



भारतीय रिजर्व बैंक

RESERVE BANK OF INDIA

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RBI/2010-11/418

RPCD.CO.RCB.AML.No. 9886 /07.02.12/2010-11

March 7, 2011

The Chairmen / CEOs of all State / Central Co-operative Banks

Dear Sir,

Anti-Money Laundering (AML)/Combating of Financing of Terrorism (CFT) - Standards

Please refer to our letter [RPCD.CO.RF.AML.No. 1643/07.02.12/2010-11 dated August 9, 2010](#) on risks arising from the deficiencies in AML/CFT regime of Iran, Democratic People's Republic of Korea (DPRK), and Sao Tome and Principe.

2. Financial Action Task Force (FATF) has issued a further Statement on October 22, 2010 on the subject ([copy enclosed](#)). It may be observed that the statement divides the strategic AML/CFT deficient jurisdictions into two groups as under:

- a. Jurisdictions subject to 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 (ML/FT) risks emanating from the jurisdiction : Iran
- b. Jurisdictions with strategic AML/CFT deficiencies that have not committed to an action plan developed with the FATF to address key deficiencies as of October 2010. The FATF calls on its members to consider the risks arising from the deficiencies associated with each jurisdiction: Democratic People's Republic of Korea (DPRK).

3. All banks are accordingly advised to take into account risks arising from the deficiencies in AML/CFT regime of these countries, while entering into business relationships and transactions with persons (including legal persons and other financial institutions) from or in these countries/ jurisdictions.

4. Please advise Principal Officer of your bank to acknowledge receipt of this letter to our concerned Regional Office.

Yours faithfully,

(B.P.Vijayendra)
Chief General Manager

Encl: As above