

ANTI-MONEY LAUNDERING/COUNTER FINANCING OF TERRORISM /COUNTER PROLIFERATION FINANCING IN FOCUS

PART 1:

The Background - What Saint Lucian's Need to Know

**By: The Attorney General's Chambers
and the National Anti-Money Laundering Oversight Committee (NAMLOC)**

The Caribbean Financial Action Task Force (CFATF) was established in 1990 and comprises of twenty-five member States within the Caribbean, Central and South America. The structure is similar to that of its umbrella international body the Financial Action Task Force (FATF), created by the G8 countries in 1989. The CFATF ensures that member states, like Saint Lucia, comply with the *FATF's Forty Recommendations*. These Recommendations are agreed international guidelines to combat money laundering, terrorist financing and the financing of proliferation of weapons of mass destruction.

The Forty Recommendations lay out best practices for a number of areas and entities in a country. Each Recommendation focuses on one specific area, some of these include: non-profit organizations, customer due diligence and the responsibilities of law enforcement officers and financial institutions.

The CFATF conducts peer reviews of member countries called Mutual Evaluations. During these evaluations five assessors will visit a country over a two week period and interview stakeholders within the public and private sectors. Ratings will be assigned to each of the Recommendations based on the level of compliance. A country can receive one of five ratings for each Recommendation namely: Compliant, Largely Compliant, Partially Compliant, Non-Compliant or Non-Applicable. If a country receives a poor overall rating, several negative ramifications can occur. These include, but are not limited to, *de-risking, loss of donor funding and loss of correspondent banking privileges*.

Saint Lucia will be undergoing its 4th Round Mutual Evaluation in September 2019. The Attorney General's Chambers with the sanction of the Cabinet of Ministers has established an Oversight Committee which has responsibility for ensuring Saint Lucia's readiness for the Mutual Evaluation. This Committee is currently undertaking several ventures to ensure that the general public and stakeholders are educated on the process. The 4th Round Mutual Evaluation is approaching, it is of national importance and impacts the strength of our financial sector. Let us join together as Saint Lucians to ensure the success of the evaluation.