CARIBBEAN FINANCIAL ACTION TASK FORCE

Procedures for the Fourth Round of AML/CFT Mutual Evaluations

May 29, 2014 (amended)

This document reflects amendments to the CFATF Mutual Evaluation Procedures on the following dates: 28 May 2015, 25 February 2016, 9 June 2016, 10 November 2016, 1 June 2017, 16 November 2017, 14 March 2018, 23 November 2018, 31 May 2019, 29 November 2019, 2 October 2020, 11 December 2020, 27 May 2021 and 30 November 2023.

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PROCEDURES FOR THE CFATF FOURTH ROUND OF AML/CFT MUTUAL EVALUATIONS

Introduction

1. The CFATF is conducting a fourth round of mutual evaluations for its Members based on the FATF Recommendations (2012), and the Methodology for Assessing Technical Compliance with the FATF Recommendations and the Effectiveness of AML/CFT Systems (2013), as amended from time to time. This document sets out the procedures that are the basis for that fourth round of mutual evaluations and the CFATF shall periodically review these procedures to identify on-going challenges and update these procedures to address those challenges. These procedures will also be revised in accordance with any updates to the Universal Procedures for AML/CFT Assessments[1].

I. Scope, principles and objectives for the fourth round

2. As set out in the Methodology, the scope of the evaluations will involve two inter-related components for technical compliance and effectiveness. The technical compliance component will assess whether the necessary laws, regulations or other required measures are in force and effect, and whether the supporting AML/CFT institutional framework is in place. The effectiveness component will assess whether the AML/CFT systems are working, and the extent to which the assessed country is achieving the defined set of outcomes.

3. There are general principles and objectives that govern CFATF mutual evaluations, which are in keeping with AML/CFT assessments conducted by the FATF, other FSRBs, or International Financial Institutions (IFIs). The procedures are intended to:

   a) Produce objective and accurate reports of a high standard in a timely way.

   b) Ensure that there is a level playing field, whereby mutual evaluation reports (MERs[2]), including the executive summaries, are consistent, especially with respect to the findings, the recommendations and ratings.

   c) Ensure that there is transparency and equality of treatment, in terms of the assessment process, for all assessed countries.

   d) Seek to ensure that the evaluation and assessment exercises conducted by all relevant organisations and bodies (FATF, IFIs, FSRBs) are equivalent, and of a high standard.

   e) (i) Be clear and transparent; (ii) encourage the implementation of higher standards, (iii) identify and promote good and effective practices, and (iv) alert governments and the private sector to areas that need strengthening.

   f) Be sufficiently streamlined and efficient to ensure that there are no unnecessary delays or duplication in the process and that resources are used effectively.

[1] Consolidated Processes and Procedures for Mutual Evaluations and Follow-Up ("Universal Procedures") are core procedures that form the basis for the conduct of mutual evaluations and follow-up by all assessment bodies.
[2] References to MER include Detailed Assessment Reports (DARs) prepared by IFIs, which are the World Bank and the International Monetary Fund.

II. Changes in the FATF Standards

4. The FATF has indicated that based on on-going work within the FATF, further changes could be made to the Recommendations, the Interpretive Notes or the Methodology. Before updating the Universal Procedures, the FATF should consider the impact of any changes on the FSRBs. All countries will be evaluated on the basis of the FATF Recommendations and Interpretive Notes, and the Methodology as they exist at the date of the assessed country's on-site visit. The report will state clearly if an assessment has been made against recently amended Standards. To ensure equality of treatment, and to protect the international financial systems, compliance with the relevant elements of the changes could be assessed as part of the follow-up process (see section XII below), if they have not been assessed as part of the mutual evaluation.

III. Schedule for the fourth round

5. The schedule of mutual evaluations for the fourth round, and the number of evaluations to be prepared each year is primarily governed by the number of MERs that can be discussed at each Plenary meeting, and by the need to complete the entire round in a reasonable timeframe.

6. A schedule of mutual evaluations showing the fixed or proposed date of the on-site visit, the dates of relevant Financial Sector Assessment Programme (FSAP) missions and the date for the Plenary discussion of the MER will be maintained. In addition, the Plenary dates for specific evaluations will be fixed at least two (2) years in advance, and this will be maintained throughout the round. Any proposed changes to the fixed evaluation dates will require Plenary approval. Plenary approval can occur at either one of the two Plenary meetings each year or where necessary by the Round Robin process[3]. Countries applying to Plenary for a change in their scheduled Mutual Evaluation date should apply no less than twelve (12) months before the on-site. The schedule of mutual evaluations will be set up to discuss two (2) MERs per Plenary, but this could, based on scheduling and other issues be limited to one (1) MER or on an exceptional basis, extend to three (3) MERs. Other relevant information that will be provided include information on the countries which have volunteered to provide assessors for forthcoming mutual evaluations. The considerations underlying the sequence of evaluations are:

   a) Assessed countries' views on their preferred date - Members are consulted on the possible dates for on-site visits and Plenary discussion of their MER, and this is taken into account in the schedule.

   b) The scheduled date of any possible FSAP mission – see section XI below regarding the timing of the FSAP and of a mutual evaluation.

   c) The date of the last mutual evaluation or IFI assessment.

IV. Procedures and steps in the evaluation process

7. A summary of the key steps for the assessment team and the country in the CFATF mutual evaluation process is set out at Appendix 1. Those steps are described more fully below.

Preparation for the on-site visit

8. At least eight (8) months before the on-site visit, the Secretariat will fix the precise dates for the evaluation on-site visit as well as the timelines for the whole process in consultation with the

[3] The Round Robin process involves the circulation of the issue to be decided to Plenary delegates for approval. Where delegates do not approve, they must respond to the Secretariat within ten (10) working days from the day the issue document was circulated. Where there are no responses in this regard, it will be taken that the issue was approved.

country. This allows for the broad timelines to be finalized and agreed upon at least fourteen (14) months prior to the Plenary discussion, based on the timelines in Appendix 1 (some flexibility is permissible). Some flexibility to extend the overall timelines by one (1) or two (2) months or adjust the date of the on-site is permissible where necessary to plan around Plenary meetings, events or holidays. Where necessary, consideration should also be given to the time that may be needed for the translation of documents when finalizing the programme and more generally. Therefore, the Secretariat should ensure that at least three (3) to four (4) extra weeks are scheduled in the overall timelines for translation purposes.

9. The onus is on the assessed country to demonstrate that it has complied with the Standards and that its AML/CFT regime is effective, hence, the assessed country should provide all relevant information to the assessment team during the course of the assessment. As appropriate, assessors should be able to request or access documents (redacted if necessary), data, or other relevant information. All updates and information should be provided in an electronic format and countries should ensure that laws, regulations, guidelines and other relevant documents are made available in the language of the evaluation and the original language. Evaluations will only be conducted in English or Spanish.

10. The Deputy Executive Directors will be responsible for co-ordinating the pre-on-site evaluation requirements between the assessment team and the assessed country.

(a) Information Updates on Technical Compliance

11. The updates and information provided by the assessed country are intended to provide key information for the preparatory work before the on-site visit, including understanding the country's ML/TF risks, identifying potential areas of increased focus for the on-site, and preparing the draft MER. Assessed countries should provide the necessary updates and information to the Secretariat no less than six (6) months before the on-site. Prior to that, it would be desirable to have informal engagement between the assessed country and the Secretariat.

12. In some assessed countries, AML/CFT issues are matters that are addressed not just at the level of the national government, but also at state/province or local levels. Assessed countries are requested to note the AML/CFT measures that are the responsibility of state/provincial/local level authorities, and to provide an appropriate description of these measures. Assessors should also be aware that AML/CFT measures may be taken at one or more levels of government and should examine and take into account all the relevant measures, including those taken at a state/provincial/local level. Equally, assessors should take into account and refer to supra-national laws or regulations that apply to an assessed country.

13. Assessed countries should rely on the questionnaire for the technical compliance update to provide relevant information to the assessment team (See Appendix 3). Along with previous reports, this will be used as a starting basis for the assessment team to conduct the desk-based review on technical compliance. The questionnaire is a guide to assist assessed countries to provide relevant information in relation to: (i) background information on any new or amended laws, regulations or guidance, and relevant updates and information on the institutional framework; (ii) information on risks and context; and (iii) information on the measures that the country has taken to meet the criteria for each Recommendation. Assessed countries should complete the questionnaire, indicating in relevant areas if anything has changed in their AML/CFT regime since the MER, and may choose to present other information in whatever manner they deem to be most expedient or effective.

(b) Information on Effectiveness

14. Assessed countries should provide information on effectiveness based on the 11 Immediate Outcomes identified in the effectiveness assessment no less than four (4) months before the on-site.

They should set out fully how each core issue as set out in each Immediate Outcome is being addressed. It is important for assessed countries to provide a full and accurate description (including examples of information, data and other factors) that would help to demonstrate the effectiveness of the AML/CFT regime.

(c) Composition and Formation of Assessment Team

15. The assessors are confirmed by the Secretariat. This will normally take place at least six (6) months before the on-site and will be coordinated with Member countries or Observers that had earlier volunteered assessors for the proposed assessment. The assessed country will be provided with the names and résumés of the assessment team at least six (6) months before the on-site for their review. The assessed country will have one (1) week to review and indicate to the Secretariat if there are concerns and substantiate all such concerns in detail. Where the Secretariat determines there are valid concerns, the issue(s) will be discussed between the Secretariat and assessed country and the Secretariat will subsequently make determinations and confirm the final assessment team.

16. An assessment team will at a minimum consist of four (4) expert assessors (comprising at least one legal, two financial[4] and one law enforcement expert), principally drawn from CFATF Members and Observers, and will also include at least two members of the CFATF Secretariat, who will be the mission leader and co-mission leader for the evaluation. Where necessary, a suitable candidate from a Member country may serve as the mission leader for an evaluation. Depending on the assessed country and the money laundering and terrorist financing risks, additional assessors or assessors with specific expertise may also be required.

17. An assessment team should have the correct balance of knowledge and skills to ensure a quality mutual evaluation. In selecting the assessors, the following factors shall be considered before confirming an assessor to participate in a mutual evaluation: (i) their relevant operational and assessment experience; (ii) language of the evaluation; (iii) nature of the legal system (civil law or common law) and institutional framework; and (iv) specific characteristics of the jurisdiction (e.g. size and composition of the economy and financial sector, geographical factors, and trading or cultural links). Assessors should be very knowledgeable about the FATF Standards and are required to attend and successfully complete a 4th round assessor training seminar before they conduct a mutual evaluation. The Secretariat should implement criteria for selecting and assessing the level of expertise of persons attending assessor training events, including those criteria approved by the FATF Plenary. To ensure that the mutuality of the peer review process is maintained, Members and Observers should provide qualified experts. If possible, at least one (1) of the assessors should have had previous experience conducting an assessment.

18. In joint evaluations, the assessment team will be made up of assessors and Secretariat from both the CFATF and the FATF/FSRB(s) (see section VIII). For some other CFATF evaluations, the Secretariat could, with the consent of the assessed country, invite an expert from an FSRB (Member or Secretariat) or the IFIs[5] to participate as an expert on the assessment team, on the basis of reciprocity. Normally there should be no more than one (1), or in exceptional cases two (2), such experts per evaluation.

19. Due to the nature of the peer review process, the Secretariat will work to ensure that the mutuality of the process is maintained, and each Member should provide qualified experts for at least two (2) assessments over the course of the fourth round.

[4] The assessment team should have assessors with expertise relating to the preventive measures necessary for the financial sector and designated non-financial businesses and professions.
[5] Participation (on a reciprocal basis) of experts from other Observers that are conducting assessments, such as UNCTED, could be considered on a case-by-case basis.

(d) Responsibilities of the Secretariat

20. The Secretariat:

- Supports the assessment team and the assessed country;
- Focuses on quality and consistency of the MER, including taking steps necessary to ensure that the assessors' analysis is clearly and concisely written, comprehensive, objective and supported by evidence;
- Ensures compliance with process and procedures;
- Assists assessors and assessed country in the interpretation of the FATF Standards, Methodology and process in line with past FATF Plenary decisions;
- Ensures that assessors and assessed countries have access to relevant and accurate documentation and that statistics and legislative references are cited correctly; and
- Project-leads the process and undertakes other tasks as indicated in these procedures.

21. The CFATF should review from time to time whether the Secretariat is staffed to adequately support the mutual evaluation process, understanding that two (2) to three (3) staff members should be considered optimal for the majority of evaluations. Where resource issues exist, the CFATF should review its work plan and allocation of resources to other projects to ensure that work on MERs/FURs is adequately prioritized.

(e) Responsibilities of Assessment Team

22. The core function of the assessment team is to produce an independent report (containing analysis, findings and recommendations) concerning the assessed country's compliance with the FATF standards, in terms of both technical compliance and effectiveness. A successful assessment of an AML/CFT regime requires, at a minimum, a combination of financial, legal and law enforcement expertise, particularly in relation to the assessment of effectiveness. Experts therefore have to conduct an evaluation in a fully collaborative process, whereby all aspects of the review are conducted holistically. Each expert is expected to contribute to all parts of the review, but should take the lead on, or take primary responsibility for topics related to his or her own area of expertise. An overview of assessors' respective primary responsibilities should be shared with the assessed country, although the assessment remains an all-team responsibility. As a result, assessors will be actively involved in all areas of the report and beyond their primary assigned areas of responsibility. It is also important that assessors are able to devote their time and resources to reviewing all the documents (including the information updates on technical compliance, and information on effectiveness), raising queries prior to the on-site, preparing and conducting the assessment, drafting the MER, attending the meetings (e.g. on-site, face-to-face meeting, and Plenary discussion), and adhering to the deadlines indicated.

23. The mutual evaluation is a dynamic and continuous process. The assessment team/Secretariat should engage and consult the assessed country on an on-going basis, commencing at least eight (8) months before the on-site. This may include early engagement with higher level authorities to obtain support for and co-ordination of the evaluation for the entirety of the process and training for the assessed country to familiarise stakeholders with the mutual evaluation process. The Secretariat should review from time to time whether the way in which they engage with assessed countries is satisfactory. The assessed country should at an early stage in the evaluation process, appoint a co-ordinator responsible for the mutual evaluation process to ensure adequate co-

ordination and clear channels of communication between the Secretariat and the assessed country[6]. Throughout the process the Secretariat will ensure that the assessors can access all relevant material.

(f) Desk Based Review for Technical Compliance

24. Prior to the on-site visit, the assessment team will conduct a desk-based review of the assessed country's level of technical compliance (TC), the contextual factors and ML/TF risks. The review will be based on information provided by the assessed country in the information updates on technical compliance, pre-existing information drawn from the assessed country's 3rd round MER, follow-up reports and other credible or reliable sources of information. This information will be carefully taken into account, though the assessment team can review the findings from the previous MER and follow-up reports and may highlight relevant strengths or weaknesses not previously noted. If the assessment team reaches a different conclusion to previous MERs and follow-up reports (in cases where the Standards and/or the legislation have not changed) then they should explain the reasons for their conclusion.

25. The TC annex is drafted by the Secretariat on the basis of a comprehensive prior analysis by the assessors. This requires assessors to indicate if each sub-criterion is met, mostly met, partly met or not met and why. When drafting the TC Annex for assessors, the Secretariat takes into account the quality and consistency of MERs. Subsequent to the review, the assessment team will provide the assessed country with a 1st draft of the technical compliance annex (which will not contain ratings or recommendations) about three (3) months before the on-site. This will include a description, analysis, and list of potential technical deficiencies noted. The assessed country will have one (1) month to clarify and comment on this 1st TC draft.

26. In conducting the assessment, assessors should only take into account relevant laws, regulations or other AML/CFT measures that are in force and effect at that time or will be in force and effect by the end of the on-site visit. Where relevant Bills or other specific proposals to amend the system are made available, these will be referred to in the MER (including for the purpose of the recommendations to be made to the assessed country) but should not be taken into account in the conclusions of the assessment or for ratings purposes.

(g) Ensuring Adequate Basis to Assess International Cooperation

27. Six (6) months before the on-site visit, CFATF members, the FATF and FSRBs[7] will be invited to provide information on their experience of international co-operation with the assessed country.

28. In addition, the assessment team and the assessed country may also identify key countries which the assessed country has provided international cooperation to or requested it from and seek specific feedback. The feedback could relate to: (i) general experience, (ii) positive examples, and (iii) negative examples on the assessed country's level of international cooperation. The responses received will be made available to the assessment team and the assessed country.

(h) Identifying Potential Areas of Increased Focus for On-Site Visit

29. The assessment team will have to examine the country's level of effectiveness in relation to all the 11 Immediate Outcomes during the on-site. The assessment team must also, based on its preliminary review and analysis of the risk, the assessed country's situation as well as TC and

[6] The co-ordinator should have the appropriate seniority to be able to co-ordinate with other authorities effectively and make certain decisions when required to do so. The co-ordinator should also have an understanding of the mutual evaluation process and be able to perform quality control of responses provided by other agencies.
[7] FATF and FSRBs and their Members will only be invited to provide this information where they are willing to reciprocally invite CFATF Members to provide the same type of information in relation to their mutual evaluations.

effectiveness issues prior to the on-site, identify specific areas to which it would pay more attention during the on-site visit and in the MER, as well as the areas of reduced focus. This will usually relate to effectiveness issues but could also include TC issues. In doing so, the team will consult the country through the Secretariat. In addition, delegations will be invited to provide any comments that they may have that would assist the team to focus on areas of higher risk that need increased focus.

30. Where there are potential areas of increased focus for the on-site, the assessment team should obtain and consider all relevant information and commence discussion of these areas approximately four (4) months before the on-site, and consult the assessed country at no later than two (2) months before the on-site. The assessed country should normally provide additional information regarding the areas to which the assessment team would like to pay more attention. While the prerogative lies with the assessment team, the areas for increased focus should, to the extent possible, be mutually agreed with the assessed country, and should be set out in a draft scoping note. The scoping note should set out briefly (in no more than two (2) pages) the identified areas of lower and higher risk that need reduced or increased focus, and why these areas have been selected. The draft scoping note, along with relevant background information (e.g. the assessed country's risk assessment(s)), should be sent to the reviewers (described in the section on quality and consistency, below) and to the assessed country. Reviewers should, within one (1) week of receiving the scoping note, provide their feedback to the assessment team regarding whether the scoping note reflects a reasonable view on the focus of the assessment, having regard to the material made available to them as well as their general knowledge of the jurisdiction. The assessment team should consider the merit of the reviewers' comments, and amend the scoping note as needed, in consultation with the assessed country. The final version should be sent to the assessed country at least three (3) weeks prior to the on-site, along with any requests for additional information on the areas of increased focus. The assessed country should seek to accommodate any requests arising from the additional focus as soon as possible after receiving the request for additional information.

31. To expedite the mutual evaluation process, and to facilitate the on-site visit, the assessment team will, at least one (1) week before the on-site visit, prepare a revised draft TC annex, draft TC text for MER, and an outline of initial findings/key issues to discuss on effectiveness. In order to facilitate the discussions on-site, the revised TC annex will be sent to the assessed country at that time.

(i) Programme for On-Site Visit

32. The assessed country (designated contact) should work with the Secretariat and prepare a draft programme and coordinate the logistics for the on-site. The draft programme, together with any specific logistical arrangements, should be sent to the assessment team no later than one (1) month before the on-site visit (See Appendix 2 for the list of authorities and businesses that would usually be involved in the on-site). The preparation of the programme for the on-site visit and the scoping note shall be done concurrently. To assist in their preparation, the assessment team should prepare a preliminary analysis identifying key issues on effectiveness, eight (8) weeks before the on-site visit.

33. The draft programme should take into account the areas where the assessment team may want to apply increased focus, including an overview of the assessed country's understanding of risk. Where practical, meetings could be held in the premises of the agency/organisation being met, since this allows the assessors to meet the widest possible range of staff and to obtain information more easily. However, for some evaluations, travelling between venues can be time consuming and wasteful, and generally, unless venues are in close proximity, there should be no more than 2-3 venues per day. Based on the draft programme, the assessment team and the assessed country will work to agree on the schedule of meetings as soon as possible, and it should be finalised at least two (2) weeks prior to the on-site visit. The assessment team may also request additional meetings during the on-site.

34. During the on-site visit there also needs to be professional and well-prepared interpreters if interpretation from the assessed country's language to English/Spanish is required. However, for the efficient use of time, meetings should be conducted in the language of the assessment i.e. either English or Spanish.

(j) Confidentiality

35. All documents and information: (i) produced by an assessed country during a mutual evaluation exercise, (e.g. updates and responses, documents describing a country's AML/CFT regime, measures taken or risks faced (including those for which there will be increased focus), or responses to assessors' queries); (ii) produced by the CFATF Secretariat or assessors (e.g. reports from assessors, draft MER); and (iii) which consist of comments received through the consultation or review mechanisms, should be treated as confidential. They should only be used for the specific purposes provided and not be made publicly available, unless the assessed country and the CFATF (and where applicable, the originator of the document) consent to their release. These confidentiality requirements apply to the assessment team, the Secretariat, reviewers, officials in the assessed country and any other person with access to the documents or information. In addition, at least four (4) months before the on-site visit, the members of the assessment team and reviewers should sign a confidentiality agreement, which will include text regarding the need to declare a conflict of interest.

On-site visit

36. The on-site visit provides the best opportunity to clarify issues relating to the country's AML/CFT system, and assessors need to be fully prepared to review the 11 Immediate Outcomes relating to the effectiveness of the system and clarify any outstanding TC issues. Assessors should also pay more attention to areas where higher ML and TF risks are identified. Assessors must be cognisant of the different country circumstances and risks, and that assessed countries may adopt different approaches to meet the FATF Standards and to create an effective system. Assessors thus need to be open and flexible and seek to avoid narrow comparisons with their own national requirements.

37. Experience has shown that at least 7-8 days of meetings are required for countries with developed AML/CFT systems. A typical on-site visit could thus allow for the following.

    a) An initial half day preparatory meeting between the Secretariat and assessors.

    b) 7-8 days of meetings[8] with representatives of the assessed country, including an opening and closing meeting. The opening meeting should consider including an overview of the assessed country's understanding of risk, to complement the write-ups of the country's national risk assessments(s). Time may have to be set aside for additional or follow-up meetings, if, in the course of the set schedule, the assessors identify new issues that need to be explored, or if they need further information on an issue already discussed.

    c) 1-2 days where the Secretariat and assessors work on the draft MER, ensure that all the major issues that arose during the evaluation are noted in the report, and discuss and agree ratings, and key recommendations. The assessment team should provide a written summary of its initial key findings to the assessed country officials at the closing meeting.

38. The total length of the mission for a normal evaluation is therefore likely to be in the order of ten (10) days, but this could be extended for large or complex jurisdictions.

[8] The assessment team should also set aside time midway through the on-site to review the progress of the mutual evaluation and where relevant, the initially identified areas of increased focus for the on-site.

39. It is important that the assessment team be able to request and meet with all relevant agencies during the on-site. The assessed country, and the specific agencies met should ensure that appropriate staff are available for each meeting. The assessment team should be provided with a specific office for the duration of the on-site mission, and should have access to photocopying, printing and other basic facilities, as well as internet access.

40. Meetings with the private sector or other non-government representatives[9] are an important part of the visit, and generally, the assessors should be given the opportunity to meet with such bodies or persons in private, and without a government official present. The team may also request that meetings with certain government agencies are restricted to those agencies only.

Post on-site - preparation of draft Executive Summary and MER

41. There should be a minimum of twenty-five (25) weeks between the end of the on-site visit and the discussion of the MER in Plenary. The timely preparation of the MER and Executive Summary[10] will require the assessors to work closely with the Secretariat and the assessed country. Depending on when the Plenary discussion is scheduled, the time period may also be extended. With the aim to facilitate communication between the assessment team and the assessed country, the Secretariat should facilitate regular conference calls between all parties when necessary, in particular after the circulation of an updated MER. When writing-up the draft MERs and/or during calls, assessors should aim to clarify in writing and orally as much as possible how information submitted by the assessed country was taken into account and if /where additional information is still needed.

42. The steps in finalising a draft report for discussion at Plenary, and the approximate time that is required for each part, are set out in greater detail below (see also Appendix 1).

(k) 1st Draft MER

43. The assessment team will have six (6) weeks to coordinate and refine the 1st draft MER (including the key findings, potential issues of note and priority recommendations to the assessed country). The 1st draft MER will include the preliminary recommendations and ratings. This is then sent to the assessed country for comments. The assessed country will have four (4) weeks to review and provide its comments on the 1st draft MER to the assessment team. During this time, the assessment team must respond to queries and clarifications that may be raised by the assessed country.

(l) 2nd Draft MER and Executive Summary

44. On receipt of the assessed country's comments on the 1st draft MER, the assessment team will have four (4) weeks to review the various comments and make further amendments to the draft MER as well as begin drafting the Executive Summary. Every effort should be made to ensure that the revised draft is as close to a final MER as possible. The 2nd draft MER and draft Executive Summary will be then sent to the assessed country and to the reviewers (approximately fourteen (14) weeks after the on-site).

(m) Quality & Consistency Review

45. As part of the CFATF mutual evaluation process, there will be a quality and consistency review. The main functions of the reviewers are to ensure MERs are of an acceptable level of quality and consistency, and to assist the assessment team by reviewing and providing timely input on the scoping note and the draft MER and Executive Summary (including any annexes) with a view to:

[9] E.g. those listed in Appendix 2.

[10] The format for the Executive Summary and MER is contained in Annex II of the Methodology. Assessors should also pay attention to the guidance on how to complete the Executive Summary and MER, including with respect to the expected length of the MER (100 pages or less, together with a technical annex of up to 60 pages).

a) Commenting on assessors' proposals for the scope of the on-site.

b) Reflecting a correct interpretation of the FATF Standards and application of the Methodology (including the assessment of risks, integration of the findings on TC and effectiveness, and areas where the analysis and conclusions are identified as being clearly deficient).

c) Checking whether the description and analysis support the conclusions (including ratings), and whether, based on these findings, sensible priority recommendations for improvement are made.

d) Where applicable, highlighting potential inconsistencies with earlier decisions adopted by the FATF on TC and effectiveness issues.

e) Checking that the substance of the report is generally coherent and comprehensible.

46. The review will involve drawing on expertise from a pool of qualified volunteer experts. This pool would contain experts from the CFATF, FATF and FSRB delegations, FSRB Secretariat members, and the IFIs. Experts from CFATF Observers who are trained as assessors may also be selected for the pool. A sub-working group of the CFATF Working Group on FATF Issues (WGFI)[11] should be responsible for managing the review process. To avoid potential conflicts, the reviewers selected for any given quality and consistency review will be from countries other than those of the assessors or the assessed country and will be made known to the assessed country and assessors in advance. For each assessment, there will be:

- At least two (2) reviewers from the CFATF;
- Two (2) reviewers from the COSUNs, Observers, another FSRB or from the IFIs; and
- The FATF Secretariat.

47. The reviewers will need to be able to commit time and resources to review the scoping note and the quality, coherence and internal consistency of the 2nd draft MER, as well as consistency with the FATF Standards and FATF precedent. In doing so, the reviewers should have a copy of the comments provided by the assessed country on the 1st draft MER. To ensure transparency, all comments from the reviewers will be disclosed to the assessors and assessed country. The reviewers will have three (3) weeks to examine the 2nd draft MER and provide their comments to the assessment team. These comments will be forwarded to the assessed country by the Secretariat. The reviewers for the quality and consistency review do not have any decision-making powers or powers to change a report. It is the responsibility of the assessment team to consider the reviewers' comments and then decide whether any changes should be made to the report. The assessment team will provide a short response to the reviewers regarding the changes it has made to the report based on the reviewers' comments and on the decisions that it has made one week after it has received the comments from the reviewers.

48. The reviewers' and country's comments on the 2nd draft MER, and the assessment team's response, together with the Pre-Plenary draft MER and the revised Executive Summary, will be circulated for consideration by delegations and the sub-working group of the CFATF WGFI, in order to help identify emerging issues in a transparent manner, and to inform delegations as they provide written comments on the draft MER. The 2nd draft of the MER will be sent for translation in either English or Spanish depending on the language in which the evaluation was conducted.

[11] The CFATF WGFI comprises the FATF equivalent of ECG, PDG and GNCG.

49. Due to the nature of the peer review process, the Secretariat will work to ensure that the mutuality of the process is maintained, and Members as well as CFATF Observers should provide qualified experts as reviewers. A list of past and forthcoming reviewers will be maintained and monitored by the Secretariat.

(n) Face-to-Face Meeting

50. Following the receipt of the reviewers' and assessed country's comments, the assessment team should respond to all substantive comments by external reviewers and the Secretariat should liaise with external reviewers as needed to facilitate this process. The assessment team will prepare an amended 2nd draft MER and Executive Summary. The 2nd draft MER, the draft TC annex and the draft Executive Summary should be sent for an update of the earlier 2nd draft translation. Thereafter, the Secretariat will ensure that the original language version of the reports and the language translation are kept synchronised. The Secretariat will engage the assessed country and the assessment team to discuss further changes to the draft MER and identify issues for discussion at the face-to-face meeting which can take place via video, teleconference or "in person".

51. In addition to conference calls and /or video calls, a face-to-face meeting should be held between the assessment team (including Secretariat) and the assessed country to further discuss the draft MER, the Executive Summary and any outstanding issues. The face-to-face meeting should, at a minimum, take place through scheduled conference calls or video conferencing where a "physical"/ "in-person" meeting is not possible. In all cases, whether via conference and /or video calls or "in person", the face-to-face meeting will be coordinated by the Secretariat. Where the assessed country requests an "in person"/"physical" face-to-face meeting, the location of the face-to-face meeting will be at the mutual agreement of the assessed country and the assessment team. The cost of attending the "in person / physical" face-to-face meeting will be borne equally by the assessed country making the request and the Membership, with funding from the annual contributions. During the conference calls and face-to-face sessions, the assessment team and assessed country should work to resolve any disagreements over technical compliance or effectiveness issues and identify potential priority issues for Plenary discussion. The face-to-face meeting should occur at least eight (8) weeks before the Plenary (*i.e.* approximately seventeen (17) weeks after the on-site).

52. Subsequent to the conference calls or face-to-face meeting, the assessment team will consider whether any further changes should be made to the 2nd draft MER and Executive Summary. Where significant substantive changes are made to the 2nd draft MER after the face-to-face meeting, the Secretariat may circulate a revised 2nd draft to external reviewers for a targeted review.

(o) Identifying Issues for Plenary Discussion

53. The revised Executive Summary and MER (3rd draft) will then be sent to all Members, FATF (for circulation to FATF Members) and Observers at least five (5) weeks (ideally six weeks) prior to Plenary. Both language (English and Spanish) versions of the draft will also be distributed at this time. There should be no further changes to the substance of the draft MER in order to allow delegations to provide comments and prepare for the discussion at the working group and Plenary. Delegations will have two (2) weeks to provide any written comments on the MER and Executive Summary, and in particular, to identify any specific issues that they wish to discuss in Plenary. The comments should focus on the key substantive issues, or on other high level or horizontal aspects of the assessment, though other observations may also be made. The comments received will be made available to all delegations.

54. Ideally three (3) weeks before Plenary, based on the MER and Executive Summary, and comments received from the assessed country, the assessment team and delegations, the sub-working group of the CFATF WGFI will prepare a list of (usually five (5) to seven (7)) priority and substantive issues that will be discussed in Plenary. These key issues should take into account the issues that the assessed country and delegations are most keen to discuss. The key issues should focus on

effectiveness but may include TC issues. Key issues should also be based on the assessed country's risk and context, and any areas of inconsistency or interpretation with other MERs adopted by the FATF. After consultation among the sub-working group Chair, the WGFI Co-Chairs and the CFATF Chairperson, the list of key substantive issues for the CFATF WGFI discussion will be distributed to all delegations.

55. The finalised list of priority issues will be circulated to delegations two (2) weeks before the Plenary discussions. After discussions in the CFATF WGFI working group, a revised key issues document is submitted to Plenary. Drafting amendments received on the Executive Summary or MER can be made after the Plenary discussion but must be consistent with the decisions made by the Plenary.

(p) Respecting Timelines

56. The timelines are intended to provide guidance on what is required if the reports are to be prepared within a reasonable timeframe, and in sufficient time for discussion in Plenary. It is therefore important that both the assessors and the assessed country respect the timelines.

57. Delays may significantly impact the ability of the Plenary to discuss the report in a meaningful way. The draft schedule of evaluations has been prepared so as to allow enough time between the on-site visit and the Plenary discussion. A failure to respect the timetables may mean that this would not be the case. By agreeing to participate in the mutual evaluation process, the assessed country, the assessors and the reviewers undertake to meet the necessary deadlines and to provide full, accurate and timely responses, reports or other material as required under the agreed procedure. Where there is a failure to comply with the agreed timelines, then the following actions could be taken (depending on the nature of the default):

    a) Failure by the assessed country - the CFATF Chairperson may write to the head of delegation or the relevant Minister in the assessed country. The Plenary will be advised as to the reasons for deferral, and publicity could be given to the deferment (as appropriate) or other additional action considered. In addition, the assessment team may have to finalise and conclude the report based on the information available to them at that time.

    b) Failure by the assessors, the reviewers or the Secretariat - the Chairperson may write a letter to or liaise with the head of delegation of the assessor or reviewer, or the CFATF Executive Director (for the Secretariat).

58. The Secretariat will keep the Chairperson advised of any failures so that the Chairperson can respond in an effective and timely way. The Plenary is also to be advised if the failures result in a request to delay the discussion of the MER.

The Plenary Discussion

59. The discussion of each MER and Executive Summary (particularly the list of key issues)[12] will focus on high level and substantive issues, primarily concerning effectiveness. Where appropriate, important TC issues would also be discussed. Adequate time should always be set aside to discuss these substantive key issues as well as the assessed country's response to the mutual evaluation and other issues. The representative of the FATF Secretariat at the Plenary will be expected to assist and advise on all issues relating to the interpretation of the Recommendations, and the quality and consistency aspects of the draft MER. The discussion should, on average, take no more than four (4) hours of Plenary time. The procedure for the discussion will be as follows:

[12] The Executive Summary will describe the key risks, the strengths and weaknesses of the system, and the priority actions for the assessed country to improve its AML/CFT regime.

a) Assessment team briefly presents in high level terms the key issues and findings from the report. The team will have the opportunity to intervene/comment on any issue concerning the Executive Summary or MER.

b) Assessed country makes a short opening statement.

c) The Plenary discusses the list of priority issues identified. This would usually be introduced briefly by the Secretariat, with the assessors and the assessed country having the opportunity to provide additional information.

d) Time permitting, other issues could be raised from the floor, and discussed by the Plenary.

Adoption of the MER and Executive Summary

60. At the end of the Plenary discussion, the MER and the Executive Summary will be submitted to Plenary for adoption. The adopted report will be subject to further checks for typographical or similar errors.

61. If the MER and the Executive Summary are not agreed, then the assessors, the assessed country and the Secretariat should prepare amendments to meet the issues raised by the Plenary. Where substantive changes are required, either because additional information is required to be added, or the report has to be substantially amended, then the Plenary could decide to: (a) defer adoption of the report and agree to have a further discussion of an amended report at the following Plenary, or (b) where the required changes are less significant, adopt the report subject to it being amended, and the amended report being approved through a written process (round robin). The assessment team would be responsible for ensuring that all the changes agreed by the Plenary had been made. Following the discussion of the report and prior to its formal adoption, the Plenary should discuss the nature of the follow-up measures that would be required (see section XII below).

62. The final report is a report of the CFATF, and not simply a report by the assessors. As such, the Plenary will retain the final decision on the wording of any report, consistent with the requirements of the FATF Standards and Methodology. The Plenary will give careful consideration to the views of the assessors and the assessed country when deciding on the wording, as well as take into account the need to ensure consistency between reports.

Publication and other Procedures following the Plenary

63. Following the discussion of the report at the Plenary meeting, the Secretariat will work with the assessors to amend all documents as necessary and will circulate a revised version of the report to the assessed country within one (1) week of the Plenary. Within two (2) weeks of receipt of the final version of the MER from the Secretariat, the country must confirm that the MER is accurate and/or advise of any typographical or similar errors in the MER. Care will be taken to ensure that no confidential information is included in any published report, including follow up reports.

64. Immediately following the adoption of MERs by Plenary, but before publication, all MERs (including the Executive Summaries) and DARs (and their Executive Summaries) will be provided to the FATF, other FSRBs and IFIs for consideration in the Global Quality and Consistency Review process. The post-Plenary quality and consistency process applies to all assessment bodies, including the CFATF, with a view to preventing the publication of reports with significant quality and consistency problems and ensuring that poor quality assessments do not damage the FATF brand. Once the review process has been completed, all MERs and/or DARs and their respective and Executive Summaries will be published on the CFATF website to give timely publicity to an important part of the CFATF's work. After the review process has been completed, assessed countries are free to publish the results of their MER and/or DAR and Executive Summary as well.

V. Ex-Post Review of Major Quality and Consistency Problems

65. This process which is required by the Universal Procedures for AML/CFT assessments will be used in highly exceptional situations where significant concerns with the quality and consistency of a CFATF MER remain following adoption of the report by the Plenary. Accordingly, where an FATF Member, the FATF Secretariat, FSRBs or the IFIs consider that a CFATF MER has significant quality and consistency issues, it should make all attempts to raise those issues with the CFATF prior to the adoption of the MER. However, before raising such issues directly with the CFATF, the concerned assessment body or Member should first notify the FATF Secretariat of those concerns. The process for ex-post review will be as follows:

a) The CFATF Secretariat will send the final version of the MER as well as the template for referring quality and consistency issues for consideration to its Members and the FATF Secretariat, which will circulate the MER and template to FATF Members, FSRBs and the IFIs. Parties which identify any serious or major quality and consistency issues have two (2) weeks to advise the FATF Secretariat, the CFATF Secretariat and the assessment body[13] in writing, using the template provided, to indicate their specific concerns and how these concerns meet the substantive threshold[14]. If two (2) or more parties (at least one (1) of which should have taken part in the adoption of the report but excluding the assessed country) identify a specific concern, the Co-Chairs of the FATF Evaluations and Compliance Group (ECG) will review the concern to determine whether prima facie it meets the substantive threshold and procedural requirements. To aid in this decision, the FATF Secretariat will liaise with the CFATF Secretariat to provide the ECG Co-Chairs with any necessary background information on the issue, including (where relevant and appropriate), (i) information submitted by parties raising the Q&C issue; (ii) background information on any related comments raised at the pre-plenary stage; (iii) the rationale for the relevant rating/issue under discussion based on the facts in the MER and/or any relevant Co-Chairs' report or summary record from the Plenary meeting where the report was discussed (including whether the issue was discussed in detail, the outcome of those discussions and any reasons cited for maintaining or changing the rating or report); (iv) objective cross-comparisons with previous FATF reports that have similar issues; (v) the report's consistency with the corresponding parts of the Methodology; (vi) any connection or implications for the FATF International Cooperation Review Group (ICRG) process; and (vii) what next steps might be appropriate. Issues identified less than four (4) to six (6) weeks before the FATF Plenary will be discussed at the next FATF Plenary to ensure sufficient time for consultation among Secretariats and preparation of the discussion paper.

b) The discussion paper will then be distributed to the FATF ECG, which will decide whether the report has significant quality and consistency problems. If so, the FATF will decide on the appropriate actions that could be taken, which may include referring the matter back to the CFATF Plenary for reconsideration. The CFATF will not publish the MER until the issue is resolved within the FATF and CFATF.

c) Where the FATF ECG refers the report back to the CFATF Secretariat but not to the CFATF Plenary, the CFATF Secretariat, in collaboration with the assessors and the assessed country, shall address the concerns raised and make the necessary

[13] Where FATF or FSRB Members or Secretariats consider that an MER, which has been adopted by an IFI, has or continues to have significant problems of quality or consistency, they should promptly inform the IFI of those concerns (and the FATF Secretariat when the concern is raised by others).
[14] The substantive threshold is when serious or major issues of quality and consistency are identified, with the potential to affect the credibility of the FATF brand as a whole.

amendments to the mutual evaluation report. The mutual evaluation report will then be published.

VI. Publication on the FATF website

66. All MERs and Executive Summaries will be published on the FATF website in keeping with the High Level Principles and Objectives (Section C, paragraph 36).

67. Where the FATF ECG has to consider concerns about quality and consistency, the FATF will not publish the MER or Executive Summary until those issues are resolved.

68. In any other case, the MER and Executive Summary should be published within six (6) weeks of the Plenary meeting.

VII. Evaluations of New Members

69. Where a potential new Member undergoes a mutual evaluation by the CFATF in order to assess whether it meets the criteria for CFATF Membership, the procedures laid out in sections I to IV of these procedures will apply. If the criteria for membership are met, and the country is admitted as a CFATF member, but if deficiencies are identified in the country's AML/CFT system, the Plenary shall apply the CFATF's follow-up policy (section XII).

VIII. Joint mutual evaluations with FSRBs

70. Where a CFATF Member is also a Member of another FSRB(s), the assessed country may elect to undergo a joint mutual evaluation conducted by both FSRBs of which it is a Member or be evaluated separately by either one of the FSRBs to which it is a Member. Upon a determination from the assessed country for its preference for a joint mutual evaluation, the Executive Director/Executive Secretary of each organisation should discuss (via phone, electronic mail or in person where possible) the scheduling of the mutual evaluation of that joint assessed country, in consultation with the joint assessed country. The issues to be discussed should include, but not be limited to (a) the FSRB that will take the lead in the joint mutual evaluation; (b) the FSRB's Plenary at which the completed MER will be presented; (c) the level of participation by each FSRB in terms of personnel, pre-assessment training or visits, review of the draft and final MERs and involvement in the quality and consistency review; (d) the provision of assessors and reviewers by each FSRB; (e) the timing of publication of the MER; and (f) the sharing of costs associated with the mutual evaluation based on the procedures in that regard of each FSRB.

71. The arrangements made with regard to the discussions between the Executive Director/Executive Secretary in paragraph 70 above, shall be subject to discussion in the WGFI and discussion and where necessary approval by Plenary or such other body or person as determined by each FSRB.

72. With regard to Plenary discussion of the MER, the following will apply:

- A representative from the FSRB (the FSRB other than whose Plenary it is) will be given a specific opportunity to intervene during the Plenary discussion of the MER.

- All the CFATF assessors on the assessment team must attend the FSRB Plenary at which the joint evaluation report is considered.

- The FSRB that takes the lead in the joint evaluation shall be responsible for ensuring the quality and consistency of the MER.

- Where the CFATF is not the lead assessment body, the CFATF Plenary shall adopt the MER as discussed and finalized in the other FSRB's Plenary and that FSRB shall be responsible for the follow-up process for the MER of the joint Member. However, in relation to follow-up, the Member will still be required to provide the CFATF with a periodic update on progress, which will include information on where they are in their follow-up process with the other FSRB.

- The CFATF Secretariat will provide assistance, to the extent practicable, to enhance the quality and consistency in the report.

- Any provisions not contained in these paragraphs must be mutually agreed by the corresponding FSRBs and may be applied on the basis of reciprocity.

IX. Joint mutual evaluations with the FATF and IFI

73. At this time there are no joint Members of the FATF and CFATF, however, in the event of a joint evaluation between the CFATF and the FATF, the measures for joint evaluations defined in the FATF Procedures will apply. Where an IFI conducts an AML/CFT assessment of a CFATF Member, it should use procedures and a timetable similar to those of the CFATF, including any procedures that the CFATF has in addition to what is required by the Universal Procedures.

X. IFI led assessments of CFATF Members

74. The CFATF is responsible for the mutual evaluation process for all of its Members, and there is a presumption that the CFATF will conduct the mutual evaluations[15] of all CFATF Members as part of this process. The presumption can be overridden at the discretion of the CFATF Plenary on a case-by-case basis, with the assessed country's agreement. For the purposes of the CFATF 4th round of mutual evaluations, the CFATF Plenary has discretion as to the number of CFATF assessments that could be conducted by an IFI, but the expectation is that there could be up to five (5) IFI-led assessments during the 4th round of mutual evaluations, and such IFI-led assessments should be agreed and fixed on the same basis as other evaluations in the schedule (see section III).

75. For the CFATF assessment schedule to be fixed with appropriate certainty and in a coordinated manner, the process leading to the Plenary decision as to which CFATF countries will have an assessment led by an IFI team should be clear and transparent. In order for the evaluation schedule to be appropriately planned and assessment teams to be formed in sufficient time, it will be necessary for the CFATF to be involved at an early stage in the process of determining which countries will be assessed by an IFI. The CFATF WGFI will be informed at every Plenary as to the current status of the assessment schedule, including proposals as to whether assessments will be IFI-led, and the Plenary will decide on any such requests. Where an IFI conducts an AML/CFT assessment as part of the CFATF 4th round, it should use procedures and a timetable similar to those of the CFATF.

76. The CFATF Plenary will in all cases have to approve an IFI assessment that is conducted under the CFATF 4th round for it to be accepted as a mutual evaluation.

XI. Co-ordination with the FSAP process

77. The FATF Standards are recognised by the IFIs as one of twelve (12) key standards and codes, for which the Report on Observance of Standards and Codes (ROSCs) are prepared, often in the context of the FSAP. It is mandatory for the jurisdictions with systemically important financial sectors to undergo financial stability assessments under the FSAP every five (5) years, including a compulsory AML/CFT component. It is also part of FSAP policy that every FSAP and FSAP update

[15] Including any follow up that may be required.

should incorporate timely and accurate AML/CFT input. Where possible, this should be based on a comprehensive quality AML/CFT assessment, in line with the approach taken by the FATF and FSRBs. The CFATF and the IFIs should therefore co-ordinate with a view to ensuring a reasonable proximity between the date of the FSAP mission and that of a mutual evaluation and assessed countries are encouraged to co-ordinate the timing for both processes internally, and with the CFATF Secretariat and IFI staff[16].

78. The basic products of the evaluation process are the MER and the Executive Summary (for the CFATF) and the (DAR and ROSC (for the IFIs)[17]. The Executive Summary will form the basis of the ROSC. Following the Plenary, and after the finalisation of the Executive Summary, the summary is provided by the Secretariat to the IFI so that a ROSC can be prepared.

79. The substantive text of the draft ROSC will be the same as that of the Executive Summary, though a formal paragraph will be added at the beginning:

> "This Report on the Observance of Standards and Codes for the *FATF Recommendations and Effectiveness of AML/CFT Systems* was prepared by the Caribbean Financial Action Task Force. The report provides a summary of the AML/CFT measures in place in [*Country*] as at [*date*], the level of compliance with the FATF Recommendations, the level of effectiveness of the AML/CFT system and contains recommendations on how it could be strengthened. The views expressed in this document have been agreed by the CFATF and [*Country*], but do not necessarily reflect the views of the Boards of the IMF or World Bank."

XII. Follow-up process

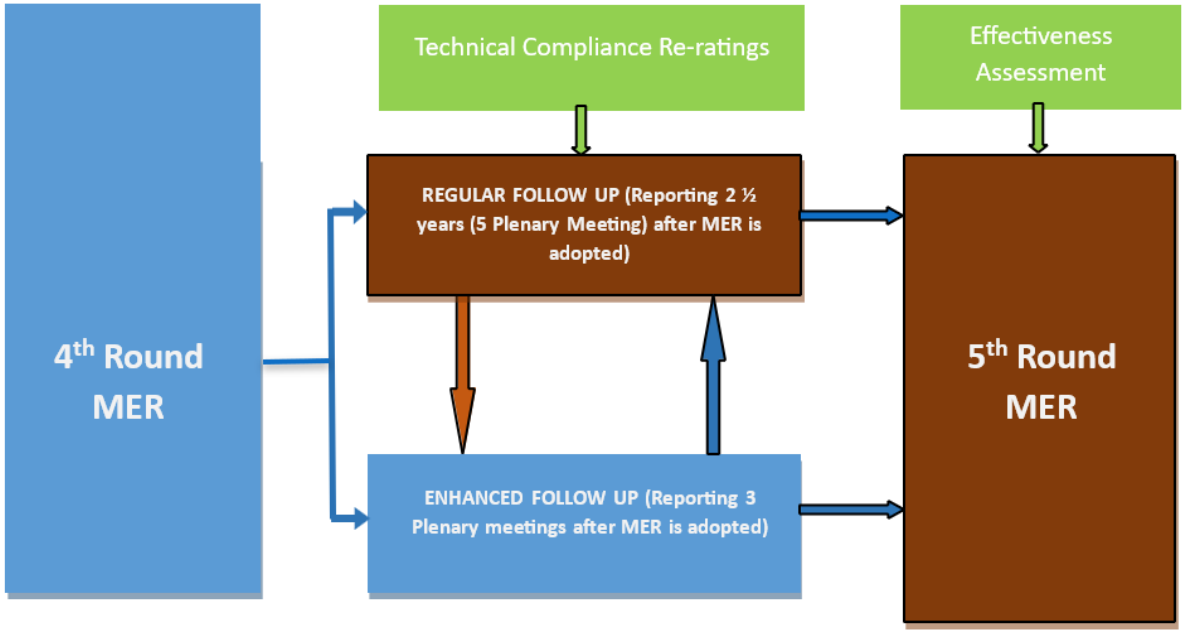
80. The follow-up process is intended to: (i) encourage assessed countries' implementation of the FATF Standards; (ii) provide regular monitoring and up-to-date information on assessed countries' compliance with the FATF Standards (including the effectiveness of their AML/CFT systems); (iii) apply sufficient peer pressure and accountability; and (iv) better align the CFATF and FSAP assessment cycle.

81. Following the discussion and adoption of a MER, the assessed country could be placed in either regular or enhanced follow up. Regular follow-up is the default monitoring mechanism for all countries. Enhanced follow-up is based on the CFATF's traditional policy that deals with assessed countries with significant deficiencies (for technical compliance or effectiveness) in their AML/CFT systems and involves a more intensive process of follow up. A schematic of the 4th round process is included below.

[16] In instances where a comprehensive assessment against the prevailing standard is not available at the time of the FSAP, the IFI staff may need to derive key findings on the basis of other sources of information, such as the most recent assessment report, and follow-up and other reports. As necessary, IFI staff could potentially also join the FSAP mission for a review of the most significant AML/CFT issues for the country. In such cases, staff would present the key findings FSAP documents in the context of the current standard and methodology: however, staff would not prepare a ROSC or ratings.

[17] The DAR and ROSC use the common agreed template that is annexed to the Methodology and have the same format, although the ROSC remains the responsibility and prerogative of the IMF/World Bank.

Figure 1. Process of the 4th Round of Mutual Evaluations



82. Assessed countries may seek re-ratings for TC as part of the follow-up process. The general expectation is for assessed countries to have addressed most if not all of the TC deficiencies by the end of the 3rd year. When it comes to Plenary's attention that a country has significantly lowered its compliance with the FATF standards, the Plenary may request the assessed country to address any new deficiencies as part of the follow-up process. If any of the FATF Standards have been revised since the end of the on-site visit, the assessed country will be evaluated for compliance with all revised Standards at the time its re-rating request is considered.[18]

(a) Regular Follow-up

83. Regular follow-up will be the default mechanism to ensure a continuous and on-going system of monitoring. This is the minimum standard that will apply to all assessed countries. An assessed country subject to regular follow-up will report back to the Plenary after two and a half years (5 Plenaries) from the adoption of its MER. Whenever a regular follow-up report is discussed, re-ratings for TC are possible in appropriate cases.

(b) Enhanced Follow-up

84. The Plenary may decide, at its discretion, that the assessed country should be placed in enhanced follow-up, which would result in the assessed country reporting back more frequently than for regular follow-up. An assessed country in enhanced follow-up would typically first report back three Plenary meetings after the adoption of its MER, and subsequently report twice more at intervals of two Plenary meetings. Where an assessed country that is placed in enhanced follow-up

[18] At the time its re-rating request is considered, a country will be assessed for compliance with all Recommendations revised since the end of its on-site visit, irrespective of whether these Recommendations had been rated LC or C in the country's MER.

also meets the requirements for the FATF ICRG one-year observation period[19], it will first report back two (2) Plenary meetings after the adoption of its MER to allow its first follow-up report to be available at the end of the FATF ICRG observation period. Plenary retains the discretion to vary the specific frequency of reporting.

85. In deciding whether to place an assessed country in enhanced follow-up, the Plenary would consider the following factors:

    a) After the discussion of the MER: an assessed country will be placed immediately into enhanced follow-up if any one of the following applies:

        (i) it has 8 or more NC/PC ratings for technical compliance, or

        (ii) it is rated NC/PC on any one or more of R.3, 5, 10, 11 and 20, or

        (iii) it has a low or moderate level of effectiveness for 7 or more of the 11 effectiveness outcomes, or

        (iv) it has a low level of effectiveness for 4 or more of the 11 effectiveness outcomes.

    b) After the discussion of a regular follow-up report: the Plenary could decide to place the assessed country into enhanced follow-up at any stage in the regular follow-up process, if a significant number of priority actions have not been adequately addressed on a timely basis.

    c) When it comes to the Plenary's attention that an assessed country has lowered its compliance with the FATF Standards during the regular follow-up process: an assessed country will be placed into enhanced follow-up if its level of technical compliance changed to a level that the Plenary considers as equivalent to NC/PC on any one or more of R.3, 5, 10, 11 and 20.

86. In addition to more frequent reporting, the Plenary may also apply other enhanced measures to assessed countries placed in enhanced follow–up, particularly if satisfactory progress is not achieved. Possible enhanced measures include:

    a) A letter could be sent from the CFATF Chairperson to the relevant Minister(s) in the assessed country drawing attention to the lack of compliance with the FATF Standards.

    b) A high-level mission could be arranged to the assessed country to reinforce this message. This mission would meet with Ministers and senior officials.

    c) In the context of the application of Recommendation 19 by its Members, issuing a formal CFATF statement to the effect that the assessed country is insufficiently in compliance with the FATF Recommendations, and recommending appropriate action, and considering whether additional counter-measures are required.

    d) Refer the assessed country to the FATF ICRG process as a tool in focusing the assessed country's attention on addressing its AML/CFT deficiencies.

    e) Suspending the assessed country's membership of the CFATF until the prioritized recommendations have been implemented. Suspension would mean that the assessed country would be considered as a non-Member of the CFATF for the period of the suspension, would

[19] The FATF ICRG one-year observation period is applicable to all countries in the FATF ICRG pool. For jurisdictions below the FATF ICRG prioritisation threshold and in the pool prior to June 2018, the one-year observation period commenced June 2018 and for all other jurisdictions, the one-year observation period will commence when a jurisdiction enters the pool.

not be able to attend CFATF meetings or provide input into CFATF processes except for the process to determine whether deficiencies have been adequately addressed.

f) Terminate the membership of the assessed country.

87. Where the assessed country entered enhanced follow-up on the basis of meeting a criterion in paragraph 85(a), the Plenary may decide that the assessed country will be moved to regular follow-up following Plenary's decision that the assessed country no longer meets any of those criteria (i.e., after approving a request for re-ratings).

88. Where assessed countries in enhanced follow-up move to regular follow-up, the Plenary will decide the timing of the assessed country's next regular follow-up report.

(c) Follow-up Reports[20]

89. In preparation for the follow-up reports, the assessed country will provide an update to the Secretariat setting out the actions it has taken or is taking to address the priority actions and recommendations, and deficiencies in its MER. All updates provided by assessed countries should be in relation to the FATF Standards as they exist at the time that the update is prepared.

- **For regular follow-up reports**, as the expectation is that significant progress would have been made in the two-and-a-half year period since the MER was adopted, the report should focus on re-ratings for TC and/or demonstrating progress in addressing the shortcomings in the MER.

- **For enhanced follow-up**, the first follow-up report should at least contain an outline of the assessed country's strategy for addressing the issues identified in their MER and exiting enhanced follow-up, for Plenary's information. If not already contained in the first follow-up report, subsequent reports should focus on re-ratings for TC and/or demonstrating progress in addressing the shortcomings in the MER.

- For assessed countries subject to review by the FATF ICRG, the follow-up report should focus on:

  a) Each Recommendation, or parts of Recommendations that are not covered by the FATF ICRG action plan, and

  b) Progress in addressing shortcomings by the agreed timelines, or as soon as the assessed country has completed its FATF ICRG action plan.

90. The assessed country will be asked to submit information regarding TC (which may be used to justify re-ratings) and effectiveness (for information only).

- **Technical compliance updates** should be provided in a similar format to the Mutual Evaluation TC questionnaire (see Appendix 3), in relation to the shortcomings identified in the MER.

- **Effectiveness updates** should include any information that goes towards addressing the priority actions or recommendations in the MER, such as the lists in the FATF Methodology on the Examples of Information that could support the conclusions on Core Issues for each Immediate Outcome. As with the Mutual Evaluation process, there is no fixed format for the effectiveness update.

[20] The CFATF ICRG Procedures for the Fourth Round of AML/CFT Evaluations provides detailed procedures and guides the follow up process.

91. Although effectiveness will not be re-assessed until the 5th Round assessment, updates on effectiveness facilitate a better understanding by the CFATF of the progress made over time. Plenary may refer to such updates in determining whether to move an assessed country from enhanced follow-up to regular follow-up (or vice versa), or whether to apply other enhanced measures to assessed countries in enhanced follow-up that do not achieve satisfactory progress.

92. The following provisions shall apply to all FURs with re-ratings for technical compliance:

- **Eligibility.** Only NC/PC rated Recommendations are eligible for a TC re-rating request. Re-rating requests will not be considered where the Group of Experts determines that the legal, institutional, or operational framework has not changed since the assessed country's MER (or previous FUR, if applicable) and there have been no changes to the FATF Standards or their interpretation[21]. Re-ratings for TC may be allowed if the follow-up report and other relevant information submitted by the assessed country provide sufficient justification for the Plenary to come to such a conclusion based on the analyses conducted by the Group of Experts.

- **Deadlines for requesting re-ratings and providing supporting information.** Assessed countries seeking a TC re-rating should indicate on which Recommendations a re-rating will be requested, seven (7) months in advance of Plenary meetings and submit any information to support the re-rating at least six (6) months in advance of the Plenary meeting at which the report will be presented. Only relevant laws, regulations or other AML/CFT measures that are in force and effect by the deadline to submit information for a re-rating request, will be taken into account for a re-rating.

- **Peer review principle**. Assessments of an assessed country's request for TC re-ratings and preparation of the summary report will be undertaken by other Members, consistent with the peer review principle of the Mutual Evaluation process.

- **Composition of the Group of Experts**. The Group of Experts may include those who were involved in that assessed country's Mutual Evaluation, suitably qualified representatives of CFATF Observers or other experts nominated by their delegation or assigned by the CFATF ICRG, if necessary. The experts will be chosen from a subgroup of delegations (open to all delegations to participate in) that will coordinate the analysis of re-ratings requests and conduct its business in writing. Experts from the subgroup will be assigned by the CFATF ICRG Co-Chairs to review re-rating requests. The number of experts assigned to a report, and their expertise, will depend on the nature of the particular re-rating request.

- **Reporting of analysis and approval by written process**. The Group of Experts should submit its analysis at least ten (10) weeks before the CFATF ICRG/Plenary meeting to all Members, COSUNs and Observers, who will have two (2) weeks to comment on the draft. If no comments are received (including from the assessed country), the report will be approved by written process and then proceed to publication. If comments are received, a revised report will be circulated seven (7) weeks before the ICRG/Plenary meeting. Delegations will have one (1) week to comment on the revised text. Unless two (2) or more delegations (not including the assessed country) raise concerns regarding the experts' analysis of a particular Recommendation in the revised report, the report will be approved by written process and then proceed to publication.

- **ICRG consideration of follow-up reports**. If two (2) or more delegations (not including the assessed country) raise concerns or there are major disagreements between the Group of Experts and the assessed country regarding the experts' analysis of a particular Recommendation in the

[21] Where there is disagreement between the expert(s) and the assessed country in this respect, the CFATF ICRG Co-Chairs should discuss with the assessed country and the Group of Experts to reach an agreement.

revised report, the Recommendation and the issues raised will be discussed at the ICRG. In these circumstances, the CFATF Secretariat will compile a list of the most significant issues for discussion, and will circulate this list to all Members, COSUNs and Observers at least two (2) weeks prior to the CFATF ICRG discussion. The CFATF ICRG should prioritize discussion of these issues and the discussion should be limited in time and scope. Although follow-up reports will be first discussed at the ICRG, the Plenary remains the only decision-making body.

- **Plenary consideration of follow-up reports**. Where the ICRG does not reach consensus on the issues for discussion, any unresolved issues that will impact an overall recommendation rating will be considered by Plenary for decision and a revised list of prioritized issues for Plenary discussions will be distributed. Plenary discussions on these issues should be limited in time and scope.

- **Continued involvement of the Secretariat**. The Secretariat will assist the Group of Experts in achieving consistency in the application of the FATF Standards and Methodology and will equally support the assessed countries in follow-up. The Secretariat will also advise the CFATF ICRG/Plenary on process and procedural issues (e.g., in cases where no progress has been made).

93. Follow-up reports that do not involve re-ratings should be submitted at least 2 months in advance of the relevant Plenary meeting. The Secretariat will conduct a desk-based analysis and prepare a summary report with a cover note solely focusing on the follow-up process and progress.

94. In preparing the analysis and summary report for Plenary, the original assessors may be consulted, if available. The analysis and summary report will be provided to the assessed country for its comments before it is sent to delegations. The report will contain a recommendation regarding the next step in the follow-up process.

95. Considering time constraints, the CFATF ICRG/Plenary may opt to prioritise follow-up reports for discussion that receive written comments and/or involve substantive issues. Examples of substantive issues include, but are not limited to:

- Requests for TC re-ratings.

- Significant changes in a country leading to a decline in TC or effectiveness.

- Insufficient progress made by a country against the priority actions in its MER.

- Recommendations to place an assessed country in or out of enhanced follow-up.

(d) Publication of Follow-Up Reports

96. The CFATF publication policy applies to actions taken under the CFATF's follow-up policy. Only follow-up reports with re-ratings[22]will be made available to the public on the CFATF website. If requested by an assessed country, a link will be provided from the CFATF website to a website of the assessed country on which it has placed additional updates or other information relevant to the actions it has taken to enhance its AML/CFT system. After adoption by the Plenary but prior to publication, final follow-up reports with TC re-ratings will be circulated to all assessment bodies[23]

[22]These FURs will be in the format of the approved FATF standardized template. The analytical tool used for analysis and any additional information submitted by the country that is not relevant to the identified re-ratings, as well as confidential information provided in support of the FUR shall not be published.

[23] *See Paragraph 3 of the Procedures*

for consideration in the Global Quality and Consistency Review process as detailed in paragraph 65 herein. Follow-up reports with TC re-ratings where no quality and consistency issues are raised through the pre-plenary review process or during the CFATF ICRG/plenary discussion are not subject to this ex-post review process and ordinarily should be published within six weeks after their adoption by Plenary.

Appendix 1 – Timelines for the 4th Round Mutual Evaluation Process

Date	Week	Key Indicative Milestones[24]		
		for Assessment Team	*for the Assessed Country*[25]	*for Reviewers*
At least 6 months before the on-site	-24	• Commence research and desk-based review on technical compliance (TC) based on receipt of TC Questionnaire from Country. • Confirm (or find) assessors drawn from countries which had provided persons to be trained as assessors[26]. Secretariat to formally advise assessed country of the assessors once confirmed. • Invite delegations to provide information about (a) assessed country's risk situation and any specific issues which should be given additional attention by assessors and (b) their international cooperation experiences with the assessed country.	• Designate contact point(s) or person(s) and set up an internal coordination mechanism (as necessary)[27]. • Respond to technical compliance update by providing updated information on new laws and regulations, guidance, institutional framework, risk and context (i.e. provide the TC Questionnaire)	
4 months before the on-site	-16	• Secretariat to prepare preliminary draft TC annex based on analysis done by the assessors. • Analyse assessed country's assessment of risk and discuss potential areas of increased focus for on-site[28]. • Confirm reviewers (drawn from pool of experts).	• Provide response on effectiveness based on the 11 Immediate Outcomes and the underlying Core Issues (including as relevant supporting information and data).	
3 months before the on-site visit	-12	• Send 1st Draft of TC annex (will not contain ratings or recommendations) to assessed country for comments.	• Contact point(s) or person(s) to engage Secretariat to prepare for the on-site.	
2.5 months before the on-site visit	-10	• Send draft scoping note to assessed country for comments • Send request for assessed country to identify possible interviewees from list of authorities and businesses typically involved in on-site visits (Appendix 2)		
	-9		• Provide comments on draft scoping note to assessment team	

[24] Interaction between the assessment team, Secretariat and assessed country is a dynamic and continuous process. The assessment team should engage the assessed country as soon and as much as reasonably possible, and seeking and provision of information will occur throughout the process. Assessed countries should respond to queries raised by assessment team in a timely manner.
[25] The assessed country would have to commence preparation and review of its AML/CFT regime for compliance with the FATF Standards more than six (6) months prior to the on-site.
[26] The assessment team should comprise at least four (4) assessors, including at least one legal, law enforcement and financial expert. Depending on the assessed country and risks, additional assessors with the relevant expertise may be sought.
[27] Contact person(s) should ideally be familiar or trained in the FATF Standards before the commencement of the process.
[28] This may identify a need to request additional experts with other specific expertise for the assessment team.

Date	Week	Key Indicative Milestones[24]		
		for Assessment Team	*for the Assessed Country*[25]	*for Reviewers*
			• Provide completed list of possible interviewees	
2 months before the on-site visit	-8	• Advise and consult assessed country on preliminary areas of increased focus for on-site. This could involve preliminary discussions on the assessment team's impressions on the assessed country's ML/TF risks. • Send draft scoping note to reviewers. • Prepare a preliminary analysis identifying key issues on effectiveness.	• Provide comments on draft TC assessment. • Provide preliminary draft schedule of on-site visit	• Review draft scoping note
2 months before the on-site visit	-7			• Provide comments on draft scoping note
1 month before the on-site visit	-4	• Final date for members and FSRBs to provide specific information on their international co-operation experiences with the assessed country. • Provide draft programme for on-site visit to the assessment team for their review[29].		
At least 3 weeks before the on-site	-3	• Finalise areas of increased focus for the on-site visit (final scoping note), and key government agencies and private sector bodies to meet (Agenda)		
At least 2 weeks before the on-site	-2	• Finalise scoping note and programme and logistics arrangements for on-site.		
		• Assessment team to prepare revised draft TC annex, draft TC text for MER, and outline of initial findings/key issues to discuss on effectiveness. Where possible a working draft MER prepared. Revised draft TC annex sent to assessed country.	• Assessed country to provide responses to any outstanding questions from the assessment team.	
On-site visit				
Usually 2 weeks (but may vary)	0	• Conduct opening and closing meetings with the assessed country. A written summary of key findings is to be provided at the closing meeting. • Where relevant, assessment team to review the identified areas for greater focus for the on-site. • Discuss and draft MER.		
After the on-site visit				

[29] Contact point(s) or person(s) to identify and inform key government agencies and private sector bodies that would be involved for the on-site.

Date	Week	Key Indicative Milestones[24]		
		for Assessment Team	*for the Assessed Country[25]*	*for Reviewers*
Within 6 weeks of on-site visit	6	• Assessment team to prepare the complete 1st draft MER and send to assessed country for comments.		
Within 4 weeks of receipt of draft MER	10	• Review and provide inputs on queries that country may raise.	• Respond to 1st draft MER y.	
Within 4 weeks of receiving country comments	14	• Review assessed country's response on 1st draft of MER. Prepare and send 2nd draft MER & Executive Summary (ES) to assessed country and reviewers. Send country comments to reviewers. Send 2nd draft MER and ES for translation.		
Minimum – 10 weeks before the Plenary	17	• Review assessed country's and reviewers' comments on Draft 2 of the MER & ES and prepare for face-to-face/conference calls.	• Provide comments on 2nd draft MER & ES	• Provide comments on 2nd draft MER & ES.
Minimum – 8 weeks before the Plenary	19	• Conduct face to face/conference call meeting to discuss the 2nd draft MER & ES and comments. • Work with assessed country to resolve disagreements and identify potential priority issues for Plenary discussions.		
Minimum - 5 weeks before Plenary	22	• Send final draft MER & ES, together with reviewers' comments and assessment team response to all delegations for comments (2 weeks).		
Minimum – 3 weeks before Plenary	24	• Deadline for written comments from delegations. • *Engage assessed country and assessors on priority issues, and other comments received on MER or ES.*		
Two-week period before Plenary	25	• Circulate (a) compilation of delegation comments, and (b) finalised list of priority issues to be discussed in Plenary.	• Review and provide inputs on priority issues, and other comments received on MER or ES.	• Work with assessment team on priority issues, and other comments received on MER or ES.
Plenary Week	27	**Discussion of MER***		
Post Plenary – Publication and Finalisation of MER*				
The MER adopted by Plenary is to be published within six (6) weeks, once the assessment team has reviewed it to take into account additional comments raised in Plenary, and the assessed country confirms that the report is accurate and/or advises of any consistency, typographical or similar errors in the MER. This period to publication is inclusive of any post Plenary quality and consistency review as required by the Universal Procedures for AML/CFT assessments.				

Appendix 2 – Authorities and Businesses Typically Involved for On-Site Visit

Ministries:

- Ministry of National Security/Defence
- Attorney General's Chambers/Office
- Ministry of Finance.
- Ministry of Justice, including central authorities for international co-operation.
- Ministry of Interior.
- Ministry of Foreign Affairs.
- Ministry responsible for the law relating to legal persons, legal arrangements, and non-profit organisations.
- Other bodies or committees to co-ordinate AML/CFT action, including the assessment of the money laundering and terrorist financing risks at the national level.

Criminal justice and operational agencies:

- The FIU.
- Law enforcement agencies including police and other relevant investigative bodies.
- Prosecution authorities (Office of the Director of Public Prosecutions); including any specialised confiscation agencies.
- Customs service, border agencies/immigration, and where relevant, trade promotion and investment agencies.
- If relevant - specialised drug or anti-corruption agencies, tax authorities, intelligence or security services.
- Task forces or commissions on ML, FT or organised crime.

Financial sector bodies:

- Ministries/agencies responsible for licensing, registering or otherwise authorising financial institutions.
- Supervisors of financial institutions (Central Bank), including the supervisors for banking and other credit institutions, insurance, and securities and investment.
- Supervisors or authorities responsible for monitoring and ensuring AML/CFT compliance by other types of financial institutions, in particular bureaux de change and money remittance businesses.
- Exchanges for securities, futures and other traded instruments.
- The relevant financial sector associations, and a representative sample of financial institutions (including both senior executives and compliance officers, and where appropriate internal auditors).
- A representative sample of external auditors.

DNFBP and other matters:

- Casino supervisory body;
- Supervisor or other authority or Self-Regulatory Body (SRB) responsible for monitoring AML/CFT compliance by other DNFBPs;
- Registry for companies and other legal persons, and for legal arrangements (if applicable);
- Bodies or mechanisms that have oversight of non-profit organisations, for example tax authorities (where relevant);
- A representative sample of professionals involved in non-financial businesses and professions (managers or persons in charge of AML/CFT matters (*e.g.*, compliance officers) in casinos, real

- estate agencies, precious metals/stones businesses as well as lawyers, notaries, accountants and any person providing trust and company services);
- Any other agencies or bodies that may be relevant (*e.g.*, reputable academics relating to AML/CFT and civil societies).

Efficient use has to be made of the time available on-site, and it is therefore suggested that the meetings with the financial sector and DNFBP associations also have the representative sample of institutions/DNFBPs present.

LIST OF INTERVIEWEES PROPOSED BY (INSERT COUNTRY)

INSTRUCTIONS

1. Please complete proposed list of interviewees for your upcoming on-site assessment during the period (INSERT ON-SITE PERIOD). In this regard use the attached Appendix 2 – Authorities and Businesses Typically involved for on-site visits. Please note that the Appendix is not exhaustive and that it should reflect those institutions/agencies which are significant to the implementation of your AML/CFT regime.

2. The list of proposed interviewees are as follows:

NO.	PROPOSED INTERVIEWEES	COMMENTS
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Appendix 3 – Questionnaire for Technical Compliance Update

BACKGROUND AND KEY DOCUMENTS

Countries should briefly note any significant changes to their AML/CFT system which have taken place since the last evaluation or since they exited the follow-up process. This includes:

- **New AML/CFT laws, regulations and enforceable means.**
- **New competent authorities, or significant reallocation of responsibility between competent authorities.**

Countries should list the principal laws and regulations in their AML/CFT system, and give a brief, high-level summary of their scope. Where relevant, the (translated) text of these laws should be provided to assessors. It is preferable to assign each document a unique number to ensure references are consistent. These numbers should be listed here.

Countries should list the main competent authorities responsible for AML/CFT policy and operations, and summarise their specific AML/CFT responsibilities.

1. *[Example –"Since the last evaluation, Country X has passed the 'Law on Suspicious Transaction Reporting (2009)' and established an FIU. Responsibility for investigating suspicious transactions has been transferred from the Ministry of Interior to the FIU.*

2. *[Example –"The principal laws relevant to AML/CFT are:*

   Money Laundering Act (1963) (document L1) – establishes a criminal offence of money laundering

   Proceeds of Crime Act (2007) (document L2) – sets a legal framework for confiscation of the proceeds of crime

   National Security Act (2005) (document L3) – establishes a criminal offence of terrorist financing and a legal framework for implementing targeted financial sanctions

   Financial Sector Act (1999) (document L4) – provides the legal basis for financial sector regulation and supervision and sets out the basic AML/CFT obligations on firms.

RISK AND CONTEXT

Countries should provide assessors with available documents about the ML/TF risks in their country. They should list each document they provide, and briefly describe their scope. Countries should also note any important considerations about risk and context which they wish to bring to the attention of assessors. This should not duplicate information included in the documents provided. If countries wish to highlight specific contextual factors, they should provide documentation on these.

Countries should describe the size and structure of their financial and DNFBP sectors, using the tables in Annex I.

TECHNICAL COMPLIANCE INFORMATION

Countries should provide information on their technical compliance with each of the Criteria used in the FATF Methodology. The Table below has been provided to capture the relevant information. Countries should provide brief factual information only – there is no need for lengthy argument or interpretation. The relevant criterion has been set out in full in Column 1 of the Table.

For each criterion, countries should, as a minimum, set out the reference (name of instrument, article or section number) that applies. Countries should refer to the specific clauses of their laws, enforceable means, or other mechanisms which are relevant to the criterion. If necessary countries should also briefly explain the elements of their laws, enforceable means, or other mechanisms which implement the criterion, (e.g. an outline of the procedures followed, or an explanation of the interaction between two laws). Countries should also note whether the law or enforceable means referred to has changed since the last MER or follow-up report (FUR).

The (translated) text of all relevant laws, enforceable means, and other documents should be provided separately (but as early as possible).

RECOMMENDATION1: ASSESSING RISK AND APPLYING A RISK BASED APPROACH	
OBLIGATIONS AND DECISIONS FOR COUNTRIES	
Risk assessment	
FATF Criterion	Briefly describe how the FATF Criterion is met. For Law/Enforceable or other mechanisms include as relevant: name; citation; if enacted or not. For processes, procedures and structures, a brief outline of information relevant to the specific criterion and whether any of the above is different from the last MER or FUR.
1.1 Countries[30] should identify and assess the ML/TF risks for the country,	
1.2 Countries should designate an authority or mechanism to co-ordinate actions to assess risks.	
1.3 Countries should keep the risk assessments up-to-date.	
1.4 Countries should have mechanisms to provide information on the results of the risk assessment(s) to all relevant competent authorities and self-regulatory bodies (SRBs), financial institutions and DNFBPs.	

[30] Where appropriate, ML/TF risk assessments at a supra-national level should be taken into account when considering whether this obligation is satisfied.

ANNEX 1 TO THE QUESTIONNAIRE FOR TECHNICAL COMPLIANCE UPDATE: SIZE AND STRUCTURE OF THE FINANCIAL AND DNFBP SECTORS

AML/CFT PREVENTIVE MEASURES FOR FINANCIAL INSTITUTIONS AND DNFBPS (R.10 TO R.23)

Type of Entity*	No. Licensed / Regulated / Registered	AML/CFT Laws** / Enforceable Means for Preventive Measures	Date in Force or Last Updated (*where applicable*)	Other additional Information (e.g,. highlights of substantive changes etc.)***
Banks				
Life Insurers				
Securities				
MVTS				
Casinos				
Lawyers				
Notaries				
Accountants				
Precious Metals & Stones Dealers				
Trust and Company Service Providers				
Others				

* Additional rows may be added for other type of financial institutions and DNFBPs. Countries may also choose to have more granular and specific classification of the types of financial institutions and DNFBPs.

** Countries should indicate the specific provisions in the AML/CFT laws that set out the CDD, record keeping and STR reporting obligations.

*** Where there have been changes since its last update or where relevant, countries should also set out the specific provisions in the AML/CFT laws or enforceable means and key highlights of the obligations for other preventive measures (e.g., PEPs, wire transfers, internal controls and foreign branches and subsidiaries etc.).

LEGAL PERSONS AND ARRANGEMENTS (R.8, R.24 AND R.25)

Type of Legal Persons / Arrangements*	**No. Registered** *(where available)*	**Applicable Laws / Regulations / Requirements**	**Date in Force or Last Updated** *(where applicable)*	**Other additional Information (e.g,. highlights of substantive changes etc.)****

* Additional rows may be added for other type of legal persons or arrangements. Countries may also choose to have more granular and specific classification of the types of legal persons or arrangements.

** Countries should indicate the specific provisions in the applicable laws / regulations / requirements and key highlights that set out the obligations to maintain the requisite information in R.24 (e.g., basic and beneficial ownership) and R.25 (e.g., settlors, trustees, protectors (if any), the (class of) beneficiaries, and any other natural person exercising control) respectively.