

APPENDIX G(a)

Countries and territories covered by a statement from an international body requiring business relationships and one-off transactions to be treated as higher risk.

This Appendix covers countries and territories that are to be treated as countries and territories that do not apply, or insufficiently apply, the FATF Recommendations under paragraph 8(2)(a) of the Criminal Justice (Money Laundering) Code 2008. Consequently, business relationships and one-off transactions with persons or legal arrangements resident or located in such jurisdictions pose a higher risk and must be subject to enhanced customer due diligence.

This Appendix provides details of FATF statements or statements made by other relevant international bodies, with respect to the inadequate implementation of anti-money laundering and countering the financing of terrorism standards in such jurisdictions.

This Appendix is not intended to provide an exhaustive list and no conclusion should be drawn from the omission of a particular jurisdiction. Furthermore, there may be additional jurisdictions where the FATF Recommendations are not applied or insufficiently applied in respect of particular transactions or business relationships.

This Appendix will be updated as and when the Commission becomes aware of necessary amendments.

The Financial Action Task Force ("FATF")

The FATF's Forty Recommendations and Nine Special Recommendations are the international standard for effective anti-money laundering and countering terrorist financing measures. Through periodic mutual evaluations, the FATF reviews its members' compliance with these Forty Recommendations, as well as the Nine Special Recommendations on Countering Terrorist Financing, and suggests areas for improvement as necessary.

The Non-Cooperative Countries and Territories ("NCCTs") exercise began in 1998 at a time when many countries around the world did not have adequate AML measures in place. The goal of the initiative was to secure the adoption by all financial centres of international standards to prevent, detect and punish money laundering, and thereby effectively co-operate internationally in the global fight against money laundering. Financial services businesses will be aware that no countries or territories are currently listed by the FATF as non-cooperative.

To ensure continued effective implementation of the reforms enacted, the FATF adopted a monitoring mechanism. This mechanism included the submission of regular implementation reports and a possible follow-up visit to assess progress in implementing reforms and to ensure that stated goals had been fully achieved.

Iran

Iran is subject to a FATF call on its members and other jurisdictions to apply countermeasures to protect the international financial system from the ongoing and substantial money laundering and terrorist financing risks emanating from the jurisdiction.

[FATF Statement on Iran 11 October 2007](#)

[FATF Statement of 28 February 2008](#)

[FATF Statement of 16 October 2008](#)

[FATF Statement of 25 February 2009](#)

[FATF Statement of 26 June 2009](#)

[FATF Statement of 16 October 2009](#)

[FATF Statement of 18 February 2010](#)

[FATF Statement of 25 June 2010](#)

Democratic People's Republic of Korea (DPRK)

[FATF Statement of 18 February 2010](#)

[FATF Statement of 25 June 2010](#)

São Tomé & Príncipe

[FATF Statement of 28 February 2008](#)

[FATF Statement of 16 October 2008](#)

[FATF Statement of 25 February 2009](#)

[FATF Statement of 26 June 2009](#)

[FATF Statement of 16 October 2009](#)

[FATF Statement of 18 February 2010](#)

[FATF Statement of 25 June 2010](#)

The DPRK and São Tomé & Príncipe are jurisdictions highlighted by the FATF as jurisdictions with strategic AML/CFT deficiencies that have not committed to an action plan developed with the FATF to address key deficiencies as of June 2010.

Uzbekistan

[FATF Statement of 28 February 2008](#)

[FATF Statement of 16 October 2008](#)

[FATF Statement of 25 February 2009](#)

[FATF Statement of 26 June 2009](#)

[FATF Statement of 16 October 2009](#)

Transactions with financial institutions operating in the northern part of Cyprus

[FATF Statement of 28 February 2008](#)

[FATF Statement of 16 October 2008](#)

[Public Statement of the Advisory Authority for Combating Money Laundering and
Terrorist Financing of 4 March 2008](#)