EU AML / CFT
GLOBAL FACILITY

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Newsletter

Of the Importance of Storytelling

"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, GAFILAT Executive Secretary

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

That was the premise behind **The Logic of Effectiveness: Storytelling applied to Mutual Evaluations** – a joint initiative from GAFILAT and the EU Global Facility on AML/CFT, designed to help GAFILAT's 18 member countries prepare for the 5th Round of FATF Mutual Evaluations.

Building on the FATF Statistics Handbook (see Newsletter #20), the course teaches countries to transform robust data into evidence-based narratives evaluators can actually follow.

Storytelling techniques -long used in journalism and policy – turn that documentation into **structured narratives bridging the gap between raw statistics and demonstrated effectiveness** across the FATF's 11 Immediate Outcomes. This significantly reduces the risk of a country being underestimated simply because its results were never told well.

Watch the video to learn more about the course.

Reach out to us at info@global-amlcft.eu to learn more.

IN THIS ISSUE

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EXPERTISE FRANCE
GROUPE AFD
giz Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
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Where we worked

May - August 2026

Caribbean

CFATF: Presentation on "Turning financial intelligence into evidence – the EU Global Facility approach" to CFATF

CUBA: Support to the preparation of the onsite visit of GAFILAT evaluators ahead of mutual evaluation

Latin America

BOLIVIA: E-training on Special Investigation Techniques

EL SALVADOR: E-workshop on the methodology for VAs risk assessement

PERU: Participation in the GAFILAT Plenary
Regional workshop on FATF Revised Rec 8
Workshop on Virtual Assets and VASPs risk assessment

Europe

BELGIUM: Contribution to EU Crime Fighting Week

FRANCE: Presentation of the EU GF-COFICERT partnership on microfinance

MALTA: Presentation of the EU GF/EBRA partnership on BO at the EBRA Conference

MOLDOVA: Support for DNFBPs RA

UKRAINE: Review of Ukraine's NPO RA
Support to self-assessment on IO4

Middle East & North Africa

LEBANON: Support for notarial sector risk-based supervision

SYRIA: Joint SIGMA-EU GF scoping mission

Sub-Saharan Africa

ANGOLA: Legal review of Angola's draft BO Regulation
Development of BOR IT functional and technical specifications
Angola's study visit to Belgium on the BOR

MALAWI (see p.4): Publication of the LP/LA Risk Assessment

Central Asia

AZERBAIJAN: Participation in the Egmont Group Plenary meeting

KYRGYZSTAN (see p. 5): Continued Rec 8 support
Support on the RA on VAs and VASPs
E-workshops on VA Investigation
Support on BO including (i) Launch of LP/LA RA support, (ii) Workshop for the FIU, Ministry of Justice and Tax Office, (iii) BO Guidance for Companies
Support on the national AML/CFT/TF/PF Strategy

Asia Pacific

APG: Regional e-workshop on the gambling-sector RA
Participation in the APG Plenary session

BHUTAN: Continued Rec 8 support
Support on the DNFBPs RA methodology
Launch of tailored methodology on IOs 4 & 6
Workshop for the real estate sector

CAMBODIA: Preparatory mission for TA follow-up

MALDIVES: Continued Rec 8 support and outreach
Support on BO including (i) Launch of BO Framework Assessment & draft Trust Law review, (ii) Global BO Guidance Template, (iii) LP/LA RA and BOR training
Support for DNFBPs incl. (i) Legal review (ii) RA workshop
Support for implementing Rec 15 and IO3
Training on financial investigation techniques in complex ML/TF cases

SRI LANKA (see p.6) : Legal Review of the gambling regulations and workshop on AML/CFT obligations for gambling supervisory authorities and casinos
Training on Financial Crimes Adjudication
Training on Mutual Legal Assistance for the justice sector

THAILAND: Outreach mission

** BO: Beneficial Ownership | BOR: BO Register | DNFBPs: Designated Non-Financial Businesses and Professions | IO: Immediate Outcome (FATF) | LP/LA: Legal Persons and Legal Arrangements (BO) | RA: Risk Assessment | Rec: Recommendation | RA: Risk Assessment | TA: Technical Assistance | VA: Virtual Assets | VASP: Virtual Asset Service Provider*

Malawi

Malawi completes its Beneficial Ownership Risk Assessment

Two years in the making, this success of the national task force was supported throughout by the EU Global Facility's Beneficial Ownership team of experts.

In June 2026, Malawi officially completed its Legal Persons and Legal Arrangements (LP/LA) Risk Assessment — becoming the second country in the ESAAMLG region, and the fifth worldwide, to do so using the EU Global Facility's methodology.

Lilongwe, April 2024: the first step

The partnership began two years earlier, with a scoping visit and initial training with Malawi's Financial Intelligence Authority (FIA) and its public and private stakeholders. Dr Jean Phillipo-Priminta, FIA's Director General at the time, then set out the stakes: *"Malawi faces the persistent threat of financial crimes, necessitating a concerted effort to combat illicit activities through enhanced transparency on BO."*

Building the toolkit, building the team

Four months and numerous online working sessions later, the EU Global Facility returned to Lilongwe for two intensive training: one on the LP/LA Risk Assessment methodology itself, for the 25-strong national working group who would go on to carry it out; the other, a multistakeholder outreach exercise drewing more than 150 participants, onsite and online.

"This week brings together two distinct yet interconnected building blocks of a country's BO disclosure framework," said Alexandre Taymans, then-Key Expert on BO for the EU Global Facility.

Two years of national ownership

From there, Malawi's own task force carried the process forward: mapping the risks, assessing threats, vulnerabilities and mitigating factors, and defining the measures and recommendations that followed, with EU Global Facility experts supporting throughout.

"On behalf of the taskforce, I thank the EU GF for the support, and its experts for the invaluable contributions and guidance. It has been instrumental in strengthening our work." — Anita Mankhambo, Task Force Coordinator and FIA Director for Compliance & Prevention

Igor Bereza, the EU Global Facility's Senior Expert on Beneficial Ownership, who led the assessment through to completion, reflected on what sets the approach apart: *"The EU GF's methodology enables countries to carry out this process in a highly autonomous way, building genuine national ownership and long-term sustainability."*

Malawi now joins a small but growing group of countries to have completed an LP/LA Risk Assessment using the EU Global Facility's methodology: Angola (first in the ESAAMLG region), Austria (first evaluated by the FATF using this approach),
Bosnia and Herzegovina and Trinidad and Tobago.

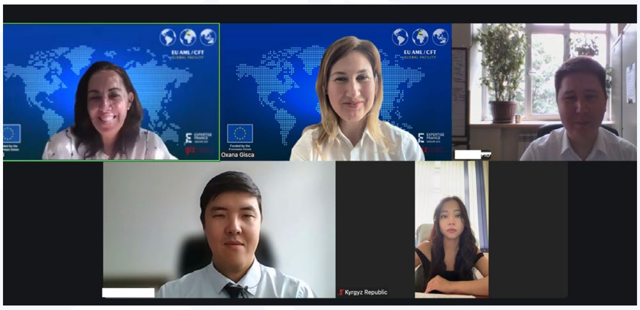
Watch our video to see the methodology in practice, and learn more about our [work with Malawi.]

Kyrgyzstan

A summer of stress-testing, ahead of a Mutual Evaluation

With its EAG Mutual Evaluation approaching in September 2026, Kyrgyzstan used the summer to improve further on every aspect of its AML/CFT framework: virtual assets, FATF Recommendation 8 on the non-profit sector, beneficial ownership, and the national AML/CFT strategy itself. The EU Global Facility on AML/CFT was quick to respond to the request, with numerous activities delivered over the past few months.

Virtual assets, four times over



Between June and July, the EU Global Facility ran a sequence of virtual asset activities: an investigation workshop for law enforcement officers and prosecutors (18–19 June), a roadmap-building session with the FIU on the national VA/VASP Risk Assessment (30 June), a follow up workshop to enhance Law Enforcement Agencies officers requests to VASPs for better information sharing results (29 July), and an expert review of the VA/VASP Risk Assessment itself, aligning it with the EU AML Package, the FATF Recommendations and emerging best practice (30 July).

Beneficial ownership, sharpened for scrutiny

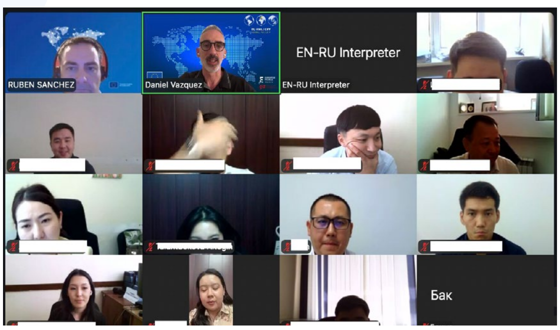
A rapid-response BO training reached FIU, Ministry of Justice and Tax Office staff on 22 July. It was then followed by a session to strengthen the completed LP/LA Risk Assessment's treatment of non-resident-controlled ownership — a risk category a domestic-only assessment can otherwise miss.

Together, these sessions mark a shift from putting the foundational framework in place to pressure-testing it against the exact scenarios a Mutual Evaluation is most likely to probe.

The national AML/CFT strategy under the microscope

On 6 August, EU GF expert Xolisile Khanyile led a comprehensive review of Kyrgyzstan's national AML/CFT Strategy and Action Plan, identifying sharper objectives, risk-based prioritisation, clearer institutional roles, tighter timelines and measurable indicators as the priorities to strengthen ahead of the Mutual Evaluation.

The aim is not simply compliance on paper: a sharper strategy is meant to support long-term institutional development that outlasts the evaluation itself.



With the assessment now weeks away, Kyrgyzstan enters it having tested nearly every part of its framework this summer; not as a box-ticking exercise, but as a genuine working partnership. Our thanks go to the Kyrgyz FIU, the Ministry of Justice, the Tax Office and the national Risk Assessment Working Group for their engagement throughout, and to our experts for a busy and productive few months in the field.

Learn more about [our work with Kyrgyzstan]

Sri Lanka

First time onsite: three activities delivered face-to-face in one summer

This August, in a single fortnight in Colombo, the EU Global Facility held its very first series of onsite activities in Sri Lanka. Three of them, back to back.

- **Financial Crimes Adjudication Workshop (15-16 August):** organised with the Judicial Institute of Sri Lanka, the first activity brought judges from Sri Lanka, Bhutan and the Maldives together to discuss the judiciary's role in tackling money laundering across South Asia and Europe.
  "Sharing experience among professionals from different jurisdictions is essential," said David Hotte, EU GF Team Leader, who also commended the Supreme and High Court judges who travelled from Bhutan and the Maldives to join their Sri Lankan counterparts. On the sidelines, the team held bilateral planning meetings with both delegations, laying the groundwork for similar workshops in their own countries later this year.

- **Mutual Legal Assistance for the justice sector institutions (17 August):** a workshop on the effective use of FATF Recommendation 37 on Mutual Legal Assistance, delivered with Sri Lanka's Ministry of Justice and National Integration and, for the first time, the Japan International Cooperation Agency (JICA). Opening the session, Minister of Justice Harshana Nanayakkara stressed the importance of using existing legal instruments efficiently, with an eye on Sri Lanka's forthcoming APG mutual evaluation.

> "To effectively combat the global circulation of dirty money, transnational crime must be confronted jointly with other countries."

Galia Agisheva - Deputy Head of the EU Delegation to Sri Lanka and Maldives

Galia Agisheva added: *"The EU Global Facility, whose experts are here today with us, is an example of the EU's engagement and commitment to the efforts to combat the global threats of AML/CFT."*

- **Support to reviewing the legal framework on AML/CFT for the gambling sector (19-21 August):** then, a three-day workshop brought together 30 participants from supervisory authorities and casinos to strengthen risk-based supervision of the gambling sector. The training reinforced understanding of the sector's specific ML/TF risks, strengthened supervisory methodologies, and supported closer alignment with FATF requirements and international best practice.

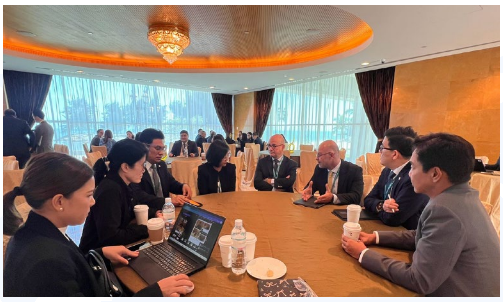
Financial Crimes Adjudication workshop

Mutual Legal Assistance workshop for the justice sector institutions

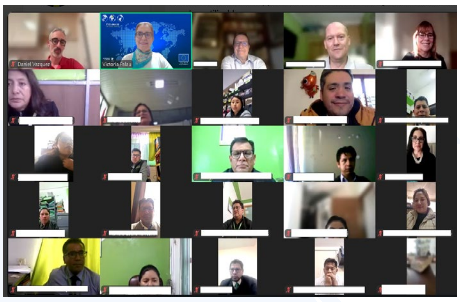
Support to the gambling sector's legal review

Our Summer in Pictures

From a plenary hall in Brunei to an online training in Bolivia, the EU Global Facility's summer stretched across three continents. Here's a small visual glimpse of this season.



Participation in the APG Plenary
(Brunei Dassalam – August 2026)



Workshop on Special Investigations Techniques
(Bolivia – May 2026)

Mission on BO: LP/LA Risk Assessment and BOR training
(Maldives – August 2026)

Regional e-workshop on Gambling for Southeast Asia – joint with APG
(APG – May 2026)

Regional workshop on FATF Rec 8 for Latin America – joint with GIZ and GAFILAT
(Peru – July 2026)

Scoping mission to Cambodia
(Cambodia – August 2026)

Workshop for the FIU on DNFBPs risk assessment
(Bhutan – June 2026)

Long Read

An Overview of Financial Sanctions in Europe and the Associated Risks – and its Implications for FATF Rec 8

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Financial sanctions are among the most consequential tools of foreign and security policy available to states and multilateral bodies. At their core, they operate by freezing the assets of designated individuals and entities and prohibiting the making available of funds or economic resources to them. For charities and non-profit organisations (NPOs) operating internationally — particularly those providing humanitarian assistance in conflict-affected regions — the intersection of financial sanctions regimes with their day-to-day operations represents one of the most acute compliance challenges of the present era.

This article examines the financial sanctions frameworks in three European jurisdictions — England, France, and Germany — focusing on the risks they present to the charity and NPO sector and the implications of those risks for the Financial Action Task Force's (FATF) Recommendation 8 (R8) and its associated Immediate Outcome 10 (IO10). These three jurisdictions were selected on the basis of the relative availability of published enforcement data, regulatory guidance, and relatively recent mutual evaluation findings.

> "For NPOs, the intersection of financial sanctions regimes and day-to-day operations is one of the most acute compliance challenges [...]"

The FATF Framework in the context of sanctions

As a refresher, FATF Recommendation 8 requires countries to identify the features and types of NPOs that are at risk of terrorist financing abuse, and to implement focused, proportionate, and risk-based measures to protect such organisations from being exploited by terrorists. In November 2023, following its October 2023 Plenary, the FATF released significant amendments to R8 and its Interpretive Note. The amendments were designed to address a widespread pattern of misapplication and misinterpretation of R8, which had led states to impose disproportionate measures across the NPO sector as a whole, impeding organisations' ability to operate, access banking services, and pursue their missions. The amendments reaffirm that measures directed at NPOs must be focused, proportionate, and risk-based, and that they must not 'unduly disrupt or discourage legitimate NPO activities.' The FATF simultaneously published updated Best Practices on Combating the Abuse of Non-Profit Organisations to guide states, the NPO sector, and financial institutions in applying the revised standard. [1] In July 2025, the FATF introduced a further new procedure to allow countries, the International Monetary Fund, and the World Bank to raise concerns about unintended consequences arising from a jurisdiction's misapplication of the Standards in ways that disrupt legitimate NPO activity. [2]

Immediate Outcome 10 (IO10) sits within the FATF's effectiveness framework and is directly engaged by R8. IO10 measures whether 'terrorists, terrorist organisations and terrorist financiers are prevented from raising, moving and using funds, and from abusing the NPO sector.' Unlike technical compliance with R8 — which asks whether the correct laws and systems exist — IO10 asks whether they actually work. A jurisdiction may be technically compliant with R8 but rated low on IO10 if its supervisory framework fails to produce tangible results.

The relationship between R8 and IO10 is significant in the context of financial sanctions: sanctions screening by charities and NPOs forms part of the practical architecture through which IO10 is achieved. An NPO that unknowingly transfers funds to a designated individual has failed in its obligations; a state that has not adequately guided or supervised the NPO sector may be found ineffective under IO10. Financial sanctions regimes therefore sit at the intersection of technical obligations (the legal prohibition on dealing with designated persons) and effectiveness outcomes (whether the NPO sector is genuinely protected from abuse). The FATF commenced its 5th round of mutual evaluations in 2024 under a revised 2022 Methodology, which places greater emphasis on real-world outcomes. [3] How jurisdictions are rated under IO10 in this round will depend, in part, on the quality of their engagement with — and supervision of — the NPO sector on sanctions compliance.

A comparative jurisdictional analysis

- ### The United Kingdom

Following the United Kingdom's withdrawal from the European Union, the primary legislative basis for financial sanctions in the UK is the Sanctions and Anti-Money Laundering Act 2018 (SAMLA 2018). SAMLA 2018 provides the framework enabling the UK to impose, implement, and enforce sanctions regimes by way of statutory instrument, and it grants HM Treasury and the Secretary of State powers to designate individuals and entities. The substantive prohibitions, including the prohibition on making funds or economic resources available, directly or indirectly, to or for the benefit of a designated person, are contained in the relevant regulations made under SAMLA 2018, of which there are many, covering Russia, Iran, North Korea, and a range of thematic regimes including the Global Human Rights and Global Anti-Corruption sanctions. Responsibility for administering and enforcing UK financial sanctions rests with the Office of Financial Sanctions Implementation (OFSI), established within HM Treasury in 2016.

SAMLA 2018 and the UK sanctions framework apply across England, Scotland, Wales, and Northern Ireland. The Charity Commission for England and Wales is the principal regulator for registered charities in England and Wales and has a role in supporting the sector's understanding of financial sanctions obligations, operating alongside OFSI.

Risk and Enforcement

OFSI has published specific guidance for charities and NGOs, noting that the global nature of charitable operations frequently exposes the sector to transactions involving individuals or regions subject to financial sanctions. [4] It is a strict liability matter to make funds or economic resources available to a designated person without a licence: intent is not an element of the civil liability. Charities that wish to operate in sanctioned jurisdictions or to engage with counterparties proximate to designated persons must apply to OFSI for a licence — the humanitarian licence being the most commonly sought by the sector.

Enforcement data from OFSI's most recent annual review illustrates the growing significance of the regime. According to OFSI's Annual Review 2024-25, as of April 2025 OFSI had 240 active cases, with a growing proportion identified through non-self-reported sources: 151 cases in 2024-25 were identified through proactive intelligence-led means, up from 108 in the preceding period. In 2024-25, a total of 57 enforcement actions were taken, including monetary penalties, warning letters, disclosures, and referrals. Of particular note for the sector, disclosures were issued against three charities during the same period, reflecting that enforcement is no longer confined to financial institutions and professional services firms. In the counter-terrorism context specifically, 16 new breach cases under all Counter-Terrorism Regimes were actively pursued by law enforcement or HM Treasury in 2024-25. [5] In the 2023-24 review period, OFSI added 564 new designations and recorded 396 enforcement cases, a decline from 473 in 2022-23, with the majority of cases attributable to the financial services sector. [6]

The risk profile for charities is distinctively shaped by their operational context ...

Interested to read more?

[Head to the full article on our website]

Coming Up

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In the coming months, the EU AML/CFT Global Facility will continue working with its partner countries, through online and onsite activities.
Take a peek at a few of them below and stay up to date on our **website** and in .

Moldova:

Support to the partner country will continue on a number of topics including Mutual Legal Assistance, DNFBPs Risk Assessment and self-assessment on IO6, among others.

Kyrgyzstan:

Technical assistance will continue in light of the partner country's upcoming evaluation. This includes two onsite missions on Beneficial Ownership and FATF Recommendation 8 scheduled in September/October.

Argentina:

The partner country will host two major regional events in November: the Standards Training Course of the FATF Training Institute -supported by the EU GF and GAFILAT- and the Regional Conference on Proliferation Financing, organised jointly by the EU GF, the EU P2P project and GAFILAT.

Financial Intelligence to Evidence

The EU Global Facility will continue to deliver its flagship workshop on "Turning Financial Intelligence into Court-Admissible Evidence" to partner jurisdictions in need of such support, including Bolivia, Maldives and Vanuatu.

Support Resumes in Lebanon

The EU GF is pleased to announce it resumed its technical assistance to Lebanon, following a temporary halt due to recent events. With a kick-off meeting held in August 2026, support to the notarial sector will continue in the coming months.

Storytelling - APG Region

Following the overwhelming success of "The logic of effectiveness: Storytelling applied to mutual evaluations" developed in cooperation with GAFILAT, the EU GF will roll out its programme to other FSRBs, with discussions already initiated with the APG.

THE EUROPEAN UNION'S GLOBAL FACILITY ON

ANTI-MONEY LAUNDERING AND COUNTERING THE FINANCING OF TERRORISM

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