



HONG KONG MONETARY AUTHORITY
香港金融管理局

Our Ref.: B10/21C

11 March 2022

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 between 2 and 4 March 2022.

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” since February 2020. 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: <https://www.fatf-gafi.org/publications/high-risk-and-other-monitored-jurisdictions/documents/increased-monitoring-march-2022.html>.

FATF Public Statement on the Situation of Ukraine

The FATF issued a public statement on the situation of Ukraine concerning the impact on the money laundering, terrorist financing and proliferation financing risk environment as well as the integrity of the financial system, the broader economy and safety and security. SVF licensees should monitor the situation closely, and be vigilant to the possibility of emerging risks. The statement can be found at: <https://www.fatf-gafi.org/publications/fatfgeneral/documents/ukraine-2022.html>.

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FATF Plenary meeting, 2-4 March 2022

The outcomes of the FATF Plenary meeting, some of which may be of reference to SVF licensees, were published on the FATF website and can be found at: <https://www.fatf-gafi.org/publications/fatfgeneral/documents/outcomes-fatf-plenary-march-2022.html>. In particular, the FATF adopted amendments to the FATF Recommendations following a public consultation. Recommendation 24 and its Interpretative Note, as revised, require jurisdictions to prevent the misuse of legal persons for money laundering or terrorist financing and to ensure that there is adequate, accurate and up-to-date information on the beneficial ownership and control of legal persons. Further information on the amendments can be found at: <https://www.fatf-gafi.org/publications/fatfrecommendations/documents/r24-statement-march-2022.html>.

Yours faithfully,

Carmen Chu
Executive Director (Enforcement and AML)