

# **FATF requirements: Pakistan working on 12-point plan to counter terror financing**

Page NO.01 Col No.02

ISLAMABAD: The Financial Action Task Force (FATF) has handed over a 12-point action plan to Pakistan calling for strengthening laws, procedures and mechanism to combat money laundering and terror financing and an evaluation team of the Asia Pacific Group (APG) is scheduled to visit Islamabad next week to review progress on these points.

This upcoming visit of the APG is considered very important to avoid further down-gradation and all relevant agencies and departments are placing the required framework with implementation plan to convince the world that Islamabad is taking all desired steps. According to the Ministry of Finance, Finance Minister Dr. Shamshad Akhtar chaired the meeting of National Executive Committee (NEC) here the other day. The NEC is a high level body established to oversee both policy and implementation matters of the Anti-Money Laundering and Counter Financing of Terrorism regime. The meeting, among others, was attended by interior minister and minister of law, governor of State Bank of Pakistan, secretary foreign affairs and senior officials of FMU, NACTA, FIA, FBR, SECP and other departments and institutions concerned.

The meeting took stock of the progress made to strengthen the institutional framework and coordination for the implementation of the FATF Action Plan. Most agencies reported having set up focal points and dedicated units to pursue effective implementation. Senior officers from various departments briefed the meeting on progress regarding their respective spheres of work and there was an agreement that all the agencies will coordinate to fast-track work on the FATF Policy Action Plan to ensure effective compliance with the action plan. In line with its mandate, the Financial Monitoring Unit (FMU) will coordinate, review and prepare a consolidated progress report for final submission to the Asia-Pacific Joint Group by the middle of August 2018.

The meeting agreed on key steps to be taken to strengthen the Federal-Provincial Coordination to ensure effective coordination among the law enforcing agencies and concerned provincial departments; formation of a review group to finalise the critical components of the national risk assessment; launch work on mutual evaluation by the APG soon and strengthen FMU to ensure it is able to coordinate overall AML/CFT

work and offer the required advisory support to all agencies. The NEC reviewed preparations for the APG's forthcoming visit to Pakistan by the second week of August and the preparations for the second meeting of the Asia-Pacific Joint Group and Pakistan scheduled to be held in mid-September, which will examine progress in different areas of the FATF Action Plan. The APG and other assessors will meet various AML/CFT stakeholders to discuss the Technical Compliance (TCQ) report and additionally the Effectiveness Report submitted by Pakistan and ML/TF risks in Pakistan. The visit will serve as an opportunity to develop an understanding among domestic authorities on the mutual evaluation procedures and assessment methodology.

Concluding the meeting, the finance minister underscored the need for further expediting background work to ensure compliance with stipulated milestones and undertake coordinated work on mutual evaluation. Pakistan is committed to taking all possible steps in compliance of the FATF Action Plan and ensure effective institutional coordination and swift action to curb the menace of terror financing and money laundering. The active participation of all agencies was visible and will pave the future course of action.