



The Government of the Republic of Trinidad and Tobago

Ministry of the Attorney General and Legal Affairs

CORPORATE COMMUNICATIONS DEPARTMENT

MEDIA RELEASE

FINANCIAL ACTION TASK FORCE INTERNATIONAL CO-OPERATION REVIEW GROUP REVIEW OF TRINIDAD AND TOBAGO

Trinidad and Tobago was the first of the 25 members of the Caribbean Financial Action Task Force (CFATF), and one of the first of the over 190 countries in the world subscribing to the Financial Action Task Force (FATF) 40 Recommendations, to have undergone the new 4th Round Mutual Evaluation process.

When Government took office in September 2015 the 4th Round mutual evaluation was a *fait accompli*, as the process examined the state of our AML/CFT system as at January 2015. Several issues from the 3rd Round Mutual Evaluation however remained unaddressed by January 2015 and were merged into the 4th Round Assessment. At the November 2015 CFATF plenary the Attorney General stepped out of his role as the newly appointed Chair of CFATF to lead Trinidad and Tobago's team to defend the national position. In the end, the ratings reflected in the Mutual Evaluation Report (MER), published in June 2016, showed that Trinidad and Tobago met the entry criteria for two AML/CFT monitoring processes: enhanced follow-up by CFATF; and prioritization by the FATF International Cooperation Review Group (ICRG). The Honourable Attorney General alerted the public to this in a Statement on the Parliamentary floor in November 2015, further reiterating the position in an update to Parliament on June 2016.

It is noteworthy that our country qualified for ICRG referral based on a failure to demonstrate **a high level of effectiveness** of our AML/CFT system by January 2015, not because of legislative deficiencies (which had been substantially addressed through amendments in 2009). Assessing effectiveness is the new element that distinguished FATF's current 4th Round assessments from the previous 3rd Round, which only focused on the legislative and institutional framework. Thus, while some legislative strengthening was clearly required, since taking office Government has placed equal emphasis on implementing the existing framework to capitalize on its strengths and identify weaknesses. This has in turn fed into the Government's primary legislative and policy development agenda.

Trinidad and Tobago was placed under a one-year ICRG observation period which ended in June 2017 and during that time demonstrated significant improvements in key areas of effectiveness. This is reflected in the Post Observation Period Report (POPR) prepared as a part of the ICRG procedure. The process entailed weeks of dialogue with the Americas Joint Group including a face-to-face meeting in September 2017 with a delegation led by the Honourable Attorney

General. The POPR also reflects that draft legislation laid in parliament represents the correct direction for strengthening the framework upon which effectiveness is built. This extends beyond AML/CFT specific legislation and includes the legislative suite Government has developed to reform the criminal justice sector.

The Attorney General also led a team to the recently concluded FATF October 2017 Plenary in Argentina where an action plan was finalized to address remaining deficiencies (subject to specific reservations made by Trinidad and Tobago on our assessment). The high level political commitment of the Government of Trinidad and Tobago to continue to strengthen our AML/CFT systems was well received by FATF with one key FATF member noting the progress our country had made over the observation period.

At this stage, the ICRG process provides for countries (for which action plans have been developed) to be publicly identified as being under FATF ICRG review. The Honourable Attorney General wishes to express concern that the press release issued yesterday, November 6, 2017 by the Bankers Association of Trinidad and Tobago regrettably **misinterprets and mischaracterizes this step by FATE. The FATF ICRG procedures make it clear that such identification is neither a call by FATF for countries to take counter-measures against Trinidad and Tobago, nor even a signal to consider any risks posed by the country. It instead reflects the commitment of the Government to working together with FATF and CFATF to address any remaining deficiencies. It is also noteworthy that the progress reflected in the POPR demonstrates that Trinidad and Tobago is significantly closer to qualifying to exit enhanced follow-up, which is a major milestone for our AML/CFT compliance. Had such progress been made by January 2015 Trinidad and Tobago would in fact not have qualified for ICRG referral.**

Trinidad and Tobago's action plan includes steps to be taken up to May 2019 but FATF will again look closely at the progress we have made in October 2018. Many of the steps in the action plan are well in train with key pieces of legislation having already been laid in Parliament such as the Miscellaneous Provisions (Mutual Assistance in Criminal Matters, Proceeds of Crime, Financial Intelligence Unit of Trinidad and Tobago, Customs and Exchange Control) Bill, 2017 with others soon to follow including: the Companies (Amendment) Bill, the Civil Asset Forfeiture Bill, the Anti-Terrorism (Amendment) Bill and a package of Bills to reform the Criminal Justice system.

Government therefore looks forward to the mature consideration of these Bills by all Members of Parliament, who we are confident will put the best interests of the people first. Some of these steps will however also require action and support from other key stakeholders including law enforcement, the office of the Director of Public Prosecutions, the Judiciary and most

importantly the private sector. We therefore look forward to the continued active participation of all of these national partners as we strengthen our AML/CFT framework.

END

Dated: November 7, 2017