

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Notice to Financial Services Licence Holders

FATF identifies jurisdictions with strategic deficiencies

The MFSA would like to draw the attention of licence holders to the publication of two public documents by the Financial Action Task Force (FATF) which have identified countries considered to have strategic deficiencies regarding anti-money laundering and combating the financing of terrorism (AML/CFT).

1. [FATF Public Statement 16 February 2012](#) - is an update to the statement issued in October 2011 which identifies jurisdictions with serious strategic anti-money laundering and combating the financing of terrorism (AML/CFT) deficiencies. This Public Statement names:
 - (a) Jurisdictions subject to an FATF call on its members and other jurisdictions to apply counter-measures to protect the international financial system from the on-going and substantial money laundering and terrorist financing (ML/TF) risks emanating from the jurisdictions; and
 - (b) Jurisdictions with strategic AML/CFT deficiencies that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the FATF to address the deficiencies. The FATF calls on its members to consider the risks arising from the deficiencies associated with each jurisdiction.
2. [Improving Global AML/CFT Compliance](#) - names jurisdictions which have strategic AML/CFT deficiencies for which they have developed an action plan with the FATF. The situations differ among each jurisdiction, however each jurisdiction has provided a written high-level political commitment to address the identified deficiencies.

Countries named in the Public Statement cannot be considered as a “reputable jurisdiction” in terms of the definition of “reputable jurisdiction” in the Prevention of Money Laundering and Funding of Terrorism Regulations.

Countries named in the Improving Global AML/CFT Compliance document should not be considered as non-reputable jurisdictions. The situation of each country should be considered on its own merits and on a case by case basis when establishing whether and to what extent the particular country or a particular transaction poses any AML/CFT risks.

Licence holders should give consideration to the abovementioned documents, this Notice and any other relevant guidance issued by the Financial Intelligence Analysis Unit for the purpose of assessing the reputability of countries in the conduct of business.

Communications Unit
Malta Financial Services Authority
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