

CAMBODIA REMOVED FROM THE FATF GREY LIST

February 2023 Announcement

“Local expertise with international experience makes us the advisor of choice”

On 24 February 2023, the Financial Action Task Force (FATF) announced that Cambodia has been removed from its List of Jurisdictions under Increased Monitoring (“Grey List”). This is incredibly welcome news and is well justified given the great strides that the Royal Government of Cambodia (RGC) has made in developing, implementing and enforcing robust anti-money laundering and combatting the financing of terrorism laws.

The FATF was established in 1989 by the G7 countries (Canada, France, Germany, Italy, Japan, the United Kingdom and the United States of America) and is a self-appointed regulator of the global financial markets. While its pronouncements do not have the force of law in Cambodia, they do carry weight as offshore donors and investors will be less willing to provide donations to, or make investments in, a country that is identified as one that faces issues with regards to the combatting of financial crimes.

Of course, in order to stay off the Grey List, Cambodia will need to ensure that it continues to implement and enforce relevant laws, regulations and policies. The Cambodian Financial Intelligence Unit (established by the Law on Anti-Money Laundering and Combatting the Financing of Terrorism (2020) as the relevant supervisory authority when it comes to such matters) has demonstrated a high level of commitment and dedication to its role and, with the co-operation of all relevant public institutions, financial institutions and other types of “reporting entity” doing business in Cambodia, will no doubt continue the great work that has already been done by it, and the RGC.

Please do not hesitate to contact us should you require any assistance with regards to your AML/CFT obligations.

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