



ANTIGUA AND BARBUDA

NATIONAL OVERSIGHT COMMITTEE ON FINANCIAL ACTION NOCFA

To: ONDCP; FSRC; ECCB

And to: Financial Institutions¹

Dated: 5 March 2024

ADVISORY on Jurisdictions with AML/CFT Deficiencies

This Advisory is issued by NOCFA to its Members pursuant to the mandate to publish advisories under its Terms of Reference.² Supervisors and Regulators should disseminate this Advisory to the financial institutions³ which they supervise or regulate to enable them to take the information into consideration in their business activities as required by law.⁴ It should also be circulated to Government Departments and statutory bodies. The Advisory relates to foreign jurisdictions with AML/CFT⁵ deficiencies and includes (i) High-risk jurisdictions subject to a call for action and (ii) Jurisdictions under increased monitoring due to strategic deficiencies. (iii) Where the CFATF has made a jurisdiction the subject of its ICRG process then that is indicated in Part 3.

The Advisory sets out actions to be implemented and if indicated, countermeasures to be taken by regulated financial institutions and Government departments.

Responding to this Advisory

1. Supervisors and Regulators must distribute this Advisory to the entities they supervise/regulate.
2. Financial Institutions to whom this Advisory is provided are required to acknowledge receipt to the authority that provides it.
3. Financial Institutions should take this Advisory into account when considering transactions or business involving the jurisdictions referred to herein (and where called upon, apply enhanced, proportionate due diligence).

PART 1 – High Risk Jurisdictions Subject to a Call for Action – 21 February 2025

¹ See First Schedule of the Money Laundering (Prevention) Act 1996 and section 2 of the Prevention of Terrorism Act 2005.

² “In furtherance of its objective, the NOCFA shall:- ...

3. act as a coordination task force, taking measures including publication of advisories, notices and countermeasures to ensure that relevant Authorities understand their respective supervisory role and responsibilities;”

³ See financial institutions as defined in the First Schedule of the Money Laundering (Prevention) Act 1996 and section 2 of the Prevention of Terrorism Act 2005.

⁴Reg. “6(1a) [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.”

⁵ AML/CFT: anti-money laundering/counter terrorist financing

High-risk jurisdictions have significant strategic deficiencies in their regimes to counter money laundering, terrorist financing, and financing of proliferation. For all countries identified as high-risk, the FATF calls on all members and urges all jurisdictions to apply enhanced due diligence, and, in the most serious cases, countries are called upon to apply countermeasures to protect the international financial system from the money laundering, terrorist financing, and proliferation financing (ML/TF/PF) risks emanating from the country.

Since February 2020, Iran reported in January, August and December 2024 with no material changes in the status of its action plan.

Given heightened proliferation financing risks, the FATF reiterates its call to apply countermeasures on these high-risk jurisdictions.

Jurisdictions subject to a FATF call on its members and other jurisdictions to apply countermeasures

1. DEMOCRATIC PEOPLE’S REPUBLIC OF KOREA (DPRK)

Building upon the FATF statements over the past decade, the FATF remains concerned by the DPRK’s continued failure to address the significant deficiencies in its anti-money laundering and combating the financing of terrorism (AML/CFT) regime and the serious threats posed by the DPRK’s illicit activities related to the proliferation of weapons of mass destruction (WMDs) and its financing.

The FATF has continually reiterated since 2011 the need for all countries to robustly implement the targeted financial sanctions in accordance with UNSC Resolutions and apply the following countermeasures to protect their financial systems from the money laundering, terrorist financing, and proliferation financing threat emanating from DPRK:

Terminate correspondent relationships with DPRK banks;

Close any subsidiaries or branches of DPRK banks in their countries; and

Limit business relationships & financial transactions with DPRK persons.

Despite these calls, DPRK has increased connectivity with the international financial system, which raises proliferation financing (PF) risks, as the FATF noted in February 2024. This requires greater vigilance and renewed implementation and enforcement of

these countermeasures against the DPRK. As set out in UNSCR 2270, DPRK frequently uses front companies, shell companies, joint ventures and complex, opaque ownership structures for the purpose of violating sanctions. As such, FATF encourages its members and all countries to apply enhanced due diligence to the DPRK and its ability to facilitate transactions on its behalf.

The FATF also urges countries to adequately assess and account for the increased proliferation financing risk with the greater financial connectivity reported, particularly since the next round of assessments requires countries to adequately assess PF risks under Recommendation 1 and Immediate Outcome 11. The ability to obtain reliable and credible information to support the assessment of PF risks relating to the DPRK is hampered by the recent termination of the 1718 Committee Panel of Experts mandate. Thus, the FATF will monitor the measures to comply with DPRK targeted financial sanctions and the implementation of countermeasures against DPRK.

2. IRAN

In June 2016, Iran committed to address its strategic deficiencies. Iran's action plan expired in January 2018. In February 2020, the FATF noted Iran has not completed the action plan.[\[1\]](#)

In October 2019, the FATF called upon its members and urged all jurisdictions to: require increased supervisory examination for branches and subsidiaries of financial institutions based in Iran; introduce enhanced relevant reporting mechanisms or systematic reporting of financial transactions; and require increased external audit requirements for financial groups with respect to any of their branches and subsidiaries located in Iran.

Now, given Iran's failure to enact the Palermo and Terrorist Financing Conventions in line with the FATF Standards, the FATF fully lifts the suspension of countermeasures and calls on its members and urges all jurisdictions to apply effective countermeasures, in line with Recommendation 19.[\[2\]](#)

Iran will remain on the FATF statement on [High Risk Jurisdictions Subject to a Call for Action](#) until the full Action Plan has been completed. If Iran ratifies the Palermo and Terrorist Financing Conventions, in line with the FATF standards, the FATF will decide on next steps, including whether to suspend countermeasures. Until Iran implements the measures required to address the deficiencies identified with respect to countering terrorism-financing in the Action Plan, the FATF will remain concerned with the terrorist financing risk

emanating from Iran and the threat this poses to the international financial system.

[1] In June 2016, the FATF welcomed Iran’s high-level political commitment to address its strategic AML/CFT deficiencies, and its decision to seek technical assistance in the implementation of the Action Plan. Since 2016, Iran established a cash declaration regime, enacted amendments to its Counter-Terrorist Financing Act and its Anti-Money Laundering Act, and adopted an AML by-law.

In February 2020, the FATF noted that there are still items not completed and Iran should fully address: (1) adequately criminalizing terrorist financing, including by removing the exemption for designated groups “attempting to end foreign occupation, colonialism and racism”; (2) identifying and freezing terrorist assets in line with the relevant United Nations Security Council resolutions; (3) ensuring an adequate and enforceable customer due diligence regime; (4) demonstrating how authorities are identifying and sanctioning unlicensed money/value transfer service providers; (5) ratifying and implementing the Palermo and TF Conventions and clarifying the capability to provide mutual legal assistance; and (6) ensuring that financial institutions verify that wire transfers contain complete originator and beneficiary information.

[2] Countries should be able to apply appropriate countermeasures when called upon to do so by the FATF. Countries should also be able to apply countermeasures independently of any call by the FATF to do so. Such countermeasures should be effective and proportionate to the risks.

The Interpretative Note to Recommendation 19 specifies examples of the countermeasures that could be undertaken by countries.

Jurisdiction subject to an FATF call on its members and other jurisdictions to apply enhanced due diligence measures proportionate to the risks arising from the jurisdiction

MYANMAR

In February 2020, Myanmar committed to address its strategic deficiencies. Myanmar’s action plan expired in September 2021.

In October 2022, given the continued lack of progress and the majority of its action items still not addressed after a year beyond the action plan deadline, the FATF decided that

further action was necessary in line with its procedures and FATF calls on its members and other jurisdictions to apply enhanced due diligence measures proportionate to the risk arising from Myanmar. The FATF requires that as part of enhanced due diligence, financial institutions should increase the degree and nature of monitoring of the business relationship, in order to determine whether those transactions or activities appear unusual or suspicious. If no further progress is made by June 2025, the FATF will consider countermeasures.

While overall progress continues to be slow, Myanmar has made recent progress against one item in its action plan by addressing technical compliance deficiencies regarding targeted financial sanctions related to proliferation financing. Myanmar should continue to work on implementing its action plan to address these deficiencies, including by: (1) demonstrating enhanced use of financial intelligence in law enforcement authorities (LEAs) investigations, and increasing operational analysis and disseminations by the financial intelligence unit (FIU); (2) ensuring that ML is investigated/prosecuted in line with risks; (3) demonstrating investigation of transnational ML cases with international cooperation; (4) demonstrating an increase in the freezing/seizing and confiscation of criminal proceeds, instrumentalities, and/or property of equivalent value; and (5) managing seized assets to preserve the value of seized goods until confiscation.

When applying enhanced due diligence, countries should ensure that flows of funds for humanitarian assistance, legitimate NPO activity and remittances are neither disrupted nor discouraged. The FATF will also continue to monitor whether Myanmar's AML/CFT activities apply undue scrutiny to legitimate financial flows.

Myanmar will remain on the list of countries subject to a call for action until its full action plan is completed.

NOCFA Reminder:

Complementing the requirements regarding jurisdictions listed in PART 1 above, financial institutions should pay special attention to individuals and entities connected to these jurisdictions, bearing in mind that under the Weapons of Mass Destruction (Prohibition and Non-Proliferation) Act 2024 ("WMD Act") —

- (a) Proliferation financing is an offence, under section 22 of the WMD Act.**
- (b) Proliferation financing, under section 21 of the WMD Act, means where a person:**
 - (a) makes available an asset; or**
 - (b) provides a financial service or**
 - (c) conducts a financial transaction, and****the person knows that, or is reckless as to whether, the asset, financial service or financial transaction is intended to, in whole or in part, facilitate any of the following activities:**
 - (a) the manufacture, production, possession, acquisition, stocking, storage, development, transportation, sale, supply, transfer, export, transshipment or use of:**

- (i) nuclear weapons; or**
 - (ii) chemical weapons; or**
 - (iii) biological weapons; or**
 - (iv) materials related to nuclear weapons, chemical weapons or biological weapons that are prescribed by Regulations; or**
- (b) the provision of technical training, advice, service, brokering or assistance related to any of the activities in paragraph (a).**

PART 2 – Jurisdictions under Increased Monitoring due to Strategic Deficiencies in their AML/CFT regimes

FATF Statement on Jurisdictions under increased monitoring — 21 February 2025

Jurisdictions under increased monitoring are actively working with the FATF to address strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing. When the FATF places a jurisdiction under increased monitoring, it means the country has committed to resolve swiftly the identified strategic deficiencies within agreed timeframes and is subject to increased monitoring. This list is often externally referred to as the “grey list”.

The FATF and FATF-style regional bodies (FSRBs) continue to work with the jurisdictions below as they report on the progress achieved in addressing their strategic deficiencies. The FATF calls on these jurisdictions to complete their action plans expeditiously and within the agreed timeframes. The FATF welcomes their commitment and will closely monitor their progress. The FATF does not call for the application of enhanced due diligence measures to be applied to these jurisdictions. The FATF Standards do not envisage de-risking, or cutting-off entire classes of customers, but call for the application of a risk-based approach. Therefore, the FATF encourages its members and all jurisdictions to take into account the information presented below in their risk analysis. As countries consider actions based on their risk analysis taking into account the information below, they should ensure that flows of funds for humanitarian assistance, legitimate NPO activity and remittances are neither disrupted nor discouraged. Countries should also consider their international obligations under United Nations Security Council Resolution 2761 (2024) on humanitarian exemptions to asset freeze measures imposed by UN sanctions regimes.

The FATF identifies additional jurisdictions, on an on-going basis, that have strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing. A number of jurisdictions have not yet been reviewed by the FATF or their FSRBs, but will be in due course.

The FATF provides some flexibility to jurisdictions not facing immediate deadlines to report progress on a voluntary basis. The following countries had their progress reviewed by the FATF since October 2024: Bulgaria; Burkina Faso, Cameroon, Croatia, Democratic Republic of Congo, Kenya, Mali, Mozambique, Namibia; Nigeria, Philippines, South Africa, South Sudan, Tanzania, Venezuela, and Vietnam. For these countries, updated statements are provided below. Algeria, Angola, Côte d’Ivoire, Haiti, Lebanon, Monaco, Syria and Yemen chose to defer reporting; thus, the statements issued previously for those jurisdictions are included below, but it may not necessarily reflect the most recent status of the jurisdictions’ AML/CFT regimes. Following review, the FATF now also identifies Lao PDR and Nepal.

Note from NOCFA: Financial institutions should be mindful that jurisdictions have different reasons for being declared to have strategic deficiencies. These different reasons will reflect the degree to which these deficiencies impact the effectiveness of the jurisdiction’s AML/CFT system and will therefore inform the degree and extent to which monitoring or enhance due diligence is appropriate. The FATF’s reasons for its declarations are set out in its **Statement on Jurisdictions under Increased Monitoring of 21 February 2025**, which should be consulted to get a proper perspective on individual jurisdictions. Access can be had on the FATF website and at:

<https://www.fatf-gafi.org/en/publications/High-risk-and-other-monitored-jurisdictions/Call-for-action-february-2025.html>

Table of Jurisdictions with Strategic AML/CFT Deficiencies

(For FATF country reports, see above Note from NOCFA)

Jurisdictions with strategic deficiencies	Jurisdictions no longer subject to increased monitoring
Algeria	Phillipines
Angola	
Bulgaria	
Burkina Faso	
Cameroon	
Côte D'Ivoire	
Croatia	
Democratic Republic of Congo	
Haiti	
Kenya	
Lao PDR	
Lebanon	
Mali	
Monaco	
Mozambique	
Namibia	
Nepal	
Nigeria	
South Africa	
South Sudan	
Syria	
Tanzania	
Venezuela	
Vietnam	
Yemen	

Link to FATF reports: <https://www.fatf-gafi.org/en/publications/High-risk-and-other-monitored-jurisdictions/increased-monitoring-february-2025.html>

PART 3 –Jurisdictions under the CFATF ICRG⁶ Process

[none]



.....
Chairman of the National
Oversight Committee on
Financial Action

⁶ Interntional Co-operation Review Group