

Appendix D2 – Countries and territories identified as presenting higher risks

Introduction

Appendix D2 provides details of countries and territories (and also areas) that have been identified by reliable and independent third party sources as presenting higher risk in areas that will be relevant to an assessment of money laundering and financing of terrorism risks under normal CDD measures.

Countries and territories listed under Sources 1 and 2 are also to be treated as countries and territories that are not compliant with FATF Recommendations for the purpose of Article 17A of the Money Laundering Order.

Please note that the countries and territories covered by each source are not consistent and may be incomplete. The Commission does not accept responsibility for the findings and conclusions of these sources. Relevant persons are expected to exercise judgement in relation to how they interpret and use these sources and to reach their own conclusions on risk.

See Sections 3, 6 and 7 of the AML/CFT Handbook, the AML/CFT Handbook for the Accountancy Sector, the AML/CFT Handbook for the Legal Sector and the AML/CFT Handbook for Estate Agents and High Value Dealers.

Country/territory	FATF - strategic ML/TF deficiencies without agreed action plan in place	FATF/FSRB - strategic ML/TF deficiencies with agreed action plan in place	INCSR (US Department of State) – Major drug producing and transit countries	Human Trafficking – US Department of State	State sponsors of terrorism - US Secretary of State/ Terrorist safe havens – US Department of State	Sanctions measures – Minister for External Relations	Transparency International – Corruptions Perception Index	Transparency International – Bribe Payers Index	Worldwide Governance Indicators project	Fund for Peace/ Foreign Policy magazine – Fragile States Index (Alert level)	OECD – jurisdictions that have yet to implement agreed tax standards	Financial Stability Board – Table 2 and Table 3 jurisdictions
	Source: 1	Source: 2	Source: 3	Source: 4	Source: 5	Source: 6	Source: 7	Source: 8	Source: 9	Source: 10	Source: 11	Source: 12
Afghanistan			✓		✓	✓	✓		✓	✓		
Albania		✓										
Algeria									✓			
Angola							✓		✓	✓		
Argentina								✓				✓
Azerbaijan							✓		✓			
Bahamas		✓	✓									✓
Bangladesh							✓		✓	✓		
Barbados		✓										✓

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	Source: 1	Source: 2	Source: 3	Source: 4	Source: 5	Source: 6	Source: 7	Source: 8	Source: 9	Source: 10	Source: 11	Source: 12
Belarus				✓		✓			✓			
Belize			✓						✓			
Benin									✓			
Bhutan				✓								
Bolivia			✓						✓			
Bosnia and Herzegovina									✓			
Botswana		✓										
Brunei											✓	
Burkina Faso									✓			
Burundi				✓		✓	✓		✓	✓		
Cambodia		✓					✓		✓			
Cameroon							✓		✓	✓		
Central African Republic						✓	✓		✓	✓		
Chad							✓		✓	✓		
Chile												✓
China				✓				✓				
Colombia			✓		✓							✓
Comoros				✓			✓		✓			

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	Source: 1	Source: 2	Source: 3	Source: 4	Source: 5	Source: 6	Source: 7	Source: 8	Source: 9	Source: 10	Source: 11	Source: 12
Congo, Democratic Republic of				✓		✓	✓		✓	✓		
Congo Republic							✓		✓	✓		
Costa Rica			✓									
Cote d'Ivoire									✓	✓		
Cuba				✓					✓			
Djibouti							✓		✓			
Dominican Republic			✓				✓					
Ecuador			✓						✓			
Egypt					✓	✓			✓	✓		
El Salvador			✓						✓			
Equatorial Guinea				✓			✓		✓			
Eritrea				✓			✓		✓	✓		
Eswatini (Swaziland)									✓			
Ethiopia									✓	✓		
Gabon									✓			
Gambia				✓					✓			

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	Source: 1	Source: 2	Source: 3	Source: 4	Source: 5	Source: 6	Source: 7	Source: 8	Source: 9	Source: 10	Source: 11	Source: 12
Greece												✓
Ghana		✓										
Guatemala			✓				✓		✓			
Guinea						✓	✓		✓	✓		
Guinea Bissau						✓	✓		✓	✓		
Haiti			✓			✓	✓		✓	✓		
Honduras			✓				✓		✓			
Hungary												✓
Iceland		✓										
India			✓					✓				
Indonesia								✓				✓
Iran	✓			✓	✓	✓	✓		✓			
Iraq					✓	✓	✓		✓	✓		
Israel												✓
Jamaica		✓	✓									
Kenya							✓		✓	✓		
Korea (North)	✓			✓	✓	✓	✓		✓	✓		
Kosovo									✓			
Kyrgyz Republic							✓		✓			
Lao PDR (Laos)			✓	✓			✓		✓			

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Lebanon					✓	✓	✓		✓			
Lesotho									✓			
Liberia							✓		✓	✓		
Libya				✓	✓	✓	✓		✓	✓		
Madagascar							✓		✓			
Malawi									✓			
Malaysia												✓
Maldives							✓		✓			
Mali						✓	✓		✓	✓		
Mauritania				✓			✓		✓	✓		
Mauritius		✓										✓
Mexico			✓				✓	✓	✓			
Moldova									✓			
Mongolia		✓										
Montenegro						✓						
Mozambique							✓		✓	✓		
Myanmar (Burma)		✓	✓	✓		✓	✓		✓	✓		
Nepal									✓			
Nicaragua		✓	✓			✓	✓		✓			

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	Source: 1	Source: 2	Source: 3	Source: 4	Source: 5	Source: 6	Source: 7	Source: 8	Source: 9	Source: 10	Source: 11	Source: 12
Niger									✓	✓		
Nigeria							✓		✓	✓		
Pakistan		✓	✓		✓				✓	✓		
Panama		✓	✓									
Papua New Guinea				✓			✓		✓			
Paraguay							✓		✓			
Peru			✓									
Russia				✓		✓	✓	✓	✓			✓
Rwanda										✓		
Saudi Arabia				✓				✓				
Serbia						✓						
Sierra Leone									✓	✓		
Sint Maartin											✓	
Somalia				✓	✓	✓	✓		✓	✓		
South Sudan				✓		✓	✓		✓	✓		
Sudan					✓	✓	✓		✓	✓		
Syrian Arab Republic		✓		✓	✓	✓	✓		✓	✓		
Taiwan								✓				

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	Source: 1	Source: 2	Source: 3	Source: 4	Source: 5	Source: 6	Source: 7	Source: 8	Source: 9	Source: 10	Source: 11	Source: 12
Tajikistan							✓		✓			
Tanzania									✓			
Timor-Leste									✓			
Togo							✓		✓	✓		
Trinidad & Tobago											✓	
Tunisia						✓						
Turkey						✓		✓	✓			✓
Turkmenistan				✓			✓		✓			
Uganda		✓					✓		✓	✓		
Ukraine						✓	✓		✓			
United Arab Emirates								✓				
Uzbekistan							✓		✓			
Venezuela			✓	✓	✓	✓	✓		✓	✓		✓
Yemen		✓		✓	✓	✓	✓		✓	✓		
Zambia									✓	✓		
Zimbabwe		✓				✓	✓		✓	✓		

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Area												
The Lake Chad Region					✓							
The Trans-Sahara					✓							
The Southern Philippines					✓							
The Sulu/ Sulawesi Seas Littoral					✓							
West Bank and Gaza								✓				
Key:												
Country or territory listed by four or more separate sources for different risk factors												
Country or territory listed by three separate sources for different risk factors												

Sources:

- 1 Financial Action Task Force: statement (21 February 2020) – <https://www.fatf-gafi.org/publications/high-risk-and-other-monitored-jurisdictions/documents/call-for-action-february-2020.html>
- 2 Financial Action Task Force: on-going process (21 February 2020) – <https://www.fatf-gafi.org/publications/high-risk-and-other-monitored-jurisdictions/documents/increased-monitoring-february-2020.html>
- Caribbean Financial Action Task Force (CFATF) (an FATF-style Regional Body (FSRB)): Public Statement (27 November 2019) - <https://www.cfatf-gafic.org/index.php/home/public-statements>
- 3 United States Department of State: International Narcotics Strategy Report (March 2019) - <https://www.state.gov/j/inl/rls/nrcrpt/2019/index.htm>
- 4 United States Department of State: Trafficking in Persons Report (June 2019) – Tier 3: Countries that do not fully comply with minimum standards and are not making significant effort to do so and special cases - <https://www.state.gov/reports/2019-trafficking-in-persons-report/>
- 5 United States Department of the Treasury: Terrorist Assets Report (2018) - <https://www.treasury.gov/resource-center/sanctions/Programs/Documents/tar2018.pdf>; and United States Department of State: Country Reports on Terrorism 2018 (October 2019) - <https://www.state.gov/reports/country-reports-on-terrorism-2018/>
- 6 Jersey Financial Services Commission – list of sanctions by regime - <https://www.jerseyfsc.org/industry/international-co-operation/sanctions/sanctions-by-country-and-category/>
- 7 Transparency International: corruption perceptions index (2019) - score of 30 or less - https://www.transparency.org/whatwedo/pub/corruption_perceptions_index_2019
- 8 Transparency International: Bribe payers index (2011) – score of 7.5 and less - https://www.transparency.org/whatwedo/publication/bpi_2011
- 9 Worldwide Governance Indicators project (2019 Update) – those scoring an average of 40 per cent or less – across all areas assessed (voice and accountability, political stability (no violence), government effectiveness, regulatory quality, rule of law, and control of corruption) - <http://info.worldbank.org/governance/wgi/#home>
- 10 United States think-tank: Fund for Peace/ Foreign Policy magazine: Fragile States Index (2019) - bottom 40 countries - <https://fundforpeace.org/2019/04/10/fragile-states-index-2019/>
- 11 OECD: Global Forum on Transparency and Exchange of Information for Tax Purposes: <http://www.oecd.org/tax/transparency/aeoi-implementation-report-2019.pdf>
- 12 Financial Stability Board - Promoting global adherence to regulatory and supervisory standards on international cooperation and information exchange (19 December 2014) - <http://www.financialstabilityboard.org/wp-content/uploads/PLEN2014132-Status-Update-on-International-Cooperation-and-Information-Exchange-initiative-FINAL.pdf>