

**FIA****FINANCIAL INTELLIGENCE AUTHORITY**

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Circular 001/2025**Date: March 26, 2025****To: All Reporting Entities****Re: FATF Advisory – Due Diligence Measures**

This circular aims to reinforce the critical importance of robust anti-money laundering, counter-terrorist financing, and counter-proliferation financing (AML/CFT/CPF) measures in light of the Financial Action Task Force (FATF) statements identifying ‘Call for Action’ countries and jurisdictions subjected to increased monitoring. Specifically, these FATF statements highlight countries with significant strategic deficiencies in their AML/CFT/CPF regimes. This poses a substantial risk to the integrity of the global financial system, and the Financial Intelligence Authority (FIA) is committed to safeguarding our jurisdiction from these identified threats while ensuring strict adherence to international standards.

As of February 21, 2025, the following applies:

- High Risk Jurisdictions Subject to a Call for Action
 - DPRK, Iran and Myanmar
- Jurisdictions under increased monitoring (Grey List)
 - Algeria, Angola, Bulgaria, Burkina Faso, Cameroon, Côte d'Ivoire, Croatia, Democratic Republic of Congo, Haiti, Kenya, Laos, Lebanon, Mali, Monaco, Mozambique, Namibia, Nepal, Nigeria, South Africa, South Sudan, Syria, Tanzania, Venezuela, Vietnam, and Yemen.

In light of this the Authority mandates that all reporting entities adhere to the following:

1. Enhanced Customer Due Diligence (EDD) for High-Risk Jurisdictions:

- Reporting Entities must implement EDD measures for all business relationships and transactions involving natural or legal persons, including financial institutions, originating from or connected to FATF-identified high-risk jurisdictions.
- EDD must be proportionate to the specific risks identified and include, but not be limited to:
 - Obtaining additional information on the customer and the beneficial owner.

- Verifying the source of funds and source of wealth.
- Conducting enhanced ongoing monitoring of the business relationship.
- Requiring senior management approval for establishing or continuing business relationships.
- Specifically, where a business relationship or transaction involves a customer from a country which has not adequately implemented the FATF recommendations, EDD must be performed.

2. Prohibition of Simplified Customer Due Diligence (SDD):

- SDD is strictly prohibited for any business relationship or transaction involving FATF-identified high-risk jurisdictions.
- SDD is also prohibited where there is any suspicion of money laundering, terrorist financing, or proliferation financing, irrespective of the customer's jurisdiction.

3. Ongoing Monitoring and Reporting:

- Reporting Entities must implement enhanced ongoing monitoring of all business relationships and transactions involving high-risk jurisdictions.
- Any suspicious activity must be reported to the Authority immediately.

4. Documentation and Record Keeping:

- All enhanced due diligence measures taken must be thoroughly documented and records must be maintained for the required period.

Reporting entities must refer to the most current FATF listings available on the Authority's website: <https://www.slufia.com/p/fatf-advisories>. The Authority will also continue to oversee reporting entities to ensure compliance with these mandatory measures.

Failure to comply will result in appropriate enforcement action, including but not limited to, financial penalties and other sanctions.

For any inquiries or clarification, please contact us at **451-7126** or supervision@slufia.org.

Sincerely,



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Paul Thompson
Director