



To: Financial Institutions
From: The Director of the ONDCP
Dated: 13 October 2020

ADVISORY

on Jurisdictions identified with AML/CFT Deficiencies

TAKE NOTICE, this ADVISORY is issued pursuant to Regulation 6(1a) of the Money Laundering (Prevention) Regulations 2007¹, and sets out actions to be implemented and countermeasures to be taken relating to foreign jurisdictions with AML/CFT weaknesses that do not or insufficiently apply AML/CFT² international standards³.

FINANCIAL INSTITUTIONS are required to PAY ATTENTION to the following:

A. The “FATF Public Statement”:

High Risk Jurisdictions subject to a FATF call for Action⁴.

See Advisory of the Director of the ONDCP dated 21 August 2020

B. The FATF Statement on Jurisdictions under Increased Monitoring:

See Advisory of the Director of the ONDCP dated 21 August 2020

¹Amended by section 7(6) of the Money Laundering (Prevention) (Amendment) Regulations 2009

² AML/CFT: anti-money laundering/counter terrorist financing

³Reg. “6(1a) (1) [A financial institution] must pay special attention to business relationships and transactions with persons from or in countries which [the financial institution] knows or has reason to believe insufficiently apply international standards against money laundering or the financing of terrorism.

(2) If the Supervisory Authority notifies [a financial institution] that a country has weaknesses in its AML/CFT systems, then [the financial institution] must pay special attention to business relationships and transactions from or in that country.

(1b) Where transactions have no apparent economic or visible lawful purpose, [the financial institution] should examine as far as possible the background and purpose of such transactions, and written findings should be kept as a financial transaction document.

(1c) [A financial institution] should adhere to any countermeasures that the Supervisory Authority or the regulator advises should be implemented.”

⁴Section 12B of the Prevention of Terrorism Act 2005 [amended by section 10 of the Prevention of Terrorism Act 2017] makes it an offence to be involved in or to finance the development of weapons of mass destruction.

C. The CFATF Public Statement made by Round Robin Decision on 28 July 2020

I. Jurisdictions with strategic AML/CFT deficiencies that have made sufficient progress in addressing the deficiencies

The CFATF withdraws its call made 27 November 2019 for members to consider the risks arising from the deficiencies associated with the following jurisdiction:

- **Sint Maarten**

The CFATF has welcomed Sint Maarten's considerable efforts on addressing the deficiencies relative to Core and Key Recommendations. The country remains on enhanced follow-up until it applies to exit the Third Round of Mutual Evaluations. The CFATF considers the progress it has made demonstrates it has satisfied the conditions for exit.

Edward Croft

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Lt. Col. Edward Croft
Director of the ONDCP

ANNEX

CFATF Public Statement of 28 July 2020



APPROVED BY ROUND ROBIN

July 28th, 2020

**CFATF
Public Statement**

The Caribbean Financial Action Task Force (CFATF) is an organisation comprised of twenty-five jurisdictions of the Caribbean Basin Region, which have agreed to implement the international standards for Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT), the Financial Action Task Force Recommendations (FATF Recommendations) in order to protect the international financial system from money laundering and financing of terrorism (ML/FT) risks and to encourage greater compliance with the AML/CFT standards, the CFATF identified one jurisdiction with strategic deficiencies and has worked with it to address those deficiencies that pose a risk to the international financial system.

Jurisdiction with strategic AML/CFT deficiencies that have made progress in addressing the deficiencies

Sint Maarten

The CFATF welcomes Sint Maarten's considerable efforts on addressing the deficiencies relative to Core and Key Recommendations. Consequently, the CFATF withdraws its call for members to consider the risks arising from the deficiencies associated with Sint Maarten made on November 27th, 2019.

Sint Maarten remains in enhanced follow-up until it applies to exit the Third Round of Mutual Evaluations given that the progress it has made demonstrates that it satisfies the conditions for exit set out by the CFATF XXXIX Plenary Meeting held in May 2014.