



PRIORITIES FOR THE FINANCIAL ACTION TASK FORCE UNDER THE SINGAPORE PRESIDENCY

OBJECTIVES FOR 2022-2024

It is an honour and a privilege for Singapore to hold the Presidency of the Financial Action Task Force (FATF) for the next two years. The Singapore Presidency will focus on enhancing the effectiveness of anti-money laundering and counter-terrorist financing measures across FATF member jurisdictions and the wider Global Network, strengthening international efforts to improve asset recovery, and explore contemporary money laundering and terrorist financing (ML/TF) risks linked to cross-border cyber-enabled crimes, such as online scams and phishing activities. Working closely with FATF members and the FATF Secretariat, the Singapore Presidency is committed to deepening the FATF's partnerships with its regional partners - FATF-style regional bodies (FSRBs) - including by charting out a roadmap to improve capability and capacity development. Under the Singapore Presidency, the FATF will also lay out the groundwork and preparation for the next round (5th) of mutual evaluations, which will be more frequent, targeted and have more scrutiny, with an increased focus on major risks and effectiveness. This is in addition to the FATF's core work of identifying and analysing money laundering and terrorist financing methods and trends, developing and refining the FATF Standards, and evaluating and supporting the assessments of countries within the Global Network.

STRENGTHENING ASSET RECOVERY

Global financial crime has risen in scale, complexity and pervasiveness across jurisdictions in recent years and is highly lucrative. However, it is estimated that less than one percent of global illicit financial flows is intercepted and recovered by countries. As a result, the Singapore Presidency will focus on driving forward actions to help countries increase asset recovery, including through expediting existing work and proposing new operational initiatives. This includes strengthening collaboration as an imperative between the FATF, FSRBs and Asset Recovery Networks. The FATF will analyse the state of asset recovery networks and chart a pathway for members to develop stronger operational systems. It will also act as a catalyst to spur substantive changes to national priorities, put in place enabling collaboration frameworks, and facilitate implementation of best practices on recovering assets from cyber-enabled crimes, in particular to help better tackle fraud, scams and ransomware. The FATF will do this in cooperation with members, the Global Network and strategic partners, such as the UN and IMF, and convene a Global Roundtable on Financial Crime with INTERPOL. This will bring together a range of stakeholders, including law enforcement agencies, financial investigators and regulators, and focus on actionable changes, such as through the use of data analytics and public-private partnerships, to aid the work of law enforcement and other agencies.

COUNTERING ILLICIT FINANCE OF CYBER-ENABLED CRIME

Online fraud, scams, ransomware and COVID-related phishing activities have dominated the cyber-enabled crime landscape since 2020. Left unchecked, they will only grow in sophistication and pose a greater threat and risk as more crime syndicates and organised crime groups engage in this illicit activity. Many jurisdictions are finding it challenging to stop or even contain these nefarious schemes, which are often sophisticated and take advantage of new technologies. Under the Singapore Presidency, the FATF will start a new initiative to focus on ML/TF linked to cyber-enabled fraud and scams. The FATF will seek to better understand the challenges, analyse the ML techniques used, identify appropriate tools such as data analytics and industry partnerships, and illuminate best practices to facilitate learning by members.

INCREASING EFFECTIVENESS OF GLOBAL AML MEASURES

Increasing the effectiveness of AML/CFT measures is a key tenet of Singapore's Presidency. The FATF will continue and complete in a timely manner the FATF's work plans, including ongoing work to review and ensure that the FATF Standards remain relevant and up to date, and lay out the groundwork and preparation for 5th round mutual evaluations. This includes:

- Monitoring new ML/TF risks and implementation of best practices and mitigation measures in relation to virtual assets and their service providers, and ensuring countries' timely and effective implementation of FATF recommendations in this area.
- Overseeing the completion of guidance on beneficial ownership information for legal persons and guiding proposals to amend the FATF recommendation on beneficial ownership information for trusts and other legal arrangements.
- Promoting competent authorities' adoption of data analytics to achieve good AML/CFT outcomes by sharing and focusing on appropriate case studies.
- Building on the regular review of TF risks associated with ISIL, Al Qaeda and their affiliates and exploring ways to enhance the sharing of this information.
- Raising further awareness of the ML/TF risks in relation to grand and systemic corruption, the illegal wildlife trade and environmental crime.
- Taking into account the outcomes of the FATF Strategic Review in April 2022, updating relevant training materials and ensuring there is an adequate community of experts to conduct mutual evaluations and reviews for new areas in the assessment of effectiveness.

The Singapore Presidency aims to strengthen a culture within the FATF community where best practices are quickly identified and shared to help drive effectiveness, including through the organisation of thematic sharing sessions.

REINFORCING FATF PARTNERSHIPS WITH FSRBS

Building on the work of past Presidencies, the Singapore Presidency is committed to deepening the FATF's partnership with FSRBs. We welcome the recent development of the FSRBs' strategic vision under the German Presidency. Under the Singapore Presidency, the FATF will closely partner FSRBs to chart out a roadmap for capability and capacity development with a view to supporting and strengthening the Global Network in the common endeavour to effectively fight money laundering, terrorist financing and proliferation financing. This will take into account the specific needs of each FSRB and current levels of expertise. The roadmap will focus on assisting FSRBs to complete the current round of mutual evaluations, formalise regular dialogue, identify specific areas to improve to aid preparation for the next round of evaluations, and support broader strategic cooperation.