



# Eastern Caribbean Central Bank

P. O. Box 89, Basseterre, St Kitts, West Indies

Timothy N. J. Antoine  
Governor

21 December 2023

To: Chief Executive Officers  
**All Financial Institutions Licensed Under the Banking Act, 2015 as amended**

## **Advisory on Jurisdictions with Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) Deficiencies**

The Eastern Caribbean Central Bank (ECCB), informs Licensed Financial Institutions (LFIs) under the Banking Act, 2015, as amended that the Financial Action Task Force (FATF) issued a public statement on 27 October 2023 at the conclusion of its fourth Plenary held in Paris, under the Presidency of T Raja Kumar of Singapore. Reference, <https://www.fatf-gafi.org/en/publications/Fatfgeneral/outcomes-fatf-plenary-october-2023.html>

Jurisdictions should remain vigilant to current and emerging risks from the circumvention of measures taken against the Russian Federation, in order to protect the international financial system. The Russian Federation's war of aggression against Ukraine continues to run counter to FATF's principles and thus, the suspension of the membership of the Russian Federation continues to stand.

The FATF has also updated its lists of jurisdictions with strategic Anti-Money Laundering, Combating the Financing of Terrorism and Combating Proliferation Financing (AML/CFT/CPF) deficiencies. LFIs should take into account the FATF's position toward these jurisdictions when evaluating their obligations and risk-based policies, procedures, and practices.

Effective 27 October 2023, FATF added Bulgaria to its list of jurisdictions, under increased monitoring, Albania, the Cayman Islands, Jordan, and Panama were removed from the list.



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In an effort to ensure compliance with its international standards, the FATF has issued two (2) statements:

- i. [Jurisdictions under Increased Monitoring](#) are actively working with the FATF to address strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing (ML/TF/PF). When the FATF places a jurisdiction under increased monitoring, it means the country has committed to resolve swiftly, the identified strategic deficiencies within agreed timeframes and is subject to increased monitoring.

LFIs are reminded of their obligations to comply with the due diligence obligations for foreign financial institutions (FFI) under AML regulations and ensure that their due diligence programmes for correspondent accounts include specific risk-based procedures and enhanced policies, procedures, and controls that are reasonably designed to detect, and report known or suspected money laundering activity, conducted through or involving any correspondent account.

- ii. [High-Risk Jurisdictions Subject to a Call for Action](#) - jurisdictions with significant strategic deficiencies in their AML/CFT/CPF regimes are publicly identified, and all FATF members are encouraged to apply enhanced due diligence, and in the most serious cases, apply counter-measures to protect the international financial system from the money laundering, terrorist financing, and proliferation financing risks emanating from the identified countries.

Burma remains in this category, and the FATF urges jurisdictions to apply enhanced due diligence proportionate to the risks. LFIs are reminded to apply enhanced due diligence when maintaining correspondent accounts for foreign banks operating under a banking licence issued by a country designated by an intergovernmental group or organisation as non-cooperative, with respect to international anti-money laundering principles or procedures.

The United Nations (UN) has adopted several resolutions implementing economic and financial sanctions. The Eastern Caribbean Currency Union member countries are bound by



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the provisions of these UN Security Council Resolutions (UNSCRs), and certain provisions of these resolutions are especially relevant to financial institutions.

Financial institutions must be familiar with the requirements and prohibitions contained in the relevant UNSCRs. LFIs can access the UNSC consolidated list by the following link: <https://scsanctions.un.org/search/>

The FATF's publication on the jurisdictions under increased monitoring can be found on the FATF's website as follows:

<https://www.fatf-gafi.org/en/publications/High-risk-and-other-monitored-jurisdictions/Increased-monitoring-october-2023.html>

For jurisdictions removed from the FATF listing and monitoring process, LFIs should take the FATF's decisions, and the reasons behind the delisting, into consideration when assessing risks, consistent with the financial institutions' obligations under AML regulations.

If a financial institution knows, suspects, or has reason to suspect that a transaction involves funds derived from illegal activity or that a customer has otherwise engaged in activities indicative of money laundering, terrorist financing, or other violation of law or regulation, the financial institution must file a Suspicious Activity Report with their respective Financial Intelligence Unit.

The FATF's publication on the jurisdictions subject to a call for action can be found on the FATF's website as follows:

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LFIs are required to pay special attention to individuals and entities connected to these jurisdictions, and are required to implement enhanced scrutiny to transactions or banking relationships.

Please be guided accordingly.

**Timothy N.J. Antoine**  
**GOVERNOR**

sc/lb-m/ej/ppp