



To: All Regulated Entities

From: The Financial Services Regulatory Commission – St. Kitts Branch

Date: 8 March 2023

Re: **FATF Public Statement 24 February 2023**

Suspension of Russian Federation's Membership

On 24 February 2023, the Financial Action Task Force (FATF) issued a Public Statement reiterating its stance on the Russian Federation's full-scale military invasion of Ukraine. The FATF condemns the Russian Federation's war of aggression against Ukraine and acknowledges the United Nations General Assembly Resolution ES-11/1 which demands that the Russian Federation immediately withdraw all of its military forces from the jurisdiction of Ukraine within its internationally recognized borders.

The actions of the Russian Federation run counter to the FATF core principles which aim to promote the security, safety and the integrity of the global financial system. These actions also represent a gross violation of the commitment to international cooperation and mutual respect upon which FATF members have agreed to implement and support.

In light of the aforementioned, the FATF has decided to suspend the FATF membership of the Russian Federation.

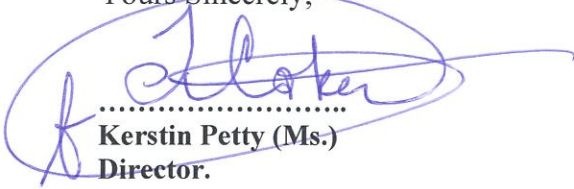
The Russian Federation remains accountable for its obligation to implement the FATF standards as well as its financial obligations. The FATF will monitor the situation and consider at each of its Plenary meetings whether the grounds exist for lifting or modifying these restrictions.

The FATF continues to call upon all jurisdictions to remain vigilant of the threats to the integrity, safety and security of the international financial system arising from the Russian Federation's war against Ukraine.

The FATF Public Statement is attached in its entirety and can also be accessed via the link below. It contains relevant information that each regulated entity, as part of the implementation of its risk-based approach, should be aware of.

<https://fsrc.kn/advisories>

Yours Sincerely,



.....
Kerstin Petty (Ms.)
Director.

FATF Statement on the Russian Federation

Paris, 24 February 2023 - One year after the Russian Federation's illegal, unprovoked and unjustified full-scale military invasion of Ukraine, the FATF reiterates its deepest sympathies for the people of Ukraine and continues to deplore the huge loss of lives and malicious destruction caused by the Russia Federation's ongoing brutal attack on Ukraine. The FATF acknowledges the United Nations General Assembly Resolution ES-11/1 which demands that the Russian Federation immediately, completely and unconditionally withdraw all of its military forces from the territory of Ukraine within its internationally recognized borders.

The FATF strongly condemns the Russian Federation's war of aggression against Ukraine. Over the past year, the Russian Federation has intensified its inhumane and brutal attacks targeting critical public infrastructure. The FATF is also deeply concerned by the reports of arms trade between the Russian Federation and United Nations sanctioned jurisdictions, and malicious cyber-activities emanating from Russia.

The Russian Federation's actions unacceptably run counter to the FATF core principles aiming to promote security, safety, and the integrity of the global financial system. They also represent a gross violation of the commitment to international cooperation and mutual respect upon which FATF Members have agreed to implement and support the FATF Standards. Considering the above, the FATF has decided to suspend the membership of the Russian Federation. The Russian Federation remains accountable for its obligation to implement the FATF Standards. The Russian Federation must continue to meet its financial obligations. The Russian Federation will remain a member of the Global Network as an active member of the Eurasian Group on Combating Money Laundering (EAG) and retain its rights as an EAG member. The FATF will monitor the situation and consider at each of its Plenary meetings whether the grounds exist for lifting or modifying these restrictions.

The FATF continues to call upon all jurisdictions to remain vigilant of threats to the integrity, safety and security of the international financial system arising from the Russian Federation's war against Ukraine. The FATF reiterates that all jurisdictions should be alert to possible emerging risks from the circumvention of measures taken in order to protect the international financial system and take the necessary measures to mitigate these risks.

The FATF again expresses its sympathies to the people of Ukraine, who have borne a terrible burden at the hands of the Russian Federation's war of aggression. The FATF reflects the thoughts of the entire international community in hoping that this is the year that returns them to safety, peace, and prosperity.