

INSURANCE COMMISSION OF THE BAHAMAS



NOTICE

To: All Registered Long-term and General Insurers

Date: November 16, 2023

Re: Financial Action Task Force (FATF) Public Statement on High-Risk Jurisdictions – Democratic People’s Republic of Korea, Iran and Myanmar (DPRK, Iran, and Myanmar) Pursuant to the Proceeds of Crime Act, 2018

Pursuant to sections 6(3)(b) and 6(3)(d) of the Proceeds of Crime Act, 2018, the National Identified Risk Framework Coordinator has requested that the Insurance Commission of The Bahamas (“the Commission”) circulate the following Notice regarding the Public Statements issued by the Financial Action Task Force in October 2023 in relation to Democratic People’s Republic of Korea, Iran and Myanmar, which have been identified as high-risk jurisdictions with strategic deficiencies.

Licensees are asked to give special attention to business relationships and transactions with the DPRK, including DPRK companies, financial institutions, and those acting on their behalf. In addition to enhanced scrutiny, the FATF further calls on its members and urges all jurisdictions to apply effective countermeasures, and targeted financial sanctions in accordance with applicable United Nations Security Council Resolutions, to protect their financial sectors from money laundering, financing of terrorism and WMD proliferation financing (ML/TF/PF) risks emanating from the DPRK. Given Iran’s failure to enact the Palermo and Terrorist Financing Conventions in line with the FATF Standards, it calls on its members and urges all jurisdictions to apply effective countermeasures in line with Recommendation 19.

High-risk jurisdictions have significant strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing. In this regard, Licensees are asked to apply enhanced due diligence, and counter measures to protect its financial system from the ongoing money laundering, terrorist financing, and proliferation financing (ML/TF/PF) risks emanating from these countries.

In so doing, Licensees should consider the ML/TF/PF risk associated with DPRK, Iran and Myanmar when maintaining business relationships and conducting transactions with the listed jurisdictions including individuals, companies, financial institutions, and those acting on their behalf. In that regard, when conducting their risk analysis, Licensees should refer to the information on these jurisdictions which can be found at the following link:

<https://www.fatf-gafi.org/content/fatf-gafi/en/publications/High-risk-and-other-monitored-jurisdictions/Call-for-action-october-2023.html>

Companies must report to the Commission, in writing, that in the performance of their risk analysis, they have taken into consideration all ML/TF/PF risks associated with the jurisdictions listed in the Public Statement and have applied enhanced due diligence and taken counter- measures, if necessary.

A copy of the Notice regarding the Call For Action on High-Risk Jurisdictions, can also be found on the Commission’s website under Announcements and Notices (Alerts).

Michele C. E. Fields
Superintendent of Insurance