



AML/CFT

Anti-Money Laundering and Combating the Financing of Terrorism

**Thematic Fund for
Capacity Development**

2026

**TECHNICAL
ASSISTANCE
CATALOG**

DEVELOPMENT PARTNERS



CANADA



FRANCE



GERMANY



ITALY



JAPAN GOV
THE GOVERNMENT OF JAPAN

JAPAN



Ministry of Strategy
and Finance

KOREA



LUXEMBOURG



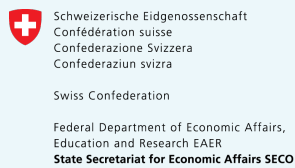
THE NETHERLANDS



QATAR



SAUDI ARABIA



SWITZERLAND



UNITED KINGDOM

The AML/CFT Trust Fund

The AML/CFT Thematic Fund is the leading global initiative for AML/CFT capacity development, providing technical assistance and training to help countries strengthen their frameworks for combating money laundering and the financing of terrorism, while safeguarding the integrity and stability of the financial sector and the broader economy.

Since its establishment in 2009, the Fund has supported member countries in addressing financial integrity risks through a wide range of tailored technical assistance and training activities delivered by IMF staff and experts. The Fund promotes the effective implementation of international AML/CFT standards and supports broader efforts to mitigate illicit financial flows, corruption, fraud, tax crimes, and terrorism financing risks.

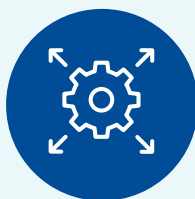
KEY FACTS



Established
in 2009



Supported by
**12 development
partners**



More than **US\$35
million** mobilized
per funding phase
(five-year cycle)



Over **40 capacity
development
projects** delivered
annually



Support reaching
approximately
57 countries
each year

Contents

TECHNICAL ASSISTANCE **3**

- National Risk Assessment and Strategy 5
- ICRG-focused AML/CFT Capacity Development Support..... 7
- Beneficial Ownership Transparency 9
- Support to AML/CFT Conditionality in Fund-supported Programs 11
- Leveraging AML Measures for Tax Investigations and Related Money Laundering 13
- Financial Intelligence Units 15
- Legislative Drafting 17
- Virtual Assets and Virtual Assets Service Providers 19
- Illicit Financial Flows Analysis 21
- Counter-Terrorism Financing..... 23
- AML and Corruption 25
- Risk-based Supervision 27
- CBDCs..... 30

TRAINING COURSES **32**

- Implementing the International AML/CFT Standards 32
- Counter Terrorism Financing Best-Practices Course 32
- Impact of Crime on Economic and Financial Stability 33
- Online: AML/CFT Risk-based Supervision of Financial Institutions 34
- Virtual Assets and Virtual Assets Service Providers (VASPs)..... 35
- Enhancing Beneficial Ownership Transparency Frameworks 35
- Practical Considerations in Money Laundering Investigations 36
- Pre-Mutual Evaluation Readiness and Strategic Planning Support 37

Technical Assistance

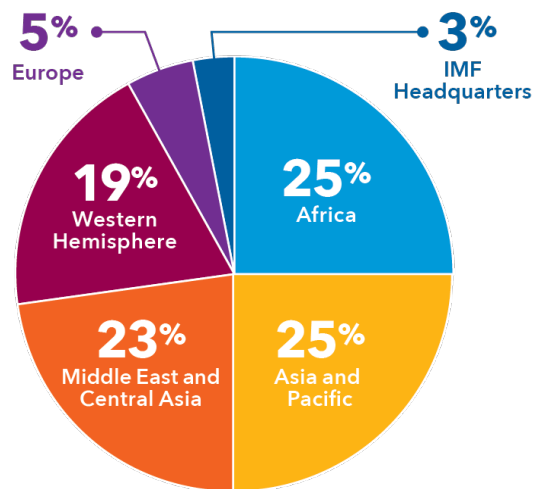
OUR TA APPROACH

To deliver impactful and flexible CD, Phase III employs a combination of country-specific modular long-term approach previously established under Phase II, coupled with thematic short-term engagements.


- Modular: Medium-term, tailor-made, country specific engagements for comprehensive reforms
- Thematic: Short-term targeted engagements based on themes
- Regional: Thematic engagement at the regional level to tackle regional recurrent issues (e.g., correspondent banking in the pacific islands).
- Research and Development: Deep analytical work followed by medium-term design or revamp of CD tools

GLOBAL DELIVERY

AML/CFT CD is delivered worldwide, with regional distribution reflecting country demand and program priorities.



QUICK REFERENCE

	National Risk Assessment and Strategy	Helps countries identify ML/TF risks and define policy priorities. Support the development of national AML/CFT strategies.
	Legal Drafting	Aligns AML/CFT legal frameworks with international standards and good practices.
	Risk-based Supervision	Strengthens risk-based supervision of banks, non-banks, and DNFBPs.
	Financial Intelligence Units (FIU)	Enhances governance, structure, and analytical tools of FIUs.
	AML and Corruption	Integrates AML tools to address proceeds of corruption.
	AML and Tax Crimes	Focuses AML frameworks on tax crimes and revenue compliance.
	Beneficial Ownership (BO)	Strengthens BO transparency frameworks to prevent misuse of legal entities.
	CBDC and Financial Integrity	Ensures CBDC design incorporates safeguards against criminal misuse.
	Combating the Financing of Terrorism (CFT)	Enhances detection and deterrence of terrorism financing, especially in fragile contexts.
	Support to AML/CFT Conditionality	Provides rapid TA to support IMF program conditionality.
	Post Mutual Evaluation Engagement (FATF Listing Risk)	Supports countries in addressing strategic deficiencies to avoid FATF listing.
	Illicit Financial Flows Analysis (Unusual Financial Flows)	Uses cross-border payments analysis to detect ML risks and diagnose vulnerabilities.
	Virtual Assets	Develops regulatory and supervisory frameworks for VASPs.



National Risk Assessment and Strategy

Offers assistance to assess money laundering and terrorism financing (ML/TF) risks, either at the national level or through thematic or sectoral assessments. Assists countries in developing a national strategy to combat risks identified in national, thematic or sectoral assessments, translating findings into prioritized and coordinated actions.

WHY IT MATTERS: Provides a structured approach to develop ML/TF risk understanding, a critical building block to the risk-based approach to combating money laundering and terrorist financing and a necessary condition to creating an effective AML/CFT framework. Provides a roadmap to optimize the use of resources in managing ML/TF risks.

SCOPE AND COVERAGE

- Training in how to conduct a risk assessment.
- On-going support throughout the risk assessment process
- Assistance with drafting assessment reports
- Development or review of a national strategy

WHAT IT DOES NOT COVER: The NRA and strategy projects are standalone products and can be requested separately. Assistance in developing or updating an NRA, thematic or sectoral assessment does not guarantee a particular rating or result regarding its understanding of ML/TF risks.

KEY OUTPUTS/DELIVERABLES

- Identification and evaluation of threats, vulnerabilities and consequences of ML/TF
- A report documenting the process, methodology and results of the NRA or targeted assessment
- A national, sectoral, or thematic risk assessment
- Training materials and a manual for keeping the risk assessment up to date
- A national AML/CFT strategy

APPROACH AND METHODOLOGY

The IMF has devised its own approach to assessing ML/TF risks. This includes a conceptual basis, a methodology, data collection and data analysis tools, a manual, and a template for a written NRA draft. IMF staff will engage with a dedicated team in the support jurisdiction to help them decide the scope of the assessment, understand the methodology, gather data, operate the analysis tool, and produce a report and briefing detailing the findings. The development or review of the AML/CFT strategy benefits from the existence of an up-to-date and robust NRA. The strategy focuses on factors increasing risks with a view to developing corresponding mitigation measures and actions.

EXPECTED IMPACT

- Assists with the evaluation of ML/TF risks, based on a collaborative effort between relevant authorities
- Provides a solid basis for the development of a common understanding of risks across stakeholders
- Supports effective implementation of AML/CFT measures by highlighting the key drivers of risk and directing resources efficiently
- Contributes to strong public sector and public-private working relationships in AML/CFT efforts.
- Strengthens the effectiveness of the AML/CFT framework, by promoting an effective risk-based approach



Secures policy maker buy-in to the conclusions of the risk assessment and the national strategy if applicable. **DELIVERY FORMAT:** Mostly through desk-based support and ongoing engagement. The national risk assessment (NRA) project also requires a few in-person missions and training.

TYPICAL TIMELINE AND SEQUENCING

- Short-term (1-2 months): establishing a dedicated team on the jurisdiction side, establish the scope of the work, and provide training so the jurisdiction understands how the process works
- Medium-term (risk evaluation): 6-9 months from the end of the first phase, the jurisdiction and the IMF will collaborate to gather the necessary data, validate it, perform the data analysis, and derive conclusions.
- Longer-term (report drafting): last phase, lasting about 1-3 months, turning the conclusions into a finished risk assessment product, including a written assessment and a standard briefing, as well as supporting outreach to policy makers and the private sector.
- In the case of a national strategy add-on, another 2-4 months will be needed to devise and then coordinate a national strategy based on the findings of the risk assessment

KEY COUNTERPARTS

- National AML/CFT committee or inter-agency task force
- Ministry of Finance
- Central Bank
- Financial Intelligence Unit (FIU)
- Law enforcement / judiciary
- Financial institutions and designated non-financial business and professions,
- Intelligence agencies and security services
- Supervisory authorities and self-regulatory organizations
- Customs, tax authorities, Anti-corruption agencies.
- Industry associations
- Foreign ministry



ICRG-focused AML/CFT Capacity Development Support

Provides targeted, time-bound AML/CFT capacity development to countries under FATF ICRG scrutiny to help address priority strategic deficiencies identified in mutual evaluations, reduce the scope of FATF Action Plans, and support timely exit from enhanced monitoring.

WHY IT MATTERS: Countries under FATF ICRG scrutiny face heightened risks to financial integrity, including constraints on correspondent banking relationships, capital inflows, and access to international finance. The short FATF observation period creates an urgent need for rapid, well-sequenced, and strategically targeted support. This product helps authorities focus limited capacity on high-impact deficiencies, aligned with FATF standards, to avoid grey listing where possible or to reduce the scope and duration of listing where unavoidable—thereby supporting macro-financial stability and safeguarding international financial integration.

SCOPE AND COVERAGE

Coverage is tailored to country needs and traction:

- Strategic prioritization and sequencing of reforms (national strategies, roadmaps)
- Targeted legal and regulatory drafting to address priority technical compliance gaps
- Institutional “quick wins” (e.g., supervision, FIU, coordination mechanisms)
- Selected effectiveness-oriented support aligned with FATF Immediate Outcomes, where feasible within ICRG timelines
- Close alignment with country-specific ICRG Action Plans and FATF reporting cycles

WHAT IT DOES NOT COVER:

- Broad, multi-year institutional reforms beyond the ICRG observation window
- Large-scale effectiveness reforms requiring sustained long-term engagement
- Areas already comprehensively covered by other CD providers, where IMF value-added is limited

KEY OUTPUTS / DELIVERABLES

- Diagnostic TA reports linked to ICRG Action Plan items
- Strategic implementation plans and reform roadmaps
- Draft AML/CFT laws, regulations, decrees, and circulars
- Guidance on supervisory frameworks (including DNFBPs)
- Targeted outputs supporting implementation of targeted financial sanctions (TFS)
- Technical inputs supporting FATF and FSRB reporting

APPROACH AND METHODOLOGY

- Highly selective and demand-driven engagement, calibrated to country traction
- Strong focus on early engagement following adoption of the MER
- Prioritization of reforms likely to be achievable within short ICRG timelines
- Close coordination with FATF, FSRBs, resident representative, and CD providers
- Flexible delivery modalities (desk-based, missions, workshops) to respond rapidly to needs



EXPECTED IMPACT

- Accelerated progress on FATF ICRG Action Plan items Reduced scope and duration of listing
- Improved technical compliance and selected effectiveness outcomes
- Strengthened credibility of national AML/CFT frameworks with international partners
- Mitigation of spillovers to financial stability, capital flows, and cross-border financial activity.

DELIVERY FORMAT: Desk-based legal and diagnostic work. In-person or virtual TA missions. Hands-on drafting support and focused workshops. Ongoing engagement during the FATF observation and early post-observation periods

TYPICAL TIMELINE AND SEQUENCING

- Short-term: Rapid diagnostics, prioritization, and delivery of targeted legal and institutional fixes during the observation period
- Medium-term: Follow-up support to consolidate adoption and early implementation of reforms
- Longer-term: Selective completion of deliverables linked to agreed ICRG Action Plans

KEY COUNTERPARTS

- Ministry of Finance / Central banks and financial and non-financial sector supervisors (where relevant, regional supervisory institutions)
- Financial Intelligence Units / National AML/CFT coordination bodies



Beneficial Ownership Transparency

Assists in enhancing entity transparency by supporting the development and/or strengthening of beneficial ownership transparency regimes that ensure the timely availability of adequate, accurate, and up-to-date beneficial ownership information, tailored to country's risks and context, and in line with the FATF AML/CFT standards.

WHY IT MATTERS: Strong entity transparency mitigates macroeconomic and financial stability risks by deterring and supporting the identification of money laundering, terrorism financing, corruption, and illicit financial flows. Beneficial ownership information is vital for maintaining financial integrity and credibility in domestic and international financial systems. Global developments, including adoption of revised FATF standards in this area and the challenges countries face with the implementation beneficial ownership transparency, underscore the urgency and relevance of supporting the effectiveness of their legal and operational frameworks.

SCOPE AND COVERAGE

- Enhancement of legal and regulatory frameworks for establishing and operating effective beneficial ownership frameworks, including beneficial ownership registers.
- Strengthening institutional arrangements, including company registries, FIUs, and inter-agency coordination.
- Improving operational effectiveness of beneficial ownership data collection, verification and maintenance
- Supporting risk identification, measurement and compliance related to legal persons and arrangements.

WHAT IT DOES NOT COVER: The project does not cover the development of IT tools related to beneficial ownership registers.

KEY OUTPUTS / DELIVERABLES

- Diagnostic and TA reports including country assessments of beneficial ownership transparency frameworks.
- Roadmaps for establishing or strengthening beneficial ownership frameworks and registers.
- Legal drafting and effectiveness clinics.
- Draft laws/regulations and implementing Statutory Instruments for beneficial ownership transparency.
- Model risk assessment tools, templates and guidance for beneficial ownership registers.
- Supervisory manuals, verification protocols and guidelines for implementation of beneficial ownership transparency.
- Beneficial ownership transparency training materials for regional and country-specific courses.
- Country-specific guidance.

APPROACH AND METHODOLOGY

The approach builds on the Unmasking Control Guide as well as latest trends and good practices, including: risk-based analysis; data-driven diagnostics; comparative analysis and benchmarking against peer good practices; modular training adapted to country needs; multi-stakeholder outreach involving company registries, FIUs, Ministry of Finance, central banks, law enforcement, tax authorities; modular CD delivery both virtually and in-person; integration with surveillance, FSAP, FSSA and program cycles.

EXPECTED IMPACT

- Strengthened beneficial ownership transparency regimes and overall AML/CFT frameworks.
- Reduced exposure to ML/TF, corruption and illicit finance risks.
- Improved effectiveness to access and use of beneficial ownership information across relevant authorities.
- Enhanced coordination among supervision, FIU outputs and beneficial ownership registry operations.
- Enhanced financial integrity, inclusion and macroeconomic stability.

DELIVERY FORMAT: Capacity development through technical assistance missions, workshops, training clinics, and targeted country projects; development and operationalization of CD modules.

TYPICAL TIMELINE AND SEQUENCING

- Short-term (3–6 months): Develop CD modules and undertake initial diagnostic and pilot trainings.
- Medium-term (6–18 months): Country-level implementation support, targeted workshops and regional trainings.
- Longer-term (>18 months): Institutional strengthening, embedding good practices, legal reform, and mainstreaming across authorities.

KEY COUNTERPARTS

- Ministry of Finance and regulatory bodies
- Company Registries / Registration Agencies / Patent Agencies
- Tax Authorities
- Central Bank and Supervisors
- Financial Intelligence Unit (FIU)
- Law enforcement, Judiciary.
- Other relevant authorities (anti-corruption, property, extractives, etc.)
- Other AML/CFT stakeholders (e.g. FSRBs, Regional Training Centers)



Support to AML/CFT Conditionality in Fund-supported Programs

Supports IMF member countries advance and fulfill their AML/CFT related conditionality under Fund-supported programs. Building on the 2023 Review of the Fund's AML/CFT Strategy, it supports country efforts to strengthen the effectiveness of their AML/CFT frameworks while enhancing synergies between capacity development and the use of Fund resources.

WHY IT MATTERS: Many Fund clients commit in their financing arrangements to implement AML/CFT measures as part of their structural benchmarks, supporting Fund-supported program objectives. Strong implementation of these AML/CFT conditionality commitments is critical to financial integrity, promoting sound institutions and deterring money laundering, terrorist financing, proliferation financing and underlying predicate crimes. Ensuring timely completion of AML/CFT conditionality supports program progress and can improve access to correspondent banking, revenue collection by mitigating financial and tax crimes, enhancing transparency and good governance, and protecting confidence in the domestic and international financial system.

SCOPE AND COVERAGE: The scope and coverage of this project is flexible, as it adapts to support the implementation of AML/CFT conditionality embedded in Fund-supported programs, while reinforcing compliance with global standards and best practices. Examples of scope are:

- Strengthening ML/TF risk frameworks: national strategies, risk assessments and risk-based supervision.
- Legal and regulatory drafting to align national law, including for virtual asset service providers and beneficial ownership transparency, with FATF standards.
- Enhancing availability and use of financial intelligence and beneficial ownership information.
- Building institutional and operational capacity for effective prevention and disruption of illicit finance (e.g. FIU guidance, supervisory tools, AML/CFT Action Plans).

KEY OUTPUTS / DELIVERABLES

Output and deliverables are linked to AML/CFT conditionality in Fund-supported programs. Some examples include:

- Drafting and review of strategic action plans and national AML/CFT strategies.
- Model legal text and recommendations for new or amended laws.
- Sector-specific guidelines and manuals.
- Templates, protocols and tools to operationalize risk-based supervision, financial intelligence use and record keeping.

APPROACH AND METHODOLOGY

Linkage with ongoing or nascent Fund programs embedding AML/CFT conditionality allows work to dovetail with program design and motivate buy-in. The methodology is flexible and multipronged: modular, risk-informed diagnostics; comparative analysis against FATF and peer good practice; agile delivery timed to program conditionality windows; desk and field work; rapid drafting and iterative consultations; and multi-stakeholder engagement. Internal coordination with mission teams, Resident Representatives and LEG colleagues facilitates traction and commitment.



EXPECTED IMPACT

- Higher completion rates for AML/CFT program conditionality and improved program outcomes.
- Stronger and more effective AML/CFT frameworks in beneficiary countries, compliant with FATF and Fund guidance.

DELIVERY FORMAT: Rapid, flexible, and tailored capacity development providing a mix of duty station–based technical assistance and targeted in-country missions timed to coincide with the program conditionality timeframe.

TYPICAL TIMELINE AND SEQUENCING

- Timeline is generally short-term (e.g., 3–6 months). Sequencing is keyed to the program calendar and the expected delivery windows for structural benchmarks, giving officials clarity on the commitment required at each phase.

KEY COUNTERPARTS

All Fund-supported relevant stakeholders (e.g. Minister of Finance, Central Banks), and AML/CFT relevant authorities.



Leveraging AML Measures for Tax Investigations and Related Money Laundering

Prioritizes the maximum use of the AML framework to focus on tax crimes and enforce revenue compliance. Strengthens the use of AML/CFT tools, including financial intelligence, financial investigations, and asset recovery to detect and pursue tax crimes and related money laundering. Assess legal and operational linkages between tax authorities, FIU, law enforcement, and prosecution to identify gaps. Recommend practical measures to improve cooperation, referrals, and effective case development.

WHY IT MATTERS: Many jurisdictions face significant revenue losses from criminal tax evasion (a major form of tax crime). One widely cited global estimate puts tax losses linked to offshore evasion by wealthy individuals at about US\$145 billion per year. Global “all tax crime combined” loss estimates are not typically reported as a single figure; measurement and coverage vary widely across offenses (e.g., income tax evasion, VAT fraud, customs and excise fraud) and across jurisdictions.

Tax authorities must optimize their efforts to enforce tax laws, including using Anti-money laundering measures to target tax crime and associated money laundering.

SCOPE AND COVERAGE: This product covers the development of diagnostic reports including, where necessary, a gap analysis assessing the legal and operational structures against FATF and in some cases OECD standards, a needs analysis with regards to training, assessment of existing laws, policies and procedures, and how these support the detection, investigation, and prosecution of tax crimes.

Staff will assist with legislative amendments, developing guidance documents, information sharing arrangements and the delivery of training. Staff will seek to assist the authorities through the implementation process (including the passage of laws or the implementation of operational measures).

WHAT IT DOES NOT COVER: This project does not cover advice on cases, technology recommendations or financing arrangements.

KEY OUTPUTS / DELIVERABLES

- Diagnostic report, TA report with roadmap and recommendations
- Draft laws / regulations
- Manuals / guidelines
- Training materials

APPROACH AND METHODOLOGY: After receiving the TA request, staff will consult with the authorities and conduct a needs assessment/gap analysis to establish a reform roadmap. If legislative reforms are required, staff will also consult with the applicable Ministry responsible for sponsoring the legislation, the Attorney General’s Office and/or the Parliamentary Counsel on the development of the law.

Capacity development in this area will involve benchmarking against international best practice as well as peers / good practices.

EXPECTED IMPACT

- Leveraging AML measures serves to strengthen the effectiveness of tax investigations and overall revenue enforcement efforts.
- Improved capacity may be measured in investigation and prosecution of complex tax crimes based on improved coordination with AML authorities and enhanced use of financial intelligence and financial investigative and asset recovery techniques.
- Enhanced compliance/detection/deterrence contributes to financial sector and macroeconomic stability.

DELIVERY FORMAT: Three TA missions span over 12–18 months, supported by off-site follow-up between missions: (i) diagnostic, baseline and agreed roadmap; (ii) design and early implementation (draft legal/regulatory amendments if needed, SOPs/templates, targeted training); (iii) operationalization, pilot testing, refinement, and sustainability/monitoring arrangements. Where legislative change is required, engagement will include the responsible ministry, Attorney General’s Office, and Parliamentary Counsel.

TYPICAL TIMELINE AND SEQUENCING: A common approach is a phased workplan over **24–36 months**, with some activities running in parallel.

1. **Mission 1 (Months 1–3): Diagnostic + prioritization.** Kick-off, stakeholder interviews, review of legal/operational framework, baseline indicators, and agreement on a reform roadmap.
2. **Mission 2 (Months 6–9): Design + early implementation.** Support drafting of priority legal/regulatory amendments (if needed) and development of SOPs/guidance (e.g., referrals, use of financial intelligence for tax leads, joint working arrangements); deliver targeted training to core teams.
3. **Mission 3 (Months 12–18): Operationalization + pilot + sustainability.** Test workflows through pilot implementation (without advising on specific cases), refine SOPs, strengthen coordination/feedback loops, establish monitoring arrangements, and finalize a sustainability/exit plan (including train-the-trainer).

KEY COUNTERPARTS

- Ministry of Finance (or other portfolio ministry)
- Tax Investigatory Authorities
- Financial intelligence Unit/Asset Recovery Agency/International Cooperations Central Authority
- Attorney General and/or Chief Parliamentary Counsel



Financial Intelligence Units

Provides support and assistance to allow FIUs to fulfill its role in an effective manner.

DELIVERY FORMAT: Delivered through sequenced, FIU-tailored missions that may include:

- Diagnostics and gap/needs assessments
- Targeted training (e.g., tactical/strategic analysis, STR quality, asset tracing)
- Operational tools (SOPs, manuals, information-sharing MOUs)
- Legal/legislative support (including amendments to strengthen FIU autonomy), coordinated with the responsible ministry, Attorney General, and parliamentary drafting offices

WHY IT MATTERS: Strong FIUs produce actionable intelligence on complex, high-risk financial crime, reinforce preventive measures by reporting entities, and help protect financial integrity by deterring misuse of the financial system. Beyond FATF Recommendations 29 and 40, FIUs support risk assessment, targeted financial sanctions implementation, and ML/TF investigations and prosecutions. Weak FIU structures erode trust among domestic partners and foreign FIUs. Weak autonomy and governance can undermine confidence in the FIU and jeopardize Egmont Group membership, weakening the cooperation needed to combat illicit financial flows.

SCOPE AND COVERAGE

- Diagnostics (including gap analysis against FATF/Egmont standards), training needs assessment, and review of governance and procedures; followed by support for legal amendments, internal policies/manuals/guidance, and targeted training as needed.
- Covers the legal/regulatory framework, institutional/governance arrangements, and operational effectiveness of the FIU.

WHAT IT DOES NOT COVER: Does not provide advice on specific cases, technology solutions, or financing arrangements.

KEY OUTPUTS / DELIVERABLES

- Diagnostic report, TA report with roadmap and recommendations
- Draft laws / regulations
- Manuals / guidelines
- Training materials

APPROACH AND METHODOLOGY

- Confirm objectives and counterparts; conduct a rapid needs/gap assessment and agree a sequenced reform roadmap (including coordination on legal drafting with the sponsoring ministry, Attorney General, and/or parliamentary drafting counsel, as needed).
- Benchmark against FATF/Egmont standards and relevant peer good practices to prioritize reforms and define clear deliverables.
- Support implementation through targeted training, operational tools (SOPs/manuals/MOUs), and follow-up missions to track progress—aligned with program conditionality and/or FSAP recommendations where relevant.



EXPECTED IMPACT

- Stronger AML/CFT effectiveness through a more capable, trusted FIU.
- Improved STR volume/quality and higher-quality FIU disseminations that support investigations and prosecutions.
- Reduced exposure to ML/TF risks and progress on FATF compliance/delisting trajectories.
- Stronger financial integrity and macro-financial stability.

TYPICAL TIMELINE AND SEQUENCING

- Typical sequencing runs on two tracks—**legal/governance reform** and **operational effectiveness**—with quick wins early and legislative change on a longer runway.
- **Phase 1 (0–3 months): Diagnose & align:** Needs/gap assessment; agree objectives, counterparts, and a sequenced roadmap; identify immediate operational fixes (e.g., intake/triage, STR templates, basic dissemination workflow).
- **Phase 2 (3–6 months): Build foundations:** Draft/upgrade SOPs, manuals, and information-sharing arrangements; deliver core training (tactical/strategic analysis, STR quality, feedback to reporting entities); start piloting improved products and partner engagement.
- **Phase 3 (6–12 months): Deepen effectiveness:** Strengthen governance and quality assurance; improve operational analytics (typologies, strategic analysis); enhance supervision/monitoring role where applicable; institutionalize feedback loops with reporting entities and law enforcement; track KPIs (STR timeliness/quality, disseminations, case outcomes).
- **Phase 4 (12–24 months): Legal reforms & sustainability:** Enact legislative amendments (often 12+ months), operationalize new powers/mandate, embed training-of-trainers, and complete handover to a sustained internal QA/training function. Where relevant, align deliverables to FATF action plans and program/FSAP follow-up.

KEY COUNTERPARTS

- Ministry of Finance (or other portfolio ministry)
- FIU
- Law enforcement / judiciary
- Attorney General and/or Chief Parliamentary Counsel
- Other relevant agencies



Legislative Drafting

Seeks to align member countries' AML/CFT legislative framework with international standards. Depending on the legislative framework and other laws already in place, this module will generally focus on the money laundering and terrorism financing offences, preventative measures, powers and responsibilities of competent authorities, asset recovery and international cooperation. Other areas such as drafting beneficial ownership and targeted financial sanctions laws will be covered under other modules. This module focuses on ensuring the country's legislation meets the specific legal requirements of the FATF's standards and other related international best practices.

WHY IT MATTERS: Strong laws underpin strong institutions. Better outcomes in financial intelligence generation, supervision, investigations, prosecutions and asset recovery depend on strong legal frameworks upon which institutions can carry out their mandates. Stronger frameworks prevent the negative macro-economic effects of financial crime including destabilizing inflows and outflows, pressures on correspondent banking relationships (CBRs), losses to tax revenue and reputational risks for financial centers.

The legislative framework is the foundation of effective AML/CFT systems. Without appropriate laws, jurisdictions will be unable to properly respond to the scourge of financial crimes and protect the integrity of the financial system.

Successful implementation improves technical compliance with the standards, addresses legal loopholes and can assist countries to address FATF Action Plan items, paving the way for upgrade to technical compliance ratings and removal from FATF “grey listings”.

SCOPE AND COVERAGE

- Gap Analysis of existing laws against FATF Standards
- Technical Assistance Report highlighting gaps and roadmap to compliance
- Draft Laws, regulations, orders, other enforceable legal instruments.

WHAT IT DOES NOT COVER: This module will not cover legislative drafting carried out under other thematic areas that are dealt with under other modules (e.g. beneficial ownership, financial intelligence units and targeted financial sanctions)

KEY OUTPUTS / DELIVERABLES

- Diagnostic or technical report with legislative gap analysis roadmap and recommendations
- Draft laws, regulations and/or other necessary legislative instrument

APPROACH AND METHODOLOGY: Staff will benchmark the laws against the FATF Standards in the development of the new laws. The process will include engaging with the key AML/CFT authorities within the jurisdiction as well as with those agencies or ministries who may be involved in the legislative reform process to better understand the optimal way of proceeding. Staff will assess the relevant laws taking into account: assessment reports, changes in standards, the domestic risk and context situation and capacity of the authorities in developing the best legislative model in the circumstances to develop gap analyses, recommendations and draft laws that are best suited for the jurisdiction's situation.

Staff will monitor the progress of the drafts into final legislation providing support to the authorities in providing rationales and other material to support the passage of the laws. Finally, staff will monitor any future external assessment of these laws (FATF evaluation, follow-up reporting) to confirm compliance.

EXPECTED IMPACT

- Improved legislative compliance to international standards will support strengthened AML/CFT framework and provide the basis for effective implementation.
- A stronger legislative framework will contribute to improved FATF compliance and assist with delisting trajectory (if applicable).
- Improved compliance with international standards will increase investor confidence, protect correspondent banking relations, stop illicit financial flows and contribute to enhanced financial and/or macroeconomic stability

DELIVERY FORMAT: Largely remote HQ based work although discussions with the authorities are necessary to consider capacity, domestic legislative processes, constitutional or other legislative features of the jurisdiction that may impact AML/CFT law and issues of policy that the jurisdiction must determine on for inclusion into the law.

TYPICAL TIMELINE AND SEQUENCING

Medium Term (1-3 years): Depending on the circumstances, AML/CFT legislation takes at least one to two years to develop, undergo legislative drafters' review, made subject to public consultations (if needed), obtain Cabinet's approval and finally Parliamentary approval.

For the passage of laws, it is fundamental that political support be established from the onset, with the necessary executive and ministerial support to ensure passage. It will also be necessary to ensure that all ministries, departments and agencies (MDAs) that may be impacted by the law are a part of consultations to ensure that their input can be provided and that the law is supported during the legislative process.

- **Mobilize (Weeks 1–4):** confirm scope/objectives, map stakeholders, set governance/workplan, secure political sponsorship.
- **Diagnose & decide (Months 1–5):** gap analysis vs FATF; agree key policy choices; finalize drafting instructions/sign-offs.
- **Draft & clear (Months 4–16):** draft bill + explanatory memo; consult MDAs/stakeholders; legal quality review; cabinet clearance.
- **Enact & implement (Months 14–36):** support parliamentary passage; manage amendments; issue regs/guidance; operationalize and monitor.
- **Draft & refine (Months 4–16):** prepare bill and explanatory memo; consult MDAs/stakeholders; legal quality review and cabinet clearance.
- **Enact & implement (Months 14–36):** parliamentary process; manage amendments; issue regs/guidance and operationalize (SOPs, training, monitoring).

KEY COUNTERPARTS

- Ministry of Finance (or other Ministry with portfolio responsibility for AML/CFT)
- Financial Intelligence Unit
- Attorney General's Office or Parliamentary Drafting Counsel
- Law enforcement / Judiciary
- Other relevant agencies



Virtual Assets and Virtual Assets Service Providers

Addresses ML/TF risks posed by virtual assets, support jurisdictions in understanding these risks and informing policy responses, and strengthens AML/CFT frameworks for VASPs, risk-based supervision, and financial intelligence and criminal law enforcement arrangements in line with the FATF standards.

WHY IT MATTERS: VA activity presents potentially significant ML/TF risks due to cross-border reach, speed, and features that increase anonymity and opacity. Weaknesses in AML/CFT frameworks and risk-based supervision can generate financial integrity risks and spillovers to the wider financial system. These gaps may lead to reputational risks, reduced financial access, and external sector vulnerabilities. Effective market entry controls (licensing and registration) are essential to prevent misuse of the sector. Strong financial intelligence and criminal law enforcement capacity are critical to detect and disrupt ML/TF involving VA.

SCOPE AND COVERAGE

- AML/CFT legal frameworks for VA and VASPs
- Market entry controls (licensing and registration)
- Risk-based supervision of VASPs
- ML/TF supervisory risk assessment frameworks for VASPs
- Financial intelligence and criminal law enforcement of VA-related ML/TF cases
- Data frameworks and blockchain analytics
- Institutional coordination across authorities

KEY OUTPUTS / DELIVERABLES

- TA reports, written advice, and recommendations
- Draft laws and regulations
- Supervisory risk assessment tools and models
- Supervisory guidance and manuals
- Training materials

APPROACH AND METHODOLOGY

- Risk-based approach informed by engagement with country authorities to prioritize key areas
- Phased delivery to ensure sequencing and effective implementation
- Coordination with FATF and FSRBs, including use of FATF lists of jurisdictions with material VASP activity
- Collaboration with MCM to support integrated prudential, conduct, and AML/CFT frameworks
- Integrated with FSAPs, surveillance, and IMF-supported programs

EXPECTED IMPACT

- Stronger AML/CFT legal and risk-based supervisory frameworks for VA and VASPs
- Improved supervisory and criminal law enforcement capacity
- Enhanced financial intelligence capabilities
- Reduced ML/TF risks and illicit financial flows
- Positive assessments against the FATF standards
- Greater financial system resilience and integrity



DELIVERY FORMAT

- Technical assistance (virtual and in-person)
- Workshops and training
- Legal drafting support
- Supervisory tools (including ML/TF supervisory risk assessment frameworks)
- Ongoing advisory support

TYPICAL TIMELINE AND SEQUENCING

- Short term (4–6 weeks): Rapid engagement for urgent policy advice and support, including targeted reviews of legal frameworks.
- Medium term (3–6 months): Deeper technical assistance through a series of engagements and virtual meetings, including training activities and more detailed policy and supervisory advice.
- Long term (phased projects): Sequenced implementation support, typically starting with legal frameworks, followed by risk-based supervisory tools, licensing and market entry frameworks, and related implementation tools.

KEY COUNTERPARTS

- Legislators and policy-making authorities
- AML/CFT supervisors and financial sector regulators
- Financial Intelligence Units
- Criminal law enforcement agencies
- Other relevant agencies (digital policy and innovation authorities)



Illicit Financial Flows Analysis

Supports countries in identifying, analyzing, and mitigating money laundering and terrorist financing risks arising from cross-border payments and non-resident activity. Aims to strengthen the authorities' understanding of cross-border ML/TF threat environment and integration of financial flows analysis into AML/CFT frameworks, supervision, financial intelligence, and financial stability assessments, with a focus on risks that are macro-critical for financial integrity.

WHY IT MATTERS: Illicit financial flows linked to cross-border payments and non-resident activity represent a growing source of risk for many economies financial systems, particularly where such flows are large relative to the domestic economy or where monitoring and mitigating capacity is limited. In these contexts, countries may face heightened risks of laundering foreign proceeds of crime or serving as transit jurisdictions for illicit funds, with implications for financial integrity, economic growth and broader financial stability.

This project addresses these risks by strengthening countries' ability to identify and assess cross-border ML/TF risks and to integrate these insights into policy and supervisory frameworks. It supports the implementation of the FATF risk-based approach by enhancing risk identification, measurement, and mitigation capabilities, contributing to the national and sectoral understanding of cross-border risks, a common area of limited risk understanding.

SCOPE AND COVERAGE:

- Financial integrity analysis of cross-border payments data available to the IMF, including machine learning approaches, and identification of potential cross-border ML/TF risks.
- Review and strengthening of aspects of regulatory frameworks and supervisory tools related to addressing cross-border risks.
- Development of a financial flows analysis toolkit, which supports data collection, processing, and analysis of cross-border transactions.

WHAT DOES NOT COVER: The project does not cover development of software or other technological solutions for the analysis of payments data.

KEY OUTPUTS / DELIVERABLES: The key deliverables typically start with a diagnostic report that includes: (i) IMF staff assessment of cross-border and non-resident ML/TF threat environment, based on the cross-border payments data, with identification of potential risk areas for further scrutiny, and (ii) targeted review and recommendations to strengthen AML/CFT measures to mitigate cross-border and non-resident risks based on the identified risks.

Based on the priority recommended areas, the project can support the workstreams on mitigation of cross-border ML/TF risks via strengthening the (i) national understanding, (ii) AML/CFT supervision, (iii) operational and strategic FIU analysis, and (iv) financial stability assessments. A core deliverable is development of a national financial flows monitoring toolkit, which includes data collection frameworks and analytical models that can be applied by country authorities to identify unusual or potentially suspicious patterns in cross-border transactions. Depending on country needs, the engagement may produce updates to the models and risk assessment matrixes, draft legal and regulatory measures,

supervisory guidelines incorporating cross-border risk analysis, and training materials designed to build institutional capacity.

APPROACH AND METHODOLOGY: The IMF's approach under this product is grounded in a risk-based framework aligned with international standards, combining data-driven financial flows analysis with policy and institutional assessment, ensuring that recommendations are both analytically robust and operationally relevant. This approach is supported by comprehensive methodological documents, and the development and transfer of analytical tools and capacity to country authorities, allowing them to independently apply financial flows analysis over time. The engagement is flexible and may involve a mix of desk-based analytical work, virtual collaboration, and on-site missions, while the approach is widely applied in the IMF surveillance, including the Financial Sector Assessment Programs.

EXPECTED IMPACT: Participating countries are expected to achieve a more robust understanding of ML/TF risks associated with cross-border payments and non-resident activity, leading to more targeted and effective AML/CFT measures on the national and agency-levels.

This includes improvements in supervisory effectiveness, more developed financial intelligence analysis, and enhanced ability to detect and mitigate illicit financial flows risks. These improvements contribute to reducing countries' exposure to ML/TF risks and strengthening their resilience to financial integrity threats. The financial stability component also reinforces financial and overall macroeconomic stability by providing the tools to minimize the potential financial stability impacts in cases of financial integrity breaches.

DELIVERY FORMAT: Combination of analytical work using IMF access to cross-border payments data, on-site and virtual discussions and diagnostic, toolkit development, and targeted trainings or workshops on cross-border risks and data analytics for AML/CFT.

TYPICAL TIMELINE AND SEQUENCING: The delivery of the IFF product typically follows a phased approach. In the short term, engagement focuses on diagnostic work and initial financial flows analysis, including identification of key emerging risks, vulnerabilities and data gaps.

In the medium term, efforts shift toward implementation, including deployment of analytical tools, capacity building, and integration of financial flows analysis into supervisory and financial intelligence frameworks.

In the longer term, the focus is on institutionalization, ensuring that countries can sustain and refine their analytical capabilities, strengthen inter-agency coordination, and maintain an effective risk-based approach to AML/CFT supervision and policy.

KEY COUNTERPARTS: Broad range of national and regional stakeholders. Core counterparts typically include central banks, financial sector supervisors, and financial intelligence units. Given the cross-cutting nature of illicit financial flows, engagement often extends to ministries of finance, tax authorities as well as law enforcement agencies and other competent authorities.



Counter-Terrorism Financing

Delivers targeted technical assistance and training to member countries at high risk of terrorism financing. The project assists member countries in upgrading the legal, regulatory, and institutional capacity to detect and deter terrorism financing.

WHY IT MATTERS: Incidents of terrorism may undermine the stability of a country's financial system—either because of a history of terrorist incidents or through the effect of a single but significant terrorist event. In instances where illegal transactions are conducted outside the formal sector (e.g., cash and virtual currencies), this may impede the development of the country's banking system which in turn would affect economic growth.

SCOPE AND COVERAGE: Areas covered include: i) improving the understanding of terrorist financing risks; ii) the role of the private sector in detecting and disrupting terrorist financing activities; iii) the production and use of financial intelligence to counter terrorism and terrorist financing; iv) investigating, prosecuting, and sanctioning terrorism financiers; v) terrorism-related targeted financial sanctions; and vi) international and domestic cooperation in combating the financing of terrorism.

WHAT IT DOES NOT COVER: Does not cover full National Risk Assessments or support combatting terrorism itself. The focus is on terrorism financing.

KEY OUTPUTS / DELIVERABLES

- Legislative and regulatory reviews to bring the CFT legal framework in line with the FATF Recommendations; this includes upgrading TF/PF legal provisions in line with relevant United Nations Security Council Resolutions and FATF Recommendations.
- Enhancing the effectiveness of implementation of CFT frameworks by conducting an evaluation of effectiveness of frameworks in place and providing necessary recommendations; developing necessary procedures, guidance, or other tools that may be necessary to enhance the implementation; and
- conducting training activities to enhance the capacity of national authorities in charge of implementation.

APPROACH AND METHODOLOGY: The project aims to strengthen the Fund's engagement with its member countries – with a principal focus on fragile and/or conflict affected states- on CFT issues, as related to FATF's Recommendations and Immediate Outcomes.

As a starting point, a diagnostic of the existing CFT-related legal instruments and regulations is conducted with a focus on technical compliance with Recommendations 6, 7 and 8, and effectiveness of Immediate Outcomes 9, 10 and 11. The existing framework is benchmarked directly against the relevant standards and a set of recommendations is prepared for the authorities' consideration. Afterwards, further work is conducted on implementing reforms. Training can be provided as well at any point of the engagement, although it is preferred to conduct it at the beginning of the engagement.



EXPECTED IMPACT

- CFT-related Laws and Regulations developed in line with the FATF standards are enacted by the country's legislative process. Focused on improving technical compliance ratings of country's mutual evaluations.
- Support on the preparation or update of a TF risk assessment. Support on the identification of major TF risks as required by the FATF standards.
- Production of actionable tactical intelligence products that support CFT investigations through their use in legal proceedings. Support on the improvement of domestic and international cooperation frameworks. TPF-related STR reporting.
- Improved effectiveness of NPO Supervision and oversight.

DELIVERY FORMAT: Lean engagement with authorities and focus first on desk-based work when feasible, including desk-based reviews, legal analysis and drafting of recommendations and other legal texts. Subject to adequate traction, further activities can be planned in-person, including technical meetings and in-depth workshops.

TYPICAL TIMELINE AND SEQUENCING

- Short-term (e.g., 3–6 months) engagements are focused on the preliminary diagnostic exercise. The CD team will check all relevant CFT areas against the international standards and prepare a course of action, including time-bound recommendations and an action plan.
- On the mid-term, within a year, the implementation of the reforms is heavily dependent on the authorities' capacity to mobilize key political resources for the timely passing of proposed laws, amendments, and regulations. Once the legal framework is in place, further work is conducted on the operational size
- Further monitoring of the reforms and ongoing support is set for the long-term.

KEY COUNTERPARTS

- FIU
- Law enforcement
- Prosecution
- Police
- Ministry of Justice
- Judiciary bodies



AML and Corruption

Focuses on diagnosing and prioritizing AML measures to tackle proceeds of corruption. This brings the benefit of leveraging AML and anti-corruption efforts while reducing redundancies and making the two frameworks more efficient, as well as indirectly helping to reduce corruption and related money laundering.

WHY IT MATTERS: Proceeds of corruption are significant as they are among the top crimes generating the largest amount of proceeds to be laundered along with drug-trafficking, tax evasion, and fraud. Poor governance and the lack of transparency offers greater incentives and more opportunities for corruption. Corruption alters the incentives of individual entrusted with public authority, undermines the ability of states to deliver inclusive and sustainable growth and lift people out of poverty. It negatively impacts the vitality of business and stunts a country's economic potential.

SCOPE AND COVERAGE:

- enhancing the understanding of risks related to money laundering generated by corruption and prioritizing policies for more synergies between anti-money laundering and anti-corruption efforts;
- ensuring compliance with preventive measures of relevance to proceeds of corruption (e.g., politically exposed persons, beneficial ownership);
- enhancing inter-agency cooperation between Financial Intelligence Units and Anti-Corruption Agencies, and law enforcement agencies acting on these crimes. This would bring the benefit of leveraging AML and anti-corruption efforts while reducing redundancies and making the two frameworks more efficient, as well as indirectly helping to reduce corruption and related money laundering.

WHAT IT DOES NOT COVER: The project does not cover specific rule of law and governance issues (e.g. judiciary independence, use of confiscated assets, public procurement).

KEY OUTPUTS / DELIVERABLES:

- A prioritized plan of the anti-money laundering measures to tackle the proceeds of corruption is approved and published
- Better domestic cooperation and exchange of information between the Financial Intelligence Unit (FIU) and Anti-Corruption agency (ACA)
- Implemented measures to prioritize the effectiveness of AML reform directed towards tackling proceeds of corruption are undertaken
- Increase in the level of compliance of obliged entities with AML measures related to proceeds of corruption such as PEPs, beneficial ownership, and reporting of STRs related to corruption
- Increase in the number of suspicious transactions reports (STRs) related to politically exposed persons and proceeds of corruption
- Improved international cooperation arising from increased information sharing and mutual legal assistance related to proceeds of corruption leading to asset freeze and/or confiscation and recovery
- Legislative amendments to include AML measures directed towards tackling the proceeds of corruption are enacted (including for high-risk sectors or key vulnerabilities such as PEPs)



Financial integrity is fundamental to economic stability and the achievement of development goals, which makes strong anti-money laundering and combating the financing of terrorism frameworks critical not only to the integrity of the financial system but to the achievement of economic prosperity.



Jeremy Weil

Senior Director, Financial Crimes Governance and Operations, Finance Canada, and Vice President of the Financial Action Task Force (FATF)

APPROACH AND METHODOLOGY: The project team will continue to work with colleagues from the Governance and Anticorruption Division, providing targeted insights and expertise on AML/CFT matters related to corruption. Fund staff will continue participating in those diagnostics, and as needed, engage with recipient countries to assist them in implementing the key recommendations highlighted in the published reports. FCS—where corruption is often the main risk related to money laundering—are the primary beneficiary of those diagnostics. This project will allow staff to diagnose and support the authorities while ensuring the synergies between their AML and anti-corruption efforts. The engagement will also diagnose whether corruption affect the effectiveness of the AML/CFT framework. For instance, corruption could undermine the independence of the Financial Intelligence Unit, the AML/CFT supervisors, or the role of enforcement agencies involved in fighting money laundering. The findings of the Governance Diagnostics will help inform the project team on the potential engagements with countries in order to assist them strengthen their frameworks

EXPECTED IMPACT: The country strengthens its legal framework and its ability to enforce AML measures to tackle laundering of proceeds of corruption

DELIVERY FORMAT: This project combines desk-based diagnostic work with on-site visits as standalone engagements or as part of the broader [Governance Diagnostic Assessments](#).

TYPICAL TIMELINE AND SEQUENCING

- Medium-term: Governance Diagnostic work, interviews with authorities, analysis of areas of engagement
- Long-term: Follow-up and implementation of recommendations of the Governance Diagnostic report.

KEY COUNTERPARTS:

- FIU
- Anti-corruption agencies
- Judiciary
- Law enforcement
- Supervisory agencies for financial institutions and DNFBPs



Risk-based Supervision

Strengthens AML/CFT risk-based supervision frameworks by supporting jurisdictions in developing supervisory strategies, licensing and registration systems, sectoral and entity-level ML/TF risk assessments, supervisory methodologies, inspection techniques, data-driven supervision, and the integration of financial integrity considerations into prudential supervision and macro-financial and financial stability analysis.

WHY IT MATTERS: To safeguard financial integrity, effective AML/CFT supervision is critical to ensure that financial and non-financial institutions appropriately identify, assess, and manage ML/TF risks on an ongoing basis. Weak AML/CFT supervisory frameworks can lead to inconsistent application of AML/CFT measures, gaps in oversight, and insufficient mitigation of ML/TF risks across the financial system. Effective risk-based supervision ensures AML/CFT supervisory resources are focused on higher-risk sectors, institutions, and activities in a proportionate and effective manner.

In more interconnected financial systems, ML/TF risks may transmit across institutions and borders, reinforcing the need for coordinated supervisory approaches and effective information sharing. Financial integrity weaknesses can, in some cases, interact with broader financial stability and confidence channels, including liquidity pressures or reputational effects, underscoring the importance of effective supervision.

SCOPE AND COVERAGE

- AML/CFT risk-based supervision strategies and supervisory planning
- Licensing and registration frameworks (market entry controls)
- Sectoral ML/TF risk assessments
- Entity-level ML/TF risk models and supervisory prioritization tools
- Group-wide and cross-border supervisory approaches
- Minimum supervisory engagement models and risk-based supervisory cycles
- Desk-based supervision and offsite monitoring frameworks
- Onsite inspection methodologies and thematic reviews
- Integration of ML/TF indicators into prudential supervision
- Data collection, financial flows analysis, reporting frameworks, and supervisory analytics
- Use of automation and Sup Tech tools in supervision
- Financial stability linkages
- Stress testing and sensitivity analysis incorporating ML/TF scenarios
- Domestic and international supervisory cooperation mechanisms
- Supervisory colleges, MOUs, and information-sharing arrangements

KEY OUTPUTS / DELIVERABLES

- Risk-based supervision strategies and implementation roadmaps
- Licensing and registration frameworks and procedures
- Sectoral and entity-level ML/TF risk assessment tools
- Supervisory manuals
- Inspection and desk-based review methodologies
- Supervisory risk models and prioritization frameworks
- Data and analytics frameworks

- Financial integrity stress testing tools (ML/TF scenarios)
- Coordination frameworks (MOUs, supervisory colleges)
- Training materials and case studies

APPROACH AND METHODOLOGY

- Risk-based approach aligned with the FATF standards, tailored to jurisdiction-specific ML/TF risks, supervisory structures, and institutional capacity.
- Combination of diagnostic assessments, targeted technical assistance, practical supervisory tool development, and hands-on training to support implementation and operational effectiveness.
- Focus on strengthening both offsite and onsite supervisory approaches, including sectoral and entity-level risk assessments, supervisory planning, inspection methodologies, and ongoing supervisory engagement models.
- Integration of data analysis, financial flows analysis, and technology-enabled supervisory tools to support more effective identification, monitoring, and mitigation of ML/TF risks.
- Incorporation of financial integrity considerations into prudential supervision and broader macro-financial and financial stability analysis, including where relevant liquidity, confidence, and cross-border spillover channels linked to ML/TF risks.
- Support for domestic and cross-border supervisory cooperation and coordination, including information-sharing arrangements and group-wide supervisory approaches where relevant.

EXPECTED IMPACT: Risk-based AML/CFT supervision enhances the effectiveness of safeguards against illicit financial flows by enabling supervisors to allocate resources in line with the scale and nature of money laundering and terrorist financing risks. It strengthens financial and non-financial sector ability to prevent and detect ML/TF and safeguard financial integrity.

Effective supervision further supports domestic and external stability by reinforcing the integrity and credibility of the financial system. This helps preserve correspondent banking relationships, reduces the likelihood of integrity-driven de-risking, and mitigates the risk of sudden disruptions in cross-border financial flows.

DELIVERY FORMAT

- Virtual and In-Person Delivery
- Workshops and training
- Desk-Based Review and Feedback
- Supervisory tools and risk models
- Data/SupTech support
- Ongoing advisory support

TYPICAL TIMELINE AND SEQUENCING

- Short term (4–6 weeks): Diagnostic, gap analysis, and immediate supervisory recommendations.
- Medium term (3–6 months): Development of risk assessment tools, supervisory methodologies, manuals, and training programs.
- Long term (phased implementation): Full rollout of risk-based supervision systems, stress testing frameworks, and coordination mechanisms.



KEY COUNTERPARTS

- AML/CFT financial sector and non-financial sector supervisors
- Central banks and prudential supervisors
- Financial Intelligence Units
- Ministries of Finance and policy bodies
- Financial stability and macroprudential authorities
- Regional supervisory bodies and supervisory colleges
- Law enforcement agencies (as relevant)



Aimed at improving the effective application of AML/CFT measures in an rCBDC context, in line with the requirements of the FATF standard and the IMF Fintech Note on the Financial Implications of rCBDCs.

WHY IT MATTERS: If widely adopted, rCBDCs have the potential to have a significant impact on countries' economies and financial stability. Due to some of their characteristics (e.g., speed and ease of transacting)—like virtual assets—rCBDCs could be misused for illicit purposes. Depending on the design features chosen, rCBDCs could exacerbate existing risks and vulnerabilities, or offer opportunities for facilitating compliance and strengthening regulation and enforcement.

While the FATF standards apply to activities involving rCBDCs (a form of fiat currency), due to their novelty and the complexity of design choices, implementation of some aspects of the standards may not be entirely straightforward. The FATF has also called upon the IMF to continue its analytical work on CBDCs to help drive forward policy development.

SCOPE AND COVERAGE

- Identification of ML/TF risks posed by rCBDC design choices
- Legal/regulatory frameworks relating to AML/CFT requirements relating to rCBDCs
- Institutional capacity to enforce AML/CFT requirements relating to rCBDCs
- Operational effectiveness in allowing for effective implementation of AML/CFT requirements

WHAT IT DOES NOT COVER: This project does not cover broad/comprehensive improvements to overall AML/CFT regime where they do not specifically relate to the launch and implementation of an rCBDC

KEY OUTPUTS / DELIVERABLES

- Diagnostic report, TA report with roadmap and recommendations
- Draft laws / regulations
- Supervisory manuals / guidelines
- Training materials

APPROACH AND METHODOLOGY: Unlike other CD modules, which are grounded in existing country practice, this CD module aims to assist early adopters navigate the policy and operational challenges presented by rCBDCs. This module examines novel issues presented by various CBDC designs and may raise new questions or require further discussion/coordination with the standard setter. It will likely build off of experience gained through direct engagement with issuing jurisdictions. This CD module will take a data-driven approach if data exists (e.g., on rCBDC usage and patterns).

EXPECTED IMPACT

- Strengthened AML/CFT frameworks (with respect to rCBDCs)
- Improved effectiveness of AML/CFT implementation in an rCBDC setting



High international convergence on effective AML/CFT measures is pivotal in the fight against criminal use of financial systems.

Italy has been and continues to be at the forefront of promoting ever-improving methods and tools, from the 'follow-the-money' investigative approach to the introduction of innovative checks and databases.

Joint action through the AML/CFT thematic fund will continue to strengthen preventive measures, further combat financial crime, and significantly support the growth of healthy economies.



Stefano Cappiello

Director General of the Regulation and Supervision of the Financial System, Ministry of Economy and Finance, Treasury Department, Italy

IMF.org

DELIVERY FORMAT: TA delivery would begin with a diagnostic of the impact of rCBDC design choices on the effective implementation of the AML/CFT regime in an issuing jurisdiction and include legal/regulatory amendments, training/workshops, and capacity development/institution building as needed.

TYPICAL TIMELINE AND SEQUENCING: The module is currently aimed primarily at short-term (3–6 months) with some medium-term work (implementation support) depending on the country's needs. As rCBDCs are still evolving, longer term work be appropriate at this time.

KEY COUNTERPARTS

- Ministry of Finance
- Central Bank / Supervisors
- FIU
- Law enforcement / judiciary
- Other relevant agencies
- Intermediaries and other relevant actors in the rCBDC ecosystem

Training Courses

The following courses are offered to recipients, either as a standalone offering through a week course in RCDCs or as part of a broader technical assistance program. Each training is also adapted to the recipient contextual factors:

Implementing the International AML/CFT Standards

TARGET AUDIENCE: Legal drafters, policy makers, financial sector supervisors, supervisors of designated non-financial businesses and professions, financial intelligence unit officials, criminal justice officials, and other officials responsible for combating money laundering, terrorist financing and proliferation financing, including officials who are preparing for their countries' mutual evaluations.

QUALIFICATIONS: Participants are expected to have at least two years of experience with anti-money laundering and combating the financing of terrorism (AML/CFT) issues. Attendance is by invitation only. Prerequisites are specified in the nomination request letters.

COURSE DESCRIPTION: This course, presented by the Legal Department, is designed to build the capacities of officials tasked with implementing the revised international standards on AML and CFT. The course increases participants' understanding of the requirements of the revised international AML/CFT standard, the 40 Recommendations of the Financial Action Task Force (FATF), and the new *Methodology for Assessing Compliance with the FATF 40 Recommendations and the Effectiveness of AML/CFT Systems*. Incorporated into the course are both practical exercises and in-depth discussions of how to implement selected aspects of the FATF 40 Recommendations.

COURSE OBJECTIVES: Upon completion of this course, participants should be able to:

- Have a deeper understanding of the FATF standards on combating money laundering, terrorist financing and proliferation financing.

- Develop an action plan to contribute to a better implementation of the FATF measures in their national systems.

Counter Terrorism Financing Best-Practices Course

TARGET AUDIENCE: Junior to mid-level government officials and policy-makers tasked with combatting the financing and terrorism activities, including financial intelligence, targeted financial sanctions, investigations, prosecution, and adjudication activities.

QUALIFICATIONS: Participants are expected to have a degree in the fields of, law, criminology, economics, political sciences or, otherwise, experience in the field of combatting terrorism financing, which may include experience on financial intelligence, targeted financial sanctions, prosecutorial activities, and the judiciary. Basic knowledge of the UN frameworks related to CFT and Targeted Financial Sanctions is highly desirable. Having worked on CFT cases from financial intelligence, targeted financial sanctions, and enforcement with knowledge of legal drafting is also useful.

COURSE DESCRIPTION: The course has an eminently practical focus, based on the findings of the IMF's publication "Countering the Financing of Terrorism: Good Practices to Enhance Effectiveness" The course will be designed around the structure of the handbook, providing case scenarios based on real-life examples, and with a focus on teamwork and group efforts to reach out to well-thought solutions. The cases will mirror real-life challenges, including asymmetrical information, legal challenges, time constraints, investigative hurdles and the need for risk assessments to

fully understand threats and vulnerabilities on CFT matters.

COURSE OBJECTIVES:

- Assess the risks, threats and vulnerabilities in the context of CFT risk assessments, and their mitigation
- Identify pragmatic solutions for disrupting the financing of terrorism and terrorist organizations
- Identify the challenges experienced by the private sector in detecting and reporting suspicious related to terrorism financing and implementing TFS
- Understand how the gathering and dissemination of financial intelligence is at the center of CFT, and appreciate its strategic value when orienting counterterrorism operations
- Recognize and use the toolkit required to conduct investigations that can lead to effective prosecution of illicit actors and subject them to effective, proportionate and dissuasive actions
- Gain a strong understanding of how Terrorism-Related Targeted Financial Sanctions work, along with their international framework, and how to optimize their application and efficiency, along with the key areas for its effective implementation (e.g., 24 hours rule, time and domestication factors)
- Gain understanding of the different legal instruments for the provision of international cooperation among agencies to jointly tackle terrorism financing

Impact of Crime on Economic and Financial Stability

TARGET AUDIENCE: Economists, policy makers, central bank officials, ministries of finance and economy, financial sector supervisors, financial intelligence unit (FIU) officials, law enforcement and anti-corruption authorities, and other government officials involved in economic policy, financial sector oversight, governance, and combating financial crime. The course is particularly relevant for officials working on macroeconomic

surveillance, financial stability, fiscal policy, governance reforms, AML/CFT frameworks, and fragile and conflict-affected state (FCS) issues.

QUALIFICATIONS: Participants are expected to have professional experience in economics, finance, public policy, law, financial regulation, governance, or related fields. A background in macroeconomic analysis, financial sector policy, public finance, AML/CFT, anti-corruption, financial integrity, or security-related policy issues is highly desirable. Familiarity with macroeconomic policy frameworks, financial sector issues, or the role of institutions in safeguarding economic and financial stability would be beneficial. Attendance is by invitation only.

COURSE DESCRIPTION: This one week course, delivered by the Legal Department jointly with Area Departments, focuses on understanding the impact of (financial and violent) crime on economic and financial stability. Building on on-going work focused on violent crime and insecurity from a macroeconomic perspective, participants will explore (i) crime trends, its key drivers, policy responses, and macroeconomic implications; and (ii) the impact of financial crime and money laundering, with an emphasis on the financial sector and the IMF's work on financial integrity issues. The course focuses on key regional challenges to financial integrity, particularly those related to organized crime, violence, and illicit cross-border financial flows, based on the risk and context of IMF member countries, and how AML/CFT measures can assist in mitigating these risks. Through case studies, participants will analyze transmission channels, how ML/TF can introduce structural impediments to inclusive and sustainable growth, and the threats ML/TF can pose to economic and financial stability. They will also discuss examples of effective interventions to counter these challenges.

COURSE OBJECTIVES: Upon completion of this course, participants should be able to:

- Understand the macroeconomic and financial stability implications of violent crime, organized crime, corruption, money laundering, and illicit financial flows.
- Identify the main transmission channels through which crime and financial integrity weaknesses affect growth, investment, fiscal performance, financial intermediation, governance, and social outcomes.
- Analyze the impact of money laundering and financial crime risks on the financial sector, including reputational, prudential, and cross-border risks.
- Assess how financial integrity vulnerabilities can create structural impediments to inclusive and sustainable economic growth.
- Examine regional and country-specific crime trends, vulnerabilities, and policy responses in the context of macroeconomic and financial stability risks.
- Understand the role of AML/CFT frameworks, governance reforms, and institutional capacity in mitigating financial integrity risks.
- Evaluate policy options and practical interventions to strengthen resilience against organized crime, illicit financial flows, and related financial stability threats.
- Apply lessons learned from country case studies and IMF operational experience in surveillance, lending, and capacity development engagements.

Online: AML/CFT Risk-based Supervision of Financial Institutions

TARGET AUDIENCE: This course is intended for officials from ministry of finance or equivalent body, financial intelligence units (FIUs), central banks, supervisory bodies and public-sector audit bodies who can benefit from a deeper understanding on how to develop and implement a risk-based approach to AML/CFT supervision of financial institutions.

QUALIFICATIONS: Participants are expected to have at least three to five years of experience in the implementation of a risk-based approach for AML/CFT supervision of financial institutions subject to the Core Principles. Access to a computer with a reliable internet connection are essential.

COURSE DESCRIPTION: This course, presented by the Legal Department, is designed to highlight the key and core building blocks of a risk-based regulation and supervision framework of off- and on-site activities for supervisory authorities. It discusses the risk-based approach to AML/CFT regulation and supervision, as applied to financial institutions subject to the Core Principles and takes into account the importance of developing robust and effective risk-based supervisory frameworks in line with the international standards for the banking, securities, and insurance sectors.

COURSE OBJECTIVES: Upon completion of this course, participants should be able to:

- Understand the necessary legal and regulatory framework critical for AML/CFT risk-based supervision.
- Identify higher risk areas based on the risk factors (i.e., customers, products/services, geographical areas, and delivery channels).
- Develop appropriate risk-based supervisory methodologies, tools, systems, and processes for regulated entities or sectors.
- Formulate appropriate supervisory strategies, plans, and approaches based on the results of risk assessments.
- Allocate supervisory resources based on risks identified.

Virtual Assets and Virtual Assets Service Providers (VASPs)

TARGET AUDIENCE: Junior to senior-level government officials, regulators, supervisors, financial intelligence analysts, law enforcement authorities, prosecutors, central bank officials, and policy-makers involved in the regulation, supervision, and oversight of virtual assets (VAs), virtual asset service providers (VASPs), and related AML/CFT frameworks.

QUALIFICATIONS: Participants are expected to have a background in law, economics, finance, criminology, information technology, financial regulation, or related fields, or otherwise possess relevant professional experience in AML/CFT, financial sector supervision, financial intelligence, law enforcement, or policy development. Familiarity with the FATF Standards, particularly Recommendation 15 and its Interpretive Note, is highly desirable. Experience with licensing and supervision of financial institutions, fintech, payment systems, virtual assets, or digital finance frameworks would also be beneficial.

COURSE DESCRIPTION: The course provides a practical and policy-oriented overview of the AML/CFT framework applicable to virtual assets and virtual asset service providers, with a focus on the implementation of the FATF Standards and emerging international practices. The training examines the key concepts of VAs and VASPs, ML/TF risks and vulnerabilities associated with virtual assets, licensing and registration frameworks, preventive measures, supervision, enforcement, and international cooperation. The course also explores how virtual assets may affect financial intelligence, investigations, prosecutions, and asset recovery efforts, while addressing broader financial integrity challenges linked to financial innovation and digital finance. Practical exercises, case studies, quizzes, and group discussions based on real-world scenarios are used throughout the training.

COURSE OBJECTIVES:

- Understand the FATF Standards applicable to virtual assets and virtual asset service providers, particularly Recommendation 15 and its Interpretive Note
- Identify the key ML/TF risks, threats, and vulnerabilities associated with virtual assets and assess mitigating measures
- Gain an understanding of legal and regulatory frameworks applicable to VASPs, including licensing and registration requirements
- Recognize the preventive measures applicable to VASPs, including customer due diligence, record-keeping, suspicious transaction reporting, and the travel rule
- Develop a practical understanding of AML/CFT supervision and enforcement approaches for the VASP sector
- Understand the role of financial intelligence in detecting and disrupting illicit activity involving virtual assets
- Identify investigative and prosecutorial challenges associated with virtual assets, including tracing transactions, asset recovery, and confiscation
- Examine emerging financial integrity issues related to innovation in digital finance, including Central Bank Digital Currencies (CBDCs)
- Strengthen inter-agency coordination and international cooperation mechanisms relevant to virtual assets and cross-border financial crime investigations

Enhancing Beneficial Ownership Transparency Frameworks

TARGET AUDIENCE: Legal drafters, policy makers, financial intelligence units, company registrars, tax authorities, law enforcement authorities, financial sector and other supervisors, procurement authorities, and relevant Ministries who might be involved in establishing beneficial ownership transparency frameworks and/or using beneficial ownership information within their jurisdiction.

QUALIFICATIONS: Participants are expected to have at least two years of experience with AML/CFT issues and/or corporate transparency issues. Attendance is by invitation only. Prerequisites are specified in the nomination request letters.

COURSE DESCRIPTION: Transparency of Beneficial ownership information—i.e., the real persons who own and control companies and other types of corporate vehicles—is important to combat the misuse of legal entities. This course, presented by the Financial Integrity Group of the Legal Department is designed to build the capacities of officials tasked with implementing the international standards on AML and CFT and, in particular, the revised FATF Recommendations 24 and 25 concerning the transparency of legal persons and arrangements, in line with the Fund’s publication on this issue: *Unmasking Control: A Guide to Beneficial Ownership Transparency* (imf.org). The course aims to increase participants’ understanding of the technical requirements of FATF Recommendation.24 and 25; how these should be reflected in a jurisdiction’s legal and regulatory frameworks to ensure countries hold adequate, accurate and up-to-date beneficial ownership information; consider ways to set up and manage Beneficial Ownership Registers; requirements related to identification, verification, access to and dissemination of beneficial ownership information; and how beneficial ownership information can be useful for a broad range of policy areas (e.g., AML/CFT, procurement, conflict of interests, sanctions).

COURSE OBJECTIVES: Upon completion of this course, participants should be able to:

- Outline, summarize, and analyze the requirements of the revised FATF Recommendations 24 and 25.
- Draw up a medium-term action plan to establish comprehensive beneficial ownership transparency frameworks in a country.
- Identify/understand the policy, legal and regulatory considerations/decisions required

in setting up beneficial ownership registers within a country.

Practical Considerations in Money Laundering Investigations

TARGET AUDIENCE: Financial intelligence unit (FIU) officials; law enforcement officials; and other government officials involved in undertaking national money laundering investigations, prosecutions and asset confiscation and recovery actions.

QUALIFICATIONS: Participants are expected to have a minimum of two-years’ experience in AML/CFT issues.

COURSE DESCRIPTION: This one-week course, presented by the IMF’s Legal Department, aims at enhancing and strengthening the capacities of officials engaged in the operational aspects of enforcement against money laundering cases. The course is targeted at FIU officials, law enforcement agencies, prosecutors and judges involved in financial intelligence and effective enforcement against ML offenses including securing convictions, domestic and cross-border confiscation, and asset recovery. The course will involve in-depth discussions on practical and strategic consideration in enforcing ML laws including practical exercises.

COURSE OBJECTIVES: Upon completion of this course, participants should be able to:

- Understand the use of key tools and sources of data to assist in mounting ML investigations.
- Understand the challenges and key measures necessary to bringing ML cases to successful Prosecution
- Develop policies and strategies to institutionalize good practices for effective enforcement against ML cases.

INTERNATIONAL MONETARY FUND

700 19th Street NW
Washington, DC 20431
USA

For additional information and inquiries:
AMLCFT@IMF.org

