

FATF satisfied with Pak report

ISLAMABAD: Pakistan's team led by Minister for Economic Affairs Hammad Azhar on Wednesday defended country's compliance report during the joint group of Financial Action Task Force (FATF) meeting held at Beijing, China as the watchdog showed satisfaction over Pakistan's report of compliance.

Now Pakistan requires mustering up diplomatic support for its efforts to come out from grey list and land into the white as Islamabad needs 12 votes out of total 39 in the plenary meeting of the FATF scheduled to be held in Paris on February 16, 2020.

Only the Indian side raised tough but mostly irrelevant questions during the joint group meeting held at China, however, contrary to the past, the US and European countries did not extend their support to New Delhi in its efforts to defame Pakistan.

The ongoing meeting went very well. This time the attitude of US plus European Union countries remained supportive and except India no other country raised questions on Pakistan's compliance. "The Pakistani team will remain standby to further defend its report if required to do so today (Thursday). If the joint group of FATF demanded any further documents or annexures of any point, the Pakistani side would be ready to reply to them. The official sources said that Pakistan would now focus on mustering up more diplomatic support of voting members of FATF's plenary meeting. In order to avoid the blacklist, Pakistan requires the support of three countries. For coming out of grey and landing into the white list, Islamabad needs 12 votes out of a total of 39. There is a possibility of the third scenario that Pakistan might continue into the grey list for another 3 to 6 month period. After getting the support of the US, now the chances have emerged that Pakistan might be excluded from the grey list and placed into the safest white list.

The ongoing face-to-face meetings continued for three days (January 21 to 23) in which Pakistan's 17 member delegation participated. Out of total 27 actions, Pakistan was found fully compliant on five points in the last plenary meeting and now Pakistan was making efforts to comply with remaining on 22 major points. Pakistani side is expecting that the FATF may clear it on 8 to 10 more points but with US and EU support things are moving in the right direction. The FATF's upcoming plenary meeting is scheduled to be held next month in Paris where Pakistan's fate will be decided either exclusion from the grey list and placement on the white, or the grey-list status quo for up to June or September 2020, or blacklisting in the worst-case scenario. It is highly undesirable to see the country landing on the blacklist because of its far-reaching negative impacts on foreign inflows. The State Bank of Pakistan (SBP) imposed penalties on defaulting banks and statutory sanctions regime was implemented. The mandatory currency declaration scheme was also implemented at all airports of the country," the FATF was informed.

The global terror-financing watchdog was also informed that under the new reforms madrassas were granted the status of schools, where students would now be awarded matriculation and intermediate education certificates. "The dispensaries running by banned outfits were taken over by the Health Departments," the FATF was informed. The country had dispatched its 120-page detailed reply along with a 500-page annexure to the Joint Group of FATF for sharing progress on 22 points.

Pakistan has so far successfully managed to avoid the blacklist due to diplomatic support from China, Turkey, Malaysia, Saudi Arabia and the Middle East countries. India had failed to convince the world powers that Pakistan was not cooperating with the watchdog.