



# EU AML / CFT GLOBAL FACILITY

EDITION 20 - MAY 2026

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**Elisa de Anda Madrazo**  
President of the Financial Action Task Force (FATF)

In 2014, the FATF was the **1<sup>st</sup> international body to alert the world to both the opportunities and the risks that virtual assets (VAs) posed for the integrity of the global financial system.** By 2018, we had issued the first international standards in the field. But a standard is only the beginning. It only delivers results when implemented - effectively, and at scale.

That implementation gap is where the real work happens, and where partners like the EU Global Facility on AML/CFT prove indispensable. Countries cannot face this challenge alone. The very nature of VAs -borderless, fast-evolving, technology-driven- means **any jurisdiction left behind becomes a vulnerability for the entire ecosystem.**

Today, the risks of money laundering and terrorist financing through VAs are no longer emerging. They are real, substantive, and growing.

But so is our collective response.

**Each year, FATF assessments show measurable progress:** investigations advancing, assets being recovered, and authorities demonstrating more operational capacity.

What we witnessed at the regional conference in Mexico City this March is precisely this dynamic at work: 18 Latin American countries, alongside GAFILAT, EL PACCTO 2.0 and the FATF, together translating standards into practice.

My sincere thanks to the EU Global Facility for convening this dialogue, and for the broader work it does to ensure no jurisdiction is left behind on the path to compliance.

**Read her Q&A on page 4**

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18 Countries, 1 Mission: Latin America Tackles Illicit Finance in the Virtual Asset Era

# Where we worked

February – May 2026



**EU AML / CFT**  
GLOBAL FACILITY

## Ukraine

- 2 onsite training on FATF Rec 8 and BO (Legal Persons & Legal Arrangements)
- 3 e-workshops on Beneficial Ownership
  - Introduction of the EU GF's LP/LAs Risk Assessment methodology
  - Support for the development of BOR of Trusts
  - Support for the development of Register of Accounts

## Kyrgyzstan

- E-workshop on Asset Recovery Investigation for Law Enforcement Agencies
- E-training on FATF Rec 8

## Bhutan

- 2 e-workshops on FATF Rec 8
- 2 e-workshops on Regulation (gap analysis and sectorial RA methodology framework for DNFBPs)
- 2 onsite workshops on Rec 8 and Intelligence to Evidence (see p.7)

## Sri Lanka

Outreach mission

## Maldives

Scoping mission

## Vanuatu

Launch of technical assistance:  
e-workshop on Trusts and BO

## APG Region

Development of a Handbook on Regional Proliferation Financing Risks in Southeast Asia  
Joint with EU P2P and APG

## Tanzania

Participation in the ESAAMLG Plenary

## Mauritius

Onsite public presentation of the Not-for-Profit Organisations sectorial RA on FATF Rec 8  
Onsite training on FATF Statistics

## Jordan

Working meetings on BO Register Information System (BORITS)

## Belgium

4th Meeting of the Senior Advisory Group of the EU AML/CFT Global Facility

## Mexico

Regional Conference on AML/CFT and Virtual Assets  
- joint with GAFILAT, EL PACCTO, GIZ, Mexico's UIF  
(see p. 5-6)

## Peru

Pilot training on the Storytelling project - joint with GAFILAT  
(see p.8)

## GAFILAT Region

2 webinars on "How to use storytelling for mutual evaluations" - joint project with GAFILAT  
(see p.8)

# Q & A



## Interview of Elisa de Anda Madrazo President of the FATF (2024–2026)

On the sidelines of the regional conference on AML/CFT and Virtual Assets in Mexico City this March, the EU Global Facility caught up with FATF President Elisa de Anda Madrazo to discuss a decade of standard-setting on VA, the persistent challenges countries face in implementation, and why technical assistance has never been more critical.

### **The FATF began alerting countries to virtual asset risks more than a decade ago. How has that journey unfolded?**

EM: The first step was to alert. That was back in 2014, when the FATF recognised both the opportunities virtual assets offered and the risks they posed: a niche being exploited by criminals to launder money and finance terrorism. In 2018–2019, we issued the first international standards in this area. **We were the first international body to do so.** But we have always recognised that this is neither the beginning nor the end. A standard only delivers results if it is implemented – effectively and efficiently – by a country. That is where the real challenge lies.

### **What are the main challenges countries face in implementing the FATF standards on VAs?**

EM: There are three. **The first is regulatory arbitrage.** Some countries are regulating, supervising, requiring suspicious activity reports to be filed with their financial intelligence units

– and others are not. As long as the global ecosystem has gaps, criminals will find that niche and exploit it to move illicit funds.

**The second is capacity.** VAs pull authorities and public officials out of the regulatory and supervisory environment they are traditionally accustomed to. This requires entirely new skills, and that means technical assistance, collaboration, and sustained capacity-building.

**The third is the speed of evolution.** This is a risk that evolves daily. It compels both authorities and the private sector to be in a continuous process of strengthening their capacities. There is no static endpoint.

### **Are we seeing real progress?**

EM: Yes, and it is significant. Each year, when the FATF assesses how countries are advancing in their compliance with standards, **we see substantial improvement.** The risks of VAs in money laundering and terrorist financing are no longer an emerging risk. They were, a decade ago. Today, they are real, substantive, and growing in impact. But authorities are rising to meet them. We are seeing investigations, asset recoveries involving VAs, and authorities demonstrating the capacity and the tools to combat illicit financial flows in this space. That is a fundamental shift. In 2025, the largest cases in

the news involved precisely this subject matter – and that visibility itself reflects how far enforcement has come.

### **What challenges remain?**

EM: The FATF has identified several, and we are actively working on them. The first is the use of unhosted wallets and peer-to-peer transactions, which sit largely outside the regulated perimeter. The second is virtual asset service providers operating from offshore jurisdictions – a primary challenge that the FATF has just addressed in a newly published report. As authorities continuously upskill, the FATF does the same: we keep monitoring the risk landscape and issuing guidance and reports to make implementation easier for our member jurisdictions.

### **What role does technical assistance play in closing these gaps?**

EM: It is fundamental. Capacity-building for officials, and the technical assistance they receive, is what allows countries to move from adopting a standard on paper to implementing it effectively in practice. **This is why the work of the EU Global Facility matters so much** – and why I extend my sincere thanks for convening this conference with partner organisations including GAFILAT, EL PACCTO 2.0 and the FATF. This is exactly the kind of cooperation the standards demand.

# Mexico City

EU Global Facility, EL PACCTO 2.0, GAFILAT and GIZ convene 18 Latin American countries for landmark conference on AML/CFT and Virtual Assets in Mexico.

How do virtual assets actually work?  
What happens to seized crypto once you have it?  
What role can investigative journalism play in exposing misuse?

These were among the many questions tackled in Mexico City on 10-13 March 2026, when 120+ representatives from 18 Latin American countries gathered for a four-day regional conference on AML/CFT in the virtual asset era.

Co-organised by the EU AML/CFT Global Facility, EL PACCTO 2.0, GAFILAT, the Financial Intelligence Unit of Mexico (UIF), and GIZ, with the participation of the FATF, the conference brought together FIUs, supervisors, prosecutors, law enforcement, and civil society from across the region. The event was formally opened by FATF President Elisa de Anda Madrazo, GAFILAT Executive Secretary Esteban Fullin, UIF Head Omar Reyes Colmenares, and Suvi Roponen, Chargé d'affaires at the EU Delegation to Mexico.

## The full enforcement chain, in 8 modules

Mirroring the FATF methodology for VAs, the conference was structured around 8 thematic modules covering the complete enforcement chain - from risk assessment and supervision through to investigation, prosecution, and asset confiscation.

Among the most innovative sessions: beneficial ownership identification in the virtual asset space, the analytical capabilities required of FIUs handling crypto-related STRs, investigative techniques for tracing virtual assets across borders, and the increasingly critical role of asset management offices in safeguarding seized cryptocurrency.

## Country experiences at the core

The conference's defining feature was its insistence that the best solutions to VA risks come from those who have already faced them. Across four days, GAFILAT jurisdictions at very different stages of regulatory maturity -from early adopters with integrated VA frameworks, to countries still mapping their VA/VASP ecosystems- shared real cases, real obstacles, and real workarounds with their regional peers. This peer-to-peer dynamic reinforced the broader message of the FATF's Mexican Presidency (2024-2026): that progress on virtual assets is collective, or it is nothing. **As long as gaps remain between regulated and unregulated jurisdictions, criminal networks will continue to exploit them.**

[Discover the EU Global Facility's Methodology on Virtual Assets](#)



Over 120 regulators, prosecutors, judges, financial intelligence analysts and law enforcement officers from 18 Latin American countries came together in Mexico City.

## What are they taking home?

We wanted to measure the impact of our conference, so we asked representatives from across Latin America what they were taking back to their jurisdiction after 4 days of discussions. Here were some of their answers (click on the video to hear them all)

Knowledge

Confiscation

Good Practices



Ideas

Strengthening

Enriched

Clarification

Experience



The EU Global Facility responds to demands from the region. It does not come to propose a pre-set agenda or a ready-made solution, but works based on what our countries need. And that is enormously valuable to us.”

Esteban Fullin  
Executive Secretary of GAFILAT

# Bhutan

## One year in: a partnership taking root in the Himalayan Kingdom

When Bhutan joined the EU Global Facility as our second partner country in South East Asia in April 2025, the timeline was clear: with an APG Mutual Evaluation scheduled for 2027-2028, timely technical assistance was of the essence. One year on, the partnership has expanded across multiple FATF Immediate Outcomes (3, 4, 6, 7, 8, 9 and 10) and now spans financial intelligence and the non-financial sector to civil society engagement and beneficial ownership.

### Four online activities, two strategic threads

- **Strengthening DNFBP oversight:** EU Global Facility expert Carmen Pereira led two sessions with Bhutan's FIU and supervisory authorities. On 3 March, she presented a gap analysis on the DNFBP sector (including real estate agents, lawyers, accountants and dealers in precious metals) identifying priority areas to strengthen supervision and risk-mitigation systems.



On 7 April, she walked participants through the EU Global Facility's **Methodology Framework for Sectoral Risk Assessment of DNFBPs**, starting the journey to equip authorities with the tool to conduct the assessment itself.

- **Engaging civil society on NPO risk:** On 9 February, the EU Global Facility team held a preparatory meeting with Bhutanese partners ahead of the formal launch of the NPO Sectoral Risk Assessment, aligning tasks before the first onsite mission in April. On 6 March, our experts met for the first time with representatives of Bhutan's NPO sector, briefing participants on the FATF framework, the APG mutual evaluation process, and the unintended consequences of misimplementation.

### Thimphu touchdown

After months of preparatory work, the EU Global Facility delivered **two onsite workshops** in April 2026.

From 20-21 April, EU GF experts worked alongside Bhutanese authorities, regulators and Civil Society Organisations to advance the **NPO Sectoral Risk Assessment**, under updated FATF Rec 8, progressing data collection and contributing to the drafting of the RA report, expected to be finalised by mid-2026.



On 21-23 April, our flagship **"Turning Financial Intelligence into Court Admissible"** workshop went onsite, one year after its online debut for Bhutan. The sessions gathered representatives from across the entire penal chain - detection, investigation, prosecution and adjudication - around one shared question: what does it actually take for financial intelligence to survive all the way to conviction?

The team also engaged in **bilateral discussions with the leadership of the Royal Monetary Authority** of Bhutan, namely the Governor and Deputy Governor Ugyen Choden to discuss the broader EU Global Facility workplan with Bhutan.

With sincere thanks to the RMA and the EU Delegation to India and Bhutan for their steadfast support.

Learn more about our [work with Bhutan on this page](#)

# Storytelling

## The Logic of Effectiveness: a new approach to GAFILAT Mutual Evaluations

What if the key to a stronger mutual evaluation result wasn't just what a country does, but how it tells the story of what it does?

That is the premise behind a new joint initiative developed by GAFILAT and the EU Global Facility on AML/CFT, designed to support GAFILAT's 18 member countries as they prepare for the 5th Round of FATF Mutual Evaluations.

Building on the FATF Statistics Handbook released in October 2025, (see [Newsletter #18](#)), the project takes the next logical step: helping countries transform robust data into clear, evidence-based narratives that communicate effectiveness to evaluators.

### Why storytelling?

Mutual evaluation teams sift through extensive, highly technical documentation. Storytelling techniques -long established in journalism, public communication and policy- turn that documentation into structured narratives that bridge the gap between raw statistics and demonstrated effectiveness across the 11 Immediate Outcomes. The risk of underestimation due to excessive technicality or narrative gaps is significantly reduced.

"Countries can have strong systems in place and still struggle to demonstrate effectiveness in a mutual evaluation. This course is about closing that gap: not by doing more, but by communicating better."

Esteban Fullin - Executive Secretary of GAFILAT

The project is delivering:

1. A methodological guide on data storytelling for AML/CFT evaluations
2. A pilot in-person workshop in Lima, Peru (see below)
3. Regional webinars for all 18 GAFILAT countries
4. A permanent course on the GAFILAT Campus training platform, ensuring long-term sustainability across the region.

### Lima Pilot Workshop | 16-17 March 2026

Lima hosted the project's pilot workshop in March, bringing together Peruvian representatives to test the methodological materials in practice. Roughly 85% of the time was dedicated to practical case studies: a hands-on approach that sets this training apart in the AML/CFT capacity-building space.

Participants worked through the full arc of the storytelling challenge: how an evaluator thinks; how to use data rigorously; how to structure an effectiveness demonstration; and how to conduct anticipatory self-evaluation.

Feedback from the Lima pilot directly shaped the regional webinars that followed in April, ensuring the course delivered to the region had been road-tested by peers.



# Long Read

## 18 Countries, One Mission: Latin America Unites to Tackle Illicit Finance in the Virtual Asset Era

© Envato

**C**riminals don't wait for regulators to catch up. In the world of virtual assets, they haven't had to.

With half of Latin American countries yet to regulate the sector and enforcement agencies still building the skills to trace crypto transactions, a patchwork of gaps has given illicit actors exactly the room they need.

To change that, over 120 regulators, prosecutors, judges, financial intelligence analysts and law enforcement officers from 18 Latin American countries came together in Mexico City for a Regional Conference on Virtual Assets and AML/CFT, organised by the EU Global Facility on AML/CFT, EU-funded project EL PACCTO 2.0, GAFILAT, the German cooperation and the Financial Intelligence Unit of Mexico.

The goal: break the silos between those who write the rules and those who enforce them, and build a shared front against crypto-enabled financial crime.

### A Real Risk, Not an Emerging One

Virtual assets know no borders – and neither can the response. The FATF recognised the risks posed by virtual assets as early as 2014 and issued its first standards on the topic in 2018–2019, making it the first international body to do so. But as FATF President Elisa de Anda Madrazo told delegates in Mexico City, setting standards is only the beginning; what matters is effective implementation across every jurisdiction.

*“The risks of virtual assets for money laundering*

*and terrorist financing are no longer an emerging risk. They were a decade ago. Today, it is a real, substantive risk with growing impact.”* — Elisa de Anda Madrazo, FATF President.

She outlined 3 core challenges that the international community must confront head-on: regulatory arbitrage, where criminals migrate to whichever jurisdictions have not yet acted; a capacity gap, as officials are pushed into unfamiliar technological territory; and the relentless pace of innovation, which demands that authorities and the private sector continuously update their skills. The conference was designed to address all three at once.

For Daniel Barra Valenzuela, a specialist investigator at Chile's national prosecutor's office, the breadth of expertise on offer was invaluable.

**“The risks of virtual assets are real, substantive and with growing impact.”**

*“Knowledge doesn't take up space. I am leaving with experience*

*I can implement back home. I particularly valued the presentations from Brazil and Argentina – neighbouring countries with far more advanced practices – and the compliance perspectives I had never had on my radar before.”*

### Breaking Silos: Every Link in the Chain Under One Roof

What set this conference apart was its deliberately multidisciplinary design. Rather than treating regulation, supervision and enforcement as separate conversations, the EU AML/CFT Global Facility brought together every component of the AML/CFT ecosystem: regulators tasked with licensing virtual asset

service providers, financial intelligence analysts tracing suspicious flows, prosecutors building cases for asset seizure, judges adjudicating cases and law enforcement officers on the front lines of crypto investigations. Sessions on beneficial ownership transparency and NGO due diligence added further depth, while a dedicated panel on investigative journalism explored the role of media scrutiny in exposing illicit financial networks.

This whole-of-system approach reflected a conviction shared across the room: virtual assets are not a niche issue for technologists. They cut across every function of the AML/CFT chain. And for participants like Héctor Napoleón Monterrosa, a prosecutor from El Salvador, the cross-cutting programme opened new horizons.

*“We learned a great deal about the use of crypto-assets for terrorist financing and the development of specialised legislation, such as the EU’s MiCA Regulation. It gives us a sense of the direction our own legislation could take.”*



Victoria Prada, a senior supervisor at Peru’s Financial Intelligence Unit, came away with an even sharper takeaway: the proof that enforcement actually works.

*“I have learned how each country has faced what is, at first, an enormous challenge in implementing FATF Recommendation 15. Those best practices leave me with the message that it is possible to secure convictions, and, above all, to recover those assets and bring them back into the legal economy.”*

## Shared Challenges, Shared Solutions

The conference was the product of a growing partnership between the EU and Latin America on anti-money-laundering and counter-terrorist-financing efforts.

For Esteban Fullin, Executive Secretary of GAFILAT, the value of the partnership lies in how it operates. Rather than importing ready-made solutions, the EU Global Facility on AML/CFT has been working on the basis of what countries in the region actually need.

*“The EU Global Facility responds to demands from the region. It does not come to propose a pre-set agenda or a ready-made solution, but works based on what our countries need. And that is enormously valuable to us.”*

Fullin noted that roughly half of Latin American countries have already begun regulating the virtual asset sector, while the other half is still charting the best path forward. With GAFILAT’s fifth round of mutual evaluations now under way –in which virtual assets are assessed at the same level as traditional financial institutions– the stakes for sharing experience have never been higher.

He highlighted the importance of European and international expertise in helping the region navigate what he described as a genuinely novel regulatory challenge.

Sergio Néstor Mola, Attorney General of Argentina’s Prosecution Service, captured the spirit of the week: *“We are taking home a wealth of ideas we can apply in our work tomorrow. And we met people who will facilitate international cooperation: through formal channels, but also the informal ones that are so critical when crypto investigations demand speed.”*

From the prosecutor in Mexico who summed up the event in a single word –vanguardia, staying one step ahead of criminals– to the Ecuadorian banking supervisor who stressed the need for stronger international cooperation on virtual asset oversight, the sentiment was unanimous: no country can face this threat alone, but together, a great deal is possible.

## Watch the Video Wrap-Up



# Coming Up



EU AML / CFT  
GLOBAL FACILITY

In the coming months, the EU AML/CFT Global Facility will continue working with its partner countries, through online and onsite activities.

Take a peak at a few of them below and stay up to date on our [website](#) and [in](#).

## El Salvador / Peru:

Support to both countries will continue, with the rollout of phase 2 of the technical assistance programmes on Virtual Assets Risk Assessments.



## Bolivia

In May 2026, the EU Global Facility will deliver an e-workshop with Bolivian law enforcement, prosecutors, and judges on the use of Special Investigation Techniques against ML/TF networks.

## Sri Lanka:

During summer 2026, the EU Global Facility will deliver 2 onsite activities: one on Mutual Legal Assistance for the Ministries of Justice and Defence, and a dedicated session for the judiciary.



## Maldives:

Following the scoping mission that served to assess the needs of the new partner country in April 2026, technical assistance activities shall begin in the coming weeks.

## The Way Forward

In June 2026, the entire team of the EU Global Facility project will convene in Brussels to reflect on progress, align priorities, and chart the project's strategy for the years ahead. The discussions will shape the operational approach guiding our engagement with partner countries.

## Lebanon

Although recent activities were postponed due to ongoing events, the EU GF remains fully committed to its Lebanese partners. Work will resume with the notarial sector, with a meeting for the next phase of support, including the presentation of the methodological approach for risk-based supervision.

## Regional Workshop on Gambling - APG Region

From 11 to 15 May 2026, the EU GF and the Asia/Pacific Group on Money Laundering will co-deliver a regional workshop on AML/CFT in the gambling sector, bringing together regulators, supervisors, and sector stakeholders from across APG member jurisdictions.



THE EUROPEAN UNION'S GLOBAL FACILITY ON  
ANTI-MONEY LAUNDERING AND  
COUNTERING THE FINANCING OF TERRORISM

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