



HONG KONG MONETARY AUTHORITY
香港金融管理局

Our Ref.: B10/21C

8 July 2021

The Chief Executive
All Stored Value Facility Licensees

Dear Sir/Madam,

Statements issued by the Financial Action Task Force

I am writing to update you on the statements published by the Financial Action Task Force (FATF) identifying jurisdictions that have strategic deficiencies in their anti-money laundering and counter-financing of terrorism (AML/CFT) and counter proliferation financing regimes, and also draw your attention to a number of outcomes from the FATF Plenary meeting held virtually from 20 to 25 June 2021.

Statements on “High-Risk Jurisdictions subject to a Call for Action” and “Jurisdictions under Increased Monitoring”

In response to the COVID-19 pandemic, the FATF has paused the review process for the list of “High-Risk Jurisdictions subject to a Call for Action”. Stored value facility (SVF) licensees should therefore continue to refer to the HKMA circular on “Statements issued by the Financial Action Task Force” dated 11 March 2020, in particular, applying the enhanced due diligence measures and other counter-measures in relation to Iran and the Democratic People’s Republic of Korea.

In addition, the FATF has issued an updated statement on “Jurisdictions under Increased Monitoring”. The statement can be found at: <http://www.fatf-gafi.org/publications/high-risk-and-other-monitored-jurisdictions/documents/increased-monitoring-june-2021.html>.

FATF Virtual Plenary, 20-25 June 2021

The outcomes of the FATF Plenary, some of which may be of reference to SVF licensees, were published on the FATF website and can be found at <http://www.fatf-gafi.org/publications/fatfgeneral/documents/outcomes-fatf-plenary-june-2021.html>.

In particular, the FATF has published two reports on digital transformation: (1) Opportunities and Challenges of New Technologies for AML/CFT and (2) Stocktake on Data Pooling, Collaborative Analytics and Data Protection¹; and the Guidance on Proliferation Financing Risk Assessment and Mitigation². Separately, the FATF launched a public consultation on a white paper for the potential amendments to Recommendation 24 on transparency and beneficial ownership of legal persons. Further information can be found at http://www.fatf-gafi.org/publications/fatf_recommendations/documents/white-paper-r24.html.

Yours faithfully,

Carmen Chu
Executive Director (Enforcement and AML)

¹ The reports can be found at: <https://www.fatf-gafi.org/media/fatf/documents/reports/Opportunities-Challenges-of-New-Technologies-for-AML-CFT.pdf> and <https://www.fatf-gafi.org/media/fatf/documents/Stocktake-Datapooling-Collaborative-Analytics.pdf>.

² The guidance can be found at: <http://www.fatf-gafi.org/media/fatf/documents/reports/Guidance-Proliferation-Financing-Risk-Assessment-Mitigation.pdf>.