

# ICRG of FATF Recommends Continuation of Pakistan in Grey List

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Recently the International Co-operation Review Group (ICRG) of the Financial Action Task Force (FATF) has recommended that Pakistan be retained on the "Grey List", given its failure to completely implement the 27-point action plan to check terror financing.

## International Co-operation Review Group (ICRG)

- Since 2007, the FATF's International Co-operation Review Group (ICRG) has analyzed high-risk jurisdictions and recommended specific action to address the Money Laundering (ML) and the Financing of Terrorism (FT) risks emanating from them
- Based on the recommendations of ICRG the final decision at the FATF plenary session is made
- Further, FATF Plenary is the decision-making body of the FATF
- During a plenary year, the FATF holds three plenary meetings, a meeting of experts on typologies, and, depending on the focus of current work, intercessional meetings and meetings of various ad hoc groups. The plenary meetings usually take place in October, February and June of each year

## About FATF

- The Financial Action Task Force (FATF) was established in July 1989 by a Group of Seven (G-7) Summit in Paris, initially to examine and develop measures to combat money laundering.
- In October 2001, the FATF expanded its mandate to

incorporate efforts to combat terrorist financing, in addition to money laundering.

- Since its inception, the FATF has operated under a fixed life-span, requiring a specific decision by
- Its Ministers to continue. The current mandate of the
- FATF (2012-2020) was adopted at a Ministerial meeting in April 2012.
- **The objectives of the FATF are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system.**
- Starting with its own members, the FATF monitors countries' progress in implementing the FATF Recommendations; reviews money laundering and terrorist financing techniques and counter-measures; and promotes the adoption and implementation of the FATF Recommendations globally.

**There are two types listing under FATF they are:**

**1. "Non-Cooperative Countries or Territories" (NCCTs) / The FATF blacklist.**

- **The FATF blacklist or OECD blacklist has been issued by the Financial Action Task Force since 2000 and lists countries which it judges to be non-cooperative in the global fight against money laundering and terrorist financing, calling them "Non-Cooperative Countries or Territories" (NCCTs).**

**2. FATF Watch list or grey list**

- Those **countries** which are considered as the **safe haven for supporting terror funding and money laundering; included in this list.**
- Grey list is a **warning given to the country that it might come in Blacklist.** If a country is unable to curb mushrooming of terror funding and money laundering; it

is shifted from blacklist to grey list by the FATF.