



भारतीय रिजर्व बैंक

RESERVE BANK OF INDIA

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RBI/2010-11/434

UBD.CO.BPD (PCB) Cir.No. 6 /14.01.062/2010-11

March 17, 2011

The Chief Executive Officer of
All AD Category I Primary (Urban) Co-operative Banks

Dear Sir,

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

Please refer to our [circular UBD \(PCB\) CO.BPD.Cir. No.7/14.01.062/2010-11 dated August 12, 2010](#) on risks arising from the deficiencies in AML/CFT regime of Iran, Democratic People's Republic of Korea (DPRK), 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. The Urban Co-operative Banks are accordingly advised to take into account risks arising from the deficiencies in AML/CFT regime of these countries, while entering into

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बैंक हिन्दी में पत्राचार का स्वागत करता है ।

business relationships and transactions with persons (including legal persons and other financial institutions) from or in these countries/ jurisdictions.

4. The Compliance Officer/Principal Officer of the bank should acknowledge receipt of this circular to our Regional Office concerned.

Yours faithfully,

(M. Nanda Kumar)
Deputy General Manager

Encl: As above