

• **TOP STORIES**

FATF: government working on plan to avert being blacklisted

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The government is working on an action plan to avert being blacklisted by Financial Action Task Force (FATF) and consultations are ongoing with all relevant ministries/departments, informed sources told *Business Recorder*. The meeting with FATF is scheduled for 24-29 June in Paris and Secretary Finance and an official from the State Bank of Pakistan may represent Pakistan in the meeting.

The government will share administrative and legal measures as well as their implementation with the objective of ensuring Pakistan's compliance with financial and regulatory measures to combat financing of terrorism with FATF requirements, and official further clarified.

A compliance report has been shared with the Asia Pacific Group (APG), detailing actions against suspicious transactions and combating financing terrorism (CFT). Sources said coordination between the agencies of the federal and provincial government on CFT has been considerably strengthened and greater attention has been paid to reporting on financial transactions by Financial Monitoring Unit (FMU).

The feedback of National Counter Terrorism Authority (NACTA) will also be shared with FATF, detailing actions taken to control moveable and immovable assets of the entities of concerns and educational and social welfare institutions run by them and have been placed under relevant departments of provincial governments.

Sources in the Finance Ministry stated that actions were needed from Pakistan on a consistent basis for investigation, prosecution and conviction on terrorism financing offences and the country was required to develop a plan of action in consultation with Asia Pacific Group (APG), a sub group of FATF, and other stakeholders on money laundering in order to comply with FATF standards.

The actions include: (i) application of targeted financial sanctions to properties of entities listed or proscribed under UNSCRs 1267 and 1373; (ii) investigations, prosecutions and convictions on terrorism financing offences; (iii) supervision over financial institutions CFT.

Sources on condition of anonymity acknowledged that shortcomings in Pakistan's laws and their implementation as well as the growing trust deficit between the US and Pakistan is reflective of changing US foreign policy priorities in the region.

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