**FATF is here to stay**

[**Najm us Saqib**](https://nation.com.pk/Columnist/najm-us-saqib)

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The good news is that at the end of a three-day meeting on October 22, the Financial Action Task Force (FATF) did not place Pakistan in the black list. In fact, with regard to completing two concurrent action plans, Pakistan has moved to the enhanced follow-up status from the enhanced (expedited) follow-up category as it ‘has made notable progress in addressing the technical compliance deficiencies’ and has been re-rated on twenty-two recommendations. The bad news is that Pakistan will remain in the so-called grey list and will report back to the Asia-Pacific Group on Money Laundering (APG) on progress to strengthen its implementation regime by February 1, next year. APG, a 41-member inter-governmental organisation, is committed to the effective implementation and enforcement of the internationally accepted standards against money laundering, financing of terrorism and proliferation financing set by the FATF.

The worst news is that Pakistan remains either ‘partially compliant’ or ‘largely compliant’ on majority of the conditions imposed on it by FATF. ‘Pakistan should continue to work to address its other strategically important AML/CFT (Anti-Money Laundering and Terrorist Financing) deficiencies, namely by providing evidence that it actively seeks to enhance the impact of sanctions beyond its jurisdiction by nominating additional individuals and entities for designation at the UN. This is what has been termed as the ‘strategically important condition.’ In addition, Islamabad has been asked to ‘demonstrate an increase in money laundering investigations and prosecutions’ while ensuring that ‘proceeds of crime continue to be restrained and confiscated in line with the country’s risk profile, including working with foreign counterparts to trace, freeze, and confiscate assets.’

[Intizar murder case: ATC gives death sentence to 2 cops for planned killing](https://nation.com.pk/25-Oct-2021/intizar-murder-case-atc-gives-death-sentence-to-2-cops-for-planned-killing)

Pakistan has company in this exclusive club. In the FATF’s Mutual Evaluation Report-2021, Japan is shown ‘partially compliant’ on at least ten counts including on terror financing and money laundering offences. On the money laundering offence, China is rated from ‘partially compliant to largely compliant’ and is placed in the ‘enhanced follow-up’ category. India has also been asked to ‘address the technical shortcomings in the criminalisation of both money laundering and terrorist financing’. Luckily, Pakistan is a member of the APG and can argue its case directly and effectively. The question is: argue about what and how?

First of all, let us see what this ‘strategically’ important condition actually entails? In simple words, it implies that mere enactment of relevant legislations or issuing executive orders to that effect would not suffice for Pakistan to come out of the FATF’s monitoring trap. Neither the efforts on capacity building and training of prosecutors and regulators nor the explanations on its criminal justice system’s complicated and ‘overburdened’ disposition are good enough reasons. Instead of justifying the issues faced in the implementation of Mutual Legal Assistance or the laws on money laundering or explaining that Parliament is working on how to prosecute the proscribed entities and individuals, the FATF would wish Islamabad to ‘provide evidence’ that it ‘actively’ sought to enhance the impact of sanctions ‘beyond its jurisdiction’. Surely, that is a heavy load of homework for a country that is struggling to bring peace and stability in the world’s most volatile region amidst an acute economic recovery process. How on earth would Pakistan be able to prove its sincerity in doing the needful and that too ‘beyond its jurisdiction’? Is it possible for any country to prove its sincerity to a group of nations that are not only suspicious to the core but also move according to behind-the-scene prompting?

[Govt will fulfil commitments made with TLP: Sheikh Rasheed](https://nation.com.pk/25-Oct-2021/govt-will-fulfil-commitments-made-with-tlp-sheikh-rasheed)

Perhaps, the most disturbing aspect of this rigmarole is the generalised structure of this strategically important condition and Pakistan’s apparent inability to follow it in letter and spirit. How is Pakistan supposed to gather evidence against named and unnamed shady entities or individuals particularly when other countries’ sincere cooperation is required? Why doesn’t FATF produce the necessary evidence about the wanted entities and individuals and then require Pakistan to act upon accordingly? More importantly, out of the eight target groups, the Afghan Taliban are being seen rubbing shoulders with high officials of many countries of the world including some from America. It is not understood how FATF expects Pakistan to move against the rulers of a neighbouring state or go beyond its jurisdiction and find conclusive evidence against them in a manner that does not conflict with its present foreign policy?

Unfortunately, dwelling on paradoxes and double standards will not help Pakistan. Putting forth the usual moral and political argument as to the application of different criteria for different countries in a purely technical matter by the FATF will not work either. Adding to it the India factor and its devilish lobbying for dumping Pakistan on the blacklist or complaining about the financial watchdog’s changing of the goalposts by adding seven additional conditions in June 2021 will also fall on deaf ears. Playing the victimisation card and emphasising the fact that the performance of certain countries with far worse records are being overlooked and not placed in the grey list are not going to satisfy those who have the mandate to decide about any country’s present status. The elements of politically motivated maneuvering and furthering certain vested interests in a purely technical subject are but obvious. Even this truthful statement will not help in addressing the ‘strategically’ important condition.

[T20 World Cup: Afghanistan defeats Scotland by 130 runs](https://nation.com.pk/25-Oct-2021/t20-world-cup-afghanistan-defeats-scotland-by-130-runs)

Demarches made by our Ambassadors in foreign capitals have already proved ineffective. Under the circumstances, no amount of ‘robust diplomacy’ with FATF member states or the P-5 legal teams or keeping a continual liaison with APG could possibly bailout Pakistan. Frankly speaking, there is only one possible way to go about this animal. The brief on FATF needs to be revamped by incorporating certain concrete elements to effectively and completely counter the ‘strategically’ important condition that calls for nominating entities and individuals that should be put on the UN list of terror outfits and individuals. Alternatively, get ready for an unending excruciatingly painful economic pressure until at least such time that Pak-US relations are put back on track through taking some concrete measures in the realm of foreign policy.