



Global Forum
& CFATF
PART II



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Continued from Last Month's Issue:

Outcome of the CFATF XLIV Plenary and Working Groups Meeting

The Caribbean Financial Action Task Force (CFATF) held its XLIV Plenary and Working Groups Meeting in Providenciales, Turks and Caicos Islands during the period November 6-10, 2016.

The Plenary discussed several issues affecting the Fourth Round of Mutual Evaluations in terms of the human and financial resources required, the importance of the Quality and Consistency function at various stages of the mutual evaluation process, the emergence of G20 initiatives as a consequence of unforeseen global developments and their instructions to the FATF and FATF-Style Regional Bodies (FSRBs), the increased workload of the CFATF Secretariat and the follow-up processes.

There was also discussions surrounding the CFATF Secretariat's Work plan and Budget, De-Risking and Correspondent Banking Issues and the impact on the Caribbean Basin Region and the importance of collaboration and support between donor organisations, technical assistance sponsors, FATF and the CFATF Secretariat.

Follow-up reports for the following jurisdictions were tabled for review: Haiti, St. Vincent and the Grenadines, Suriname, Guyana, Saint Maarten and Curacao. The Plenary also adopted the Mutual Evaluation Report of Guatemala which was discussed and finalized in GAFILAT's Plenary in August 2016.

The Plenary recognized that Guyana and Curacao made significant progress in addressing the deficiencies identified during the Third Round of Mutual Evaluations conducted by the CFATF and approved their exit from the follow-up process.

The CFATF also published a public statement on Haiti, Suriname and Guyana. The contents of the statement can be found by clicking the link: <https://www.cfatf-gafic.org/index.php/documents/cfatf-public-statements/7351-cfatf-public-statement-on-haiti-suriname-and-guyana-at-xliv-plenary-providenciales-turks-and-caicos-november-9th-2016>

Of note, was the tabling and discussion of the Mutual Evaluation Report of Jamaica, which was the second such report conducted by the CFATF during the Fourth Round of Assessments. Ms. Heidi-Lynn Sutton, Regulator formed part of the CFATF Assessment Team as the Legal

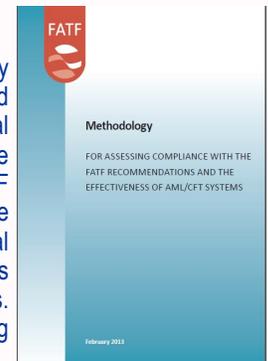


Caribbean Financial Action Task Force

Expert and was responsible for assessing Jamaica's technical compliance with the revised FATF Recommendations and for reviewing the level of effectiveness of its AML/CFT system.

Ms. Sutton was therefore tasked with drafting and presenting the Report in relation to the findings for Immediate Outcomes 1, 2, 5, 8, 9, 10 and 11 (effectiveness assessments) and Recommendations 1, 2, 3, 5, 6, 7, 24, 25, 33, 34, 35, 36, 37, 39 and 40 (technical compliance assessments).

As stated in the FATF's Methodology published in February, 2013 and reproduced in our October 2015 Newsletter, technical compliance assessment addresses the specific requirements of the FATF Recommendations, principally as they relate to the relevant legal and institutional framework of the country, and the powers and procedures of the competent authorities. These represent the fundamental building blocks of an AML/CFT system.



In respect to the effectiveness assessment, Assessors are to evaluate the adequacy of the implementation of the FATF Recommendations, and identify the extent to which a country achieves a defined set of outcomes that are central to a robust AML/CFT system. The focus of the effectiveness assessment is therefore on the extent to which the legal and institutional framework is producing the expected results.

The Mutual Evaluation Report of Jamaica was approved by Plenary following intense discussions. As required by the Universal Procedures for AML/CFT assessments, the Report was then circulated to the FATF Global Network which include FATF members, FSRBs and International Financial Institutions (IMF and World Bank) for their Global Quality and Consistency Review. Members had two weeks to advise the FATF Secretariat in writing if they had serious concerns about the quality and consistency of the Report and to indicate such concerns. We are pleased to report that the Report was successfully reviewed and subsequently published in January 2017.

The public is reminded that the CFATF mutual evaluation of St. Kitts and Nevis is scheduled for the second quarter of 2019. Regulated entities are advised to download the reports of Trinidad and Tobago and Jamaica to familiarize themselves with the mutual evaluation process.

For more information on the work of the CFATF, mutual evaluation procedures or the Mutual Evaluation Report of Jamaica, please visit the CAFTF's website: <https://www.cfatf-gafic.org/>.

