

# FATF Advances Work to Combat Money Laundering and Terrorist Financing

February 23, 2024

PARIS — Today, the Financial Action Task Force (FATF), the global standard-setting body for anti-money laundering and countering the financing of terrorism (AML/CFT), concluded its fifth Plenary under the Singaporean presidency. The FATF made several key advances, including kicking off a public consultation on potential changes to the FATF Recommendation on wire transfer information and the adoption of new guidance on trusts. The FATF also noted its concern on Russian Federation’s growing financial connectivity with North Korea and Iran.

This Plenary follows recent announcements of [key actions](#) by the U.S. Department of the Treasury to enhance financial transparency and combat illicit finance in the United States. “At a moment when the United States is advancing historic initiatives to safeguard the U.S. financial system, we commend the FATF’s vital work to strengthen global standards relating to combatting illicit finance,” said Secretary of the Treasury Janet L. Yellen.

## TREASURY’S AML/CFT INITIATIVES

Under Secretary for Terrorism and Financial Intelligence Brian E. Nelson updated the FATF on Treasury’s recent historic AML/CFT efforts, including operationalizing a beneficial ownership information filing system, issuing proposed rulemakings to address vulnerabilities in the U.S. [residential real estate](#) and [investment adviser sectors](#), and [publishing](#) updated National Risk Assessments on Money Laundering, Terrorist Financing, and Proliferation Financing. These efforts enhance and strengthen the United States’ AML/CFT framework, further safeguard the U.S. financial system from abuse, and strengthen U.S. and global security. As Under Secretary Nelson stated before the FATF:

“This is also a moment of profound momentum for the United States’ work to combat illicit finance. Strengthening our AML/CFT framework—in line with the FATF Standards—is a top priority for the United States. President Biden in his first year in office laid out ambitious initiatives for addressing many of the systemic vulnerabilities in the U.S. and global financial systems.

In the past two months alone, Treasury has advanced some of our most significant AML/CFT initiatives of the past two decades. This ambitious body of work demonstrates that we are delivering on our commitment to strengthen and advance implementation of the FATF Standards.”

## **FATF EFFORTS TO STRENGTHEN GLOBAL AML/CFT STANDARDS**

The FATF advanced numerous initiatives this week, including to begin public consultation on potential changes to Recommendation 16 on wire transfers, approving new guidance to aid implementation of the strengthened requirement for trusts, and developing a table of steps that certain countries are taking to implement the FATF Standards relating to virtual asset service providers.

This body of work will improve countries implementation of the FATF Standards, prevent regulatory arbitrage, and assist governments and the private sector with best practices for mitigating illicit finance risks across sectors.

## **STATEMENT ON RUSSIA**

The FATF plenary [reiterated its condemnation](#) of Russia’s illegal, unprovoked and unjustified full-scale military invasion of Ukraine. It expressed its concern about Russia’s growing financial connectivity with North Korea and Iran and how expanded proliferation financing and malicious cyber activities and ransomware negatively impact the global financial system. The FATF called upon all jurisdictions to remain vigilant against these risks.

The FATF agreed that Mexico will become the next President of the FATF. The Mexican presidency will begin in July 2024.

[Click here to read the Outcomes of the FATF Plenary, 23 February 2024.](#)

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