

**Circular
(FI/2/2014)
Preventive Measures when dealing with High-Risk Countries**

In line with the provisions of Article 17 of the Law no. (106) of 2013 concerning Anti-Money Laundering and Combatting the Financing of Terrorism (AML/CFT), the KwFIU shall identify high-risk countries and prescribe the measures to be applied in relation to such countries.

Consistent to the Financial Action Task Force (FATF) published list that has been updated on yearly basis in February, June and October, that includes countries and jurisdictions which pose a risk to the international financial system due to their AML/CFT deficiencies

All financial institutions and designated non-financial businesses and professions (DNFBPs) according to the provisions of the aforementioned Law 106/2013, shall implement adequate due diligence measures to counter risks related to business relationships and transactions involving persons or financial institutions from countries identified in the public statement published on the FATF website www.fatf-gafi.org.

Provisions of this Circular shall be applicable when carrying transactions with either resident or customers who establish their business in such countries, in the following cases:

- a. Business relationships with non-permanent customers
- b. Establishing or continuing business relationships with permanent customers.

There should be a regular review of the updates made by the FATF's list, at the intervals mentioned above in the Circular.

**President
Talal Ali Al Sayegh**

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