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The Financial Action Task Force publishes a report on non-cooperative jurisdictions in the international fight against money laundering

The Financial Action Task Force (FATF), published a report today describing a process designed to identify non-cooperative jurisdictions in the fight against money laundering and to encourage them to implement international standards in this area. The year-old initiative began with the development of twenty-five criteria to identify detrimental rules and practices that impede international co-operation in the fight against money laundering. The criteria address the following issues:

- Loopholes in financial regulations that allow no, or inadequate supervision of the financial sector, weak licensing or customer identification requirements, excessive financial secrecy provisions, or lack of suspicious transaction reporting systems.
- Weaknesses in commercial requirements including the identification of beneficial ownership and the registration procedures of business entities.
- Obstacles to international co-operation, regarding both administrative and judicial levels.
- Inadequate resources for preventing, detecting and repressing money laundering activities.

The criteria are consistent with the international anti-money laundering standards set out in the forty Recommendations of the FATF, the intergovernmental body set up in 1989 to combat money laundering.

The FATF has set up four regional review groups to begin reviews of a number of jurisdictions, both within and outside the FATF membership. Jurisdictions to be reviewed are being informed of the work to be carried out by the FATF. The reviews will involve the gathering of all relevant information, including laws and regulations as well as any mutual evaluation reports, self-assessment surveys or progress reports, if available. The factual information on each jurisdiction's regime will then be analysed with respect to the twenty-five criteria and a draft report will be prepared and sent to the jurisdictions concerned for comment. Once the reports are completed, the FATF will address further steps to encourage constructive anti-money laundering action as well as the issue of publication of lists of non-cooperative jurisdictions.

The twenty six member countries and governments of the FATF, whose Secretariat is based at the OECD, are: Australia; Austria; Belgium; Canada; Denmark; Finland; France; Germany; Greece; Hong Kong, China; Iceland; Ireland; Italy; Japan; Luxembourg; the Kingdom of the Netherlands; New Zealand; Norway; Portugal; Singapore; Spain; Sweden; Switzerland; Turkey; United Kingdom; and the United States. Two international organisations are also members of the FATF: the European Commission and the Gulf Co-operation Council. Observer members are: Argentina, Brazil and Mexico.

The report describing this initiative and the criteria is available on the FATF website at the following address:. **http://www.oecd.org/fatf/pdf/NCCT-en.pdf**

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