

## **BNM - FATF Updates**

Bank Negara Malaysia (BNM) issued the following updates on the Financial Action Task Force (FATF):

### **1. FATF Recommendation on International Standards on Combating Money Laundering and The Financing of Terrorism & Proliferation**

The FATF Recommendations set out a comprehensive and consistent framework of measures which countries should implement in order to combat money laundering and terrorist financing, as well as the financing of proliferation of weapons of mass destruction.

Please click [here](#) for further details.

### **2. FATF Guidance on Financial Inclusion and Anti-Money Laundering and Terrorist Financing Measures**

The FATF has updated its Guidance on financial inclusion to help countries design AML/CFT measures that support financial inclusion goals without weakening crime prevention efforts. The document aims to clarify how FATF Standards apply in this context and highlights the flexibility of the risk-based approach (RBA), allowing jurisdictions to implement effective and proportionate controls.

Please click [here](#) for further details.

### **3. FATF Annual Report 2023-2024**

The FATF Annual Report 2023–2024 highlights key activities, achievements, and priorities over the past year, reflecting FATF's ongoing commitment to strengthening global AML/CFT efforts and promoting transparency.

Please click [here](#) for further details.

### **4. FATF Report on Comprehensive Update on Terrorist Financing Risks**

The report aims to support jurisdictions by enhancing understanding of terrorism financing (TF) risks, identifying emerging trends, strengthening risk-based responses, and equipping stakeholders including authorities, the private sector, NPOs, and academia with insights to improve detection, prevention, and compliance.

Please click [here](#) for further details.

### **5. FATF Money Laundering National Risk Assessment Guidance**

The guidance aims to help countries conduct National Risk Assessments (NRAs) focused on money laundering risks. Drawing on the experiences of over 90 countries across the FATF Global Network, it highlights good practices to support evidence-based policymaking, effective resource allocation, and the development of AML/CFT strategies tailored to each country's risk landscape.

Please click [here](#) for further details.

### **6. Non-Profit Organisation Risk Assessment (NPORA) 2024**

NPORA 2024 is an update to the 2018 assessment, examines terrorism financing (TF) risks affecting non-profit organisations (NPOs) and provides recommendations to mitigate such

risks while safeguarding legitimate NPOs from misuse. It is conducted by the Sub-Committee on Non-Profit Organisation (SCONPO) under the National Coordination Committee to Counter Money Laundering (NCC).

Please click [here](#) for further details.

## **7. Proliferation Financing Risk Assessment (PFRA) 2024**

PFRA 2024 is an update to the 2021 assessment, aligns with FATF's revised standards as of October 2020. It finds the national net PF risk to remain at medium low, supported by acceptable control measures. The assessment is conducted with the Strategic Trade Secretariat (STS) under MITI, led by the Strategic Trade Controller (STC) through the Strategic Trade Action Committee (STAC), the key platform for matters related to the Strategic Trade Act 2010, including proliferation financing.

Please click [here](#) for further details.

## **8. FATF Report on Complex Proliferation Financing and Sanctions Evasion Schemes**

The report underscores the serious threat posed by the financing of weapons of mass destruction (WMD), highlighting how weaknesses in Counter Proliferation Financing (CPF) controls can be exploited by sophisticated actors. It examines methods and trends in proliferation financing (PF) and sanctions evasion, supporting global and national risk assessments. While focused on FATF's Recommendation 7, the study also explores broader sanctions evasion techniques, enforcement challenges, and good practices to enhance understanding and strengthen PF risk mitigation without altering FATF's established standards.

Please click [here](#) for further details.