



## Circular

(FI/3/2025)

### High-Risk Countries

In line with the provisions of Article (17) of Law No. (106) of 2013 concerning Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT), and based on paragraph (d) from Article (9) from Ministerial Resolution No. (1532) of 2013 On Establishing the Kuwait Financial Intelligence Unit in which it obliges the Unit in identifying countries that It considers as high-risk and prescribing measures to be applied in relation to such countries.

In light of the Financial Action Task Force (FATF) identifying countries with strategic deficiencies in their AML/CFT regimes, countries should take enhanced measures in their dealings with high-risk countries to protect their financial and economic systems from the risks of money laundering, terrorist financing and proliferation financing.

#### Countries' List:

##### 1- Blacklist Countries (High-risk countries):

These are the countries that have significant strategic deficiencies in their systems for combating money laundering, terrorist financing and the financing of the proliferation of weapons of mass destruction, where all countries must apply enhanced due diligence to countries that fall under the blacklist classification, and in the most serious cases, countries are required to apply countermeasures to protect the international financial system from the risks of money laundering, terrorist financing and the proliferation of weapons of mass destruction emanating from these countries.

If the countries is included in the list of high-risk countries (blacklist), it will result in a ban on financial and banking transactions with that country.



**And the countries under the blacklist are Iran, Korea (DPRK) and Myanmar.**

## **2- Countries under ICRG List:**

This list includes countries under the ICRG list. Assessed countries in enhanced follow-up may also enter the FATF ICRG process. As assessed country is referred to the FATF ICRG process if it obtains:

- 20 or more non-compliant or partially compliant (NC/PC) ratings for technical compliance.
- NC/ PC on Recommendations 3,5,6,10,11 and 20.
- Low or Medium effectiveness (LE/ME) on nine or more Immediate Outcomes (IOs).
- LE on 6 or more IOs.

If the country is included under ICRG list and does not commit to address the deficiencies during the period granted to it, the country may be negatively affected in terms of financial flows in the national economy, which in turn may affect its banking and financial system over time, and may lead to a downgrade of the country's credit rating if the country remains on the list.

**As per the latest update from FATF (Oct.25); Four countries was removed from the grey list .**

## **3- Countries subject to enhanced monitoring:**

These are the countries that have committed to overcome their strategic deficiencies. If the country doesn't fulfil its commitment during the monitoring period, it will be on the ICRG list. A country is categorized under enhanced monitoring if:



- The assessed country has 8 or more NC/PC ratings for technical compliance.
- Has been rated NC/PC on any one or more of Recommendations 3,5,10,11 and 20.
- It has a low or moderate level of effectiveness for 7 or more of the 11 effectiveness outcomes.

#### **4- Countries subject to regular follow-up:**

These are the countries that have been positively evaluated in the mutual evaluation report, as they are subject to minimal follow-up by the Financial Action Task Force (FATF).

In light of the Financial Action Task Force (FATF) developing a list that is updated during the months of February, June and October of each year of countries that pose risks to the global financial system as a result of deficiencies in their anti-money laundering, terrorist financing and the proliferation of weapons of mass destruction, all financial institutions and designated non-financial businesses and professions (DNFBPs) under the provisions of Law No. 106/2013 concerning Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) are required to apply appropriate due diligence measures to address risks related to the business relations and transactions of persons or financial institutions in the countries specified on the FATF website.

**For countries in the specified categories, financial institutions and DNFBPs should refer to the latest public announcement published in October 2025 on the FATF website <https://www.fatf-gafi.org>. This announcement is being updated periodically during February, June and October every year.**



**According to the latest FATF update issued in October 2025, the following countries were removed from the FATF grey list Burkina Faso , Mozambique, Nigeria, South Africa.**

The following table shows the countries that are currently on the **FATF grey list**.

Bolivia	Bulgaria	Kenya
Monaco	DEMOCRATIC REPUBLIC OF THE CONGO	Cameroon
Namibia	Haiti	Nepal
Virgin islands (UK)	Lebanon	LAO PDR
Yemen	Syria	South Sudan
Algeria	Vietnam	Venezuela
	Côte d'Ivoire	Angola

The Kuwait Financial Intelligence Unit draws the attention of financial institutions and designated non-financial businesses and professions to the need to periodically refer to the KwFIU's website to follow up on the latest developments in circulars and decisions issued by the Unit.

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Corresponding to: Jumada I 4, 1447 AH