AML/CFT purposes.

¹ Not all BACs were able to provide user numbers, some provided data on the number of visits to central exchanges. The Secretariat therefore looked to confirm that the BAC identified the jurisdiction as having 1 million users *or* over 40 million (non-unique) visits *or* whether the country was in the BAC's list of top 40 jurisdictions by userbase.