



FINANCIAL INTELLIGENCE AGENCY SIERRA LEONE

POLICY ADVISORY

Application of Enhanced Procedures for Financial Action Task Force (FATF) Identified High-Risk Jurisdictions (FATF Blacklist)

To: All Reporting Entities and Supervisory Bodies

From: Financial Intelligence Agency

Date: 12th January 2026

Reference: FIA/Advisory/001/2026

OVERVIEW

This advisory formally directs all Reporting Entities to immediately adopt enhanced due diligence procedures and mandatory countermeasures against jurisdictions designated by the Financial Action Task Force (FATF) as high-risk. This directive follows the outcomes of the FATF Plenary held in Paris, France from 22nd to 24th October 2025, during which certain jurisdictions were identified as having significant strategic deficiencies in their respective regimes to combat Money Laundering, Terrorist Financing, and Proliferation Financing (ML/TF/PF).

IDENTIFIED JURISDICTIONS

The specific requirements for these jurisdictions are outlined below.

A. Jurisdictions subject to a FATF call on its members and other jurisdictions to apply countermeasures



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1. DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA (DPRK)

The FATF has reiterated its public statement on the DPRK's severe deficiencies in addressing Anti-Money Laundering (AML) weaknesses and the financing of Weapons of Mass Destruction (WMD) proliferation. The DPRK continues to employ sophisticated illicit methods, including front companies, shell entities, and layered corporate structures, to evade international sanctions.

In accordance with United Nations Security Council Resolution 2270 (UNSCR 2270), the FATF directs that all jurisdictions enforce targeted financial sanctions and apply the following mandatory countermeasures:

- Immediate termination of all correspondent banking relationships with DPRK financial institutions.
- Closure of any branches, subsidiaries, or representative office(s) of DPRK banks.
- Prohibition or severe restriction of business relationships and financial transactions involving DPRK individuals, entities, or government bodies.
- Application of enhanced due diligence to prevent the DPRK from directly or indirectly facilitating transactions through third parties or legal entities.

2. IRAN

Due to Iran's failure to adopt the Palermo and Terrorist Financing Conventions in line with FATF standards, the FATF urges all countries to implement effective countermeasures under FATF Recommendation 19 (Higher Risk Countries). Accordingly, the following measures are to be implemented:



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- Repudiate authorisation for financial institutions originating from Iran to establish local operations (such as subsidiaries, branches, or representative offices), due to their origin in a jurisdiction with inadequate AML/CFT systems.
- Prohibit domestic financial institutions from expanding their operations into Iran, considering that the relevant branch or representative office would be operating in a jurisdiction with inadequate AML/CFT systems.

B. Jurisdiction subject to a FATF call on its members and other jurisdictions to apply enhanced due diligence measures proportionate to the risks arising from the jurisdiction.

3. MYANMAR

The FATF has advised that Myanmar be placed under enhanced due diligence measures due to insufficient progress on its action plan beyond the stipulated deadline. Accordingly, Reporting Entities are required to:

- Intensify the scope and depth of monitoring for all business relationships and transactions involving Myanmar.
- Implement enhanced scrutiny to detect and report unusual or suspicious activity patterns.

RECOMMENDED COMPLIANCE OBLIGATIONS FOR REPORTING ENTITIES

Pursuant to Section 55 of the Anti-Money Laundering and Combating of Financing of Terrorism and financing the proliferation of Weapons of Mass Destruction Act 2024, Act No 4 of 2024 as well as Article 7 of the Directives and Guidelines for Financial Institutions on the Prevention of Money Laundering/Terrorism Financing 2017 and Article 8 of the Directives and Guidelines for Designated Non-Financial Businesses and Professions on the



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Prevention of Money Laundering, Terrorism Financing and Proliferation Financing 2025 , Reporting Entities are legally obligated to:

1. Apply Enhanced Due Diligence (EDD) to all high-risk situations, business relationships, and transactions involving jurisdictions identified by the FATF.
2. Implement Continuous Monitoring to promptly identify and mitigate emerging ML/TF/PF risks.
3. Integrate FATF Updates into internal risk assessments and compliance frameworks without delay.

Specific Baseline Measures for Reporting Entities:

A. For FATF High-Risk Jurisdictions:

- Consult the official FATF website regularly for updated lists and statements for jurisdictions identified as high risk.
- Apply all FATF-recommended countermeasures in dealings with these jurisdictions.
- Enhance monitoring of transactions involving entities, trusts, and financial institutions from listed countries.
- Strengthen internal controls and risk management systems to address jurisdiction-specific threats.
- Exercise heightened oversight over correspondent banking relationships to prevent abuse.

B. For Jurisdictions Under Increased Monitoring:

- Incorporate FATF evaluations into entity-wide risk assessments.
- Apply risk-proportionate enhanced due diligence to relevant transactions and relationships.

C. Responsibilities for Continuous Monitoring:



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- Maintain ongoing review of FATF publications and updates.
- Promptly integrate any changes to FATF lists into risk frameworks and due diligence processes.

The Financial Intelligence Agency (FIA) will issue advisories whenever updates from the Financial Action Task Force (FATF) require local implementation.

ISSUED BY:



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12TH JANUARY 2026

