



## Counter Proliferation Financing

The FATF has strengthened their global response to Weapons of Mass Destruction proliferation financing. The [new](#) obligations seek to ensure that apart from implementing the existing requirements under Recommendation 7, financial institutions should identify and assess the risks of potential breach, non-implementation or evasion of targeted financial sanctions when dealing with their customers, and take appropriate mitigating measures within the level of risks identified.

It is important to note that the existing obligations contained in the FATF Recommendation 7 remain strict rule-based obligations on all natural and legal persons. The FATF will also begin the process of revising its Methodology for assessing these new obligations.



### Global

#### The importance of AML/CFT regimes during the COVID-19 pandemic

As criminals continue to exploit the pandemic [this](#) report stresses how crucial the effective sharing of information between public and private sector entities is, to ensure that AML/CFT systems can adapt to the changing environment and continue to operate effectively.

#### FATF updates

1. China has been in an enhanced follow-up process following the adoption of its mutual evaluation in 2019. To reflect China's progress, the [FATF](#) has re-rated the country on recommendation 26 and 34.
2. Iceland and Mongolia were removed from the grey lists at the FATF Plenary. [This](#) demonstrates positive progress - particularly as these two jurisdictions were the only two not [to take up extensions](#) due to COVID.
3. To reflect Sweden's [progress](#), the FATF has now re-rated the country on Recommendation 26 - (Regulation and supervision of financial institutions) from partially compliant to largely compliant.

### US

#### Removal of Sudan from US sanctions terrorism list

While many details of the deal struck between the Trump Administration and the transitional authorities in Sudan have yet to emerge, the [decision](#) to remove Sudan from the US State Sponsor of Terrorism list after 27 years is significant - coming in the midst of a re-election bid, the Supreme Court nomination, and COVID-19 relief negotiations.

#### Supplemental advice on identifying and reporting human trafficking and related activity

Since the 2014 Advisory, FinCEN has collaborated with law enforcement to identify 20 new financial and behavioral indicators of labor and sex trafficking, and four additional typologies as well as 10 new financial red flag indicators.

FinCEN have released a 2020 supplemental [Advisory](#) to that released in 2014. FinCEN requests financial institutions reference the 2020 Advisory in SAR field 2 and the narrative by including the following key term: "HUMAN TRAFFICKING FIN-2020-A008" and selecting SAR Field 38(h) (human trafficking).

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### INTERPOL-EUROPOL 8th cybercrime conference

The one-day conference saw more than 400 cyber experts from law enforcement, private industry, international organizations, CERTs and academia tune in to discussions on emerging cyber threats, trends and strategies. The [event](#) also featured a dedicated presentation on the [2020 edition of the Internet Organised Crime Threat Assessment \(IOCTA\)](#).

### The challenges of countering human trafficking in the digital era

[This](#) report explores the “advantages of technology” for traffickers, what that looks like in terms of specific targeted groups and how people can harness technology to prosecute criminals.



### Committee launches new Economic Crime inquiry

The Treasury Committee completed an [inquiry](#) into economic crime in the previous Parliament. It focussed on the UK's anti-money laundering systems and sanctions implementation system, as well as the impact of economic crime from a consumer perspective.

### New immigration and overseas territories sanctions regulations

1. The Immigration (Persons Designated under Sanctions Regulations) (EU Exit) Regulations 2020, [SI 1101/2020](#), which pertain to cases where a designated person is subject to a travel ban, but is lawfully in the UK. It provides that the person has 20 working days to make an immigration claim in the Immigration and Asylum Chamber, during which their leave to remain is not cancelled. The regulations come into force on 30 October 2020.
2. The Sanctions (EU Exit) (Miscellaneous Amendments) (No.3) Regulations 2020, [SI 950/2020](#) and The Sanctions (EU Exit) (Miscellaneous Amendments) (No. 4) Regulations 2020, [SI 951/2020](#), which amend certain UK sanctions regulations to give effect to licences or authorisations granted in Overseas Territories, the Isle of Man or the Channel Islands. Further explanation can be found [here](#) and [here](#). These regulations will likely come into force on 31 December 2020 at 11pm, when the Brexit transition period ends.
3. The Lebanon (Sanctions) (Overseas Territories) Order 2020, [SI 1124/2020](#), which gives effect to the UK's Lebanon (Sanctions) (EU Exit) Regulations 2020 [SI 2020/612](#) in all British Overseas Territories, except Bermuda and Gibraltar. Further explanation can be found [here](#). These regulations are also to likely come into force on 31 December 2020 at 11pm, when the Brexit transition period ends.

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