

## **BUSINESS FROM SENSITIVE SOURCES NOTICE (NUMBER 4)**

### **TO MONEY LAUNDERING REPORTING OFFICERS OF ALL FINANCIAL SERVICES BUSINESSES AND OTHER INTERESTED PERSONS**

**22 August 2002**

In its third Business From Sensitive Sources Notice (Business From Sensitive Sources Notice (Number 3)) issued on 4 October 2001, the Commission referred to the continuing work of the Financial Action Task Force on Money Laundering ("FATF") on its initiative to identify non-cooperative countries and territories ("NCCTs").

In June 2002, FATF published its latest Review to Identify Non-Cooperative Countries or Territories: Increasing The World-Wide Effectiveness of Anti-Money Laundering Measures ("the Review"). This is available on the FATF web site at [www.fatf-gafi.org](http://www.fatf-gafi.org). The Commission encourages money laundering reporting officers and other interested persons to visit FATF's web site and apprise themselves of FATF's work on NCCTs. Financial services businesses should take particular account of the descriptions of the anti-money laundering systems of all of the jurisdictions considered in the Review and FATF's current attitude to those jurisdictions.

With regard to countries and territories on FATF's list of NCCTs on 4 October 2001, the executive summary of the Review states:-

"[FATF] recognises that Hungary, Israel, Lebanon, and St Kitts and Nevis, listed as non-cooperative in the fight against money laundering in June 2000 and June 2001, have addressed the deficiencies identified by the FATF through the enactment of legal reforms. These countries have also taken concrete steps to implement these reforms and are therefore removed from the NCCT list. Consequently, the procedures prescribed in FATF Recommendation 21 are withdrawn. To ensure continued effective implementation of these reforms, the FATF will monitor the developments in these countries, in consultation with the relevant FATF-style regional bodies and particularly in the areas laid out in this NCCT report."

This means that FATF's current list of NCCTs is: **Cook Islands; Dominica; Egypt; Grenada; Guatemala; Indonesia; Marshall Islands; Myanmar; Nauru; Nigeria; Niue; Philippines; Russia; St Vincent and the Grenadines; and Ukraine.**

The Commission continues to advise financial services businesses to exercise a greater degree of caution when taking on business from jurisdictions on FATF's list of NCCTs. Paragraph 100 of the Review states:

"FATF recommends that financial institutions should give special attention to business relations and transactions with persons, including companies and financial institutions, from the "non-cooperative countries and territories"..... and so doing take into account issues raised in the relevant summaries in Section II of this report and any progress made by these jurisdictions since being listed as NCCTs."

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