

**EXECUTIVE
BOARD
MEETING**

SM/18/237
Supplement 1

November 16, 2018

To: Members of the Executive Board

From: The Secretary

Subject: **Review of the Fund's Strategy on Anti-Money Laundering and Combating the Financing of Terrorism—Draft Press Release**

Board Action: Executive Directors' **consideration** (Formal)

Tentative Board Date: **Monday, November 19, 2018**

Publication: Yes, with main paper.

Questions: Ms. Liu, LEG (ext. 37643)
Mr. Kyriakos-Saad, LEG (ext. 34286)
Ms. Schwarz, LEG (ext. 38389)



INTERNATIONAL MONETARY FUND



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FOR IMMEDIATE RELEASE
November 19, 2018

International Monetary Fund
Washington, D.C. 20431 USA

IMF Executive Board Discusses the Fund's Strategy on Anti-Money Laundering and Combating the Financing of Terrorism

On November 19, 2018, the Executive Board of the International Monetary Fund (IMF) discussed the staff report: “Review of the Fund’s Strategy on Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT).”

The staff report provides an overview of the Fund’s AML/CFT program, since the last review conducted in 2014 and seeks the endorsement of the Executive Board to continue on the basis of the directions given in 2014, with one minor adjustment proposed in relation to Fund-led AML/CFT assessments.

The staff report takes note of the multipronged approach which has enabled the Fund to address issues related to money laundering, terrorist financing, proliferation financing and broader financial-integrity related issues, including developing and emerging issues such as those related to correspondent banking relationships and financial technology (Fintech). It identifies staff’s efforts to increase synergies between the different workstreams in order to strengthen the efficiency and impact of the Fund’s AML/CFT work—including in surveillance, Fund-supported programs, Financial Sector Assessment Programs, Fund’s capacity development activities including AML/CFT assessments and other related policy work. The staff report suggests that while the Fund’s AML/CFT program remains appropriate, in order to expand its reach and maximize the impact of the Fund’s overall involvement in AML/CFT assessment work, consideration should be given to shift to fewer Fund-led assessments but increase staff’s participation in the quality and consistency review of other assessment, and training efforts. Going forward, the Fund will continue to cooperate in these areas with the World Bank, the Financial Action Task Force (FATF), the FATF-Style Regional Bodies, and other stakeholders.

Executive Board Assessment¹

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¹ An explanation of any qualifiers used in the summing up can be found here:

<http://www.imf.org/external/np/sec/misc/qualifiers.htm>.