

FATF Advances Efforts to Counter Money Laundering and Terrorist Financing

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PARIS — At its plenary meeting this week, the Financial Action Task Force (FATF), the global standard-setting body for anti-money laundering and countering the financing of terrorism, advanced numerous initiatives to strengthen global anti-money laundering and counter-terrorist financing standards.

“The United States welcomes the FATF’s work to combat terrorist financing, strengthen asset recovery, protect non-profit organizations from misuse, and address the illicit finance risks associated with citizenship and residency by investment programs,” said Secretary of the Treasury Janet L. Yellen. “These steps are critical to denying terrorist organizations access to funds, safeguarding the global financial system, and enhancing collective efforts to address financial crime.”

Among the initiatives that the FATF advanced this week, FATF members adopted revisions to its asset recovery standards to strengthen the tools available to law enforcement, asset recovery agencies, and criminal justice system to target and recover criminal proceeds and improve mutual legal assistance. FATF members also adopted a report on how terrorist groups like Hamas use crowdfunding techniques to raise money for their attacks. The FATF, in response to the commitment made by FATF Ministers in April 2022 to further efforts by the FATF to counter corruption, adopted a report on the misuse of citizenship and residency by investment (CBI/RBI) programs, highlighting how corrupt actors, tax evaders, and other criminals have exploited these programs to disguise their identity, open bank accounts to establish shell companies, or conceal where they may owe taxes or other liabilities from financial institutions by using new identification documents. The FATF also, as part of its ongoing efforts to address the misapplication of the FATF standards, revised Recommendation 8, the standard related to the protection of non-profit organizations (NPOs) from misuse by terrorist financiers and other illicit actors. FATF members sent for public comment draft guidance to implement the revised standards on beneficial ownership of trusts and similar legal arrangements.

The FATF will also undertake work relating to countries' compliance with Recommendation 5, which requires countries to criminalize terrorist financing.

FATF members voted for the accession of Indonesia as the FATF's 40th member. The United States welcomes Indonesia's membership and recognizes the substantial progress Indonesia has made to improve its AML/CFT regime.

[Full outcomes of the FATF Plenary, 27 October 2023](#)

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