

NA committee slams 'non-serious' attitude to meeting FATF conditions

ISLAMABAD: With deadlines looming next month, Pakistan's compliance with 27-point action plan and 40 recommendations of the Financial Action Task Force (FATF) stands at 14 and 10 respectively.

With this update, the government on Tuesday came under severe criticism from the National Assembly's Standing Committee on Finance and Revenue led by MNA Faiz Ullah of the PTI for wasting precious time of the nation without making tangible progress.

While the committee decided to refer three proposed bills — Anti Money Laundering, Limited Liability Partnership and Companies Bill — relating to the FATF to another parliamentary meeting on legislative business, Committee Chairman Faiz announced that he would resign from his position if Adviser to PM on Finance Dr Abdul Hafeez Shaikh maintained his continued abstention from the panel.

Hafeez's refusal to appear stirs anger

The committee expressed serious concern over non-serious attitude of the government to settle matters relating to the FATF and showed displeasure over continuous absence of Dr Shaikh from meetings. Finance Secretary Naveed Kamran Baloch told the committee that the adviser had to miss the meeting because of the cabinet meeting but members were unimpressed as Shaikh has not attended a single meeting of the panel since he joined the government last year.

Financial Monitoring Unit (FMU) Director General Lubna Farooq told the meeting that laws relating to accountants, lawyers and jewellers were being improved. She said the country had complied with 10 out of 40 overall recommendations proposed by the FATF. Talking specifically about Pakistan's action plan to get out of the grey list, Ms Farooq said Pakistan had complied with 14 of the 27-point action plan it had committed with the FATF.

She said the entire country would have to work hard and all the institutions and stakeholders were working on the issue and the country was now in a good position but obviously the final outcome would depend on the FATF assessment.

She said that Pakistan had made good progress on remaining 13 points of the action plan. She said stakeholders were working on the remaining 13 action points and 30 recommendations of the FATF.

She said Pakistan would submit its progress report on the FATF recommendations by August 6 while the submission deadline for Asia Pacific Group (APG) — a regional affiliate of FATF — is September 30 as the country was also under review by the APG. She said Pakistan will complete required legislation by August 15.

She said anti-money laundering laws were also being tightened and the chance of Pakistan's exit from the grey list would increase on the completion of required legislation but obviously the government would also have to ensure implementation of these laws. She said weaker enforcement and non-compliance with the FATF recommendations on terror financing were some of the key reasons for the grey listing and punishments and fines had been increased in all these laws. Meanwhile, laws relating to the Pakistan Post and National Saving Schemes were also being improved.

PMLN member Aisha Ghaus Pasha said the manner in which the government was handling the entire affair was not encouraging as it pertained to the future of the country and the destiny of 220 million people.

She said the parliamentary committee should not be expected to act like a rubber stamp when the government was not taking up the matter seriously and those responsible to improve the situation were nowhere to be seen. "This is make or break issue for Pakistan but look at the seriousness of the government", she said.

PPP Member Hina Rabbani Khar lamented that the government wasted three months while the international community provided an opportunity during the Covid-19 situation and this showed how serious the government was in running the country. She wondered why the anti-money laundering law was brought before the committee so late and at the eleventh hour.

Another PTI MNA Faheem Khan also announced that he would also stage a walk out of the committee if PM's Finance Adviser Dr Shaikh did not turn up in the committee's next meeting.

PMLN Member Ali Pervez Malik said the mee-ting of the committee had been convened on a very short notice of less than 24 hours and such short notice was unreasonable. PPP Member Syed Naveed Qamar said the government was doing legislation on the FATF and he did not even receive a notice for the meeting and had come to the panel after coming to know about it through his colleagues. Such haste gives an impression that the government was trying to bulldoze everything.