This brief is ‘work in progress’ with the intention of frequently updating it. It is prepared under the Myanmar Development Observatory of UNDP. Kindly only share within your organisation. For comments and questions, kindly reach out to the CPG Secretariat.

Version: 25 November 2022

Myanmar and the FATF

On October 21, 2022, the Financial Action Task Force (FATF) officially announced that Myanmar would be added to its blacklist, joining Iran and North Korea as the only other two countries on the list and signalling further economic isolation.[i] The FATF, a Paris-based international money laundering and terrorist financing watchdog, said that Myanmar had missed deadlines and not appeared to make any progress to strengthen its anti-money laundering and countering the financing of terrorism (CFT) regime.[ii]

Although being blacklisted does not necessarily trigger sanctions; financial institutions, intermediaries, and other institutions regulated for financial crime purposes (e.g., lawyers) in FATF member countries are requested by the FATF to conduct enhanced due diligence when operating with organisations and people within in Myanmar. Moreover, due to the interconnectedness of the global financial system and corresponding banking links, nearly all countries are signed up to the FATF system so should be requiring enhanced due diligence. The 39 official member countries of the FATF have the biggest financial centres and are, therefore, crucial for Myanmar accessing the global financial system but most countries are signed up to the FATF system and, in theory, should be requiring enhanced due diligence.[1] For example, Thailand is not an FATF member but are a member of an FATF regional body so should implementing countermeasures.

If countries are implementing the FATF standards properly, then they should be requiring enhanced due diligence on Myanmar-related business relationships and transactions (i.e. this is not optional). However, where there is some optionality is in: (1) the timing and (2) the nature and extent of enhanced checks. The additional issue that’s worth considering is that enhanced due

[1] The 39 member countries are China, India, United States, Indonesia, Brazil, Russia, Mexico, Japan, Turkey, Germany, United Kingdom, France, Italy, South Korea, Spain, Argentina, Canada, Saudi Arabia, Malaysia, Australia, Netherlands, Belgium, Sweden, Greece, Portugal, Israel, Austria, Switzerland, Hong Kong, Singapore, Denmark, Finland, Norway, New Zealand, Ireland, Luxembourg, and Iceland.

diligence costs more, so there is a danger that financial institutions simply decide to close relationships with clients based on a cost-benefit analysis.

This research brief assesses the potential implications of FATF blacklisting on private and development sector organisations in Myanmar and recommends ways to mitigate the risks. It will utilise a comparative case study approach of Iran, who are also blacklisted, and Pakistan, who were recently removed from the grey list, supplemented by secondary research and interviews with key stakeholders.

Background

In February 2020, Myanmar made high level political commitments to work with the Financial Action Task Force (FATF) to strengthen the effectiveness of its anti-money laundering (AML), countering the financing of terrorism (CFT), and financing of weapons proliferation (CPF) regime and address any related technical deficiencies. At that point, it was added to the grey list, as a country requiring increased monitoring. In June 2022, the FATF, again, strongly urged Myanmar to complete its action plan by October 2022. However, insufficient progress was made according to the FATF, and Myanmar was added to the blacklist. This means that financial institutions and other regulated sectors (e.g., lawyers) in FATF member countries are requested to apply enhanced due diligence for transactions and business relationships that involve Myanmar citizens or entities.[iii]

The FATF released its Mutual Evaluation Report for Myanmar in 2018 and has subsequently published several follow-up reports, as well as publishing short statements on Myanmar's progress against its grey/black-listing action plan.[iv] The reports have cited deficiencies in various areas, for example, the limited licensing requirement for casinos to operate in Myanmar. The FATF said that this meant that there was no legal or regulatory measure to prevent criminals from operating a casino, making them potential money laundering hotspots. Casinos in border zones, particularly in Karen State, have increased since the coup. It is also anticipated that the move stemmed from concerns over illicit cross-border trade, which has also been increasingly linked to human trafficking and forced labour.[v] These have increased since February last year alongside drug trade and trafficking.[vi]

Myanmar was previously on the FATF blacklist from 2011 to 2016 but was removed under the NLD government as US sanctions were also lifted in a bid to improve democratic and economic progress.[vii]

What is the FATF?

The Financial Action Task Force is an inter-governmental organisation with a mandate of preventing illegal activities surrounding money laundering, terrorism financing and weapons proliferation financing. The FATF is a policy-making body that sets standards that countries are expected to implement. The FATF monitors countries to ensure they implement the FATF standards fully and effectively and hold countries to account if they do not comply.

The FATF has a blacklist which contains a list of countries that are considered non-cooperative in the effort to combat money laundering and financing of terrorism. Similarly, the grey list sets out countries with deficiencies in their AML/CFT controls but have committed to addressing shortcomings. Due to the potential increased risk of money laundering or terrorist financing that countries on the grey or blacklist present, most financial authorities require firms to have suitable risk management procedures in place to mitigate that threat. Firms subject to these requirements must screen customers against the FATF lists during onboarding and monitor their transactions accordingly.

What did the FATF say?

The FATF's review of Myanmar's financial system found inadequate precautions and safeguards to prevent criminals from running casinos and other non-financial businesses requiring special precautions, such as property agents and gem dealers. These professions are often associated with money laundering. The FATF also cited weak supervision by the CBM of money changers, non-bank financial institutions, and mobile financial service providers.[viii]

With the blacklisting, the FATF said that Myanmar should continue to work on implementing its action plan to address deficiencies. This included a list of eight steps, mainly surrounding the prevention of money laundering such as ensuring *hundi* operators are registered and supervised, enhanced investigation and prosecution of money laundering offences, and seizing and confiscating criminal assets.[ix] Other actions relate to strengthening risk understanding, improving the utilisation of financial intelligence, and adopting an effective system to rapidly implement targeted financial sanctions relating to weapons proliferation financing

The FATF is an intergovernmental organisation whose role is to conduct research and produce policy advice and advocacy for government's, financial regulators, financial institutions, and other regulated professions in FATF member states and other jurisdictions. It does not, however, have any legal or regulatory mandate of its own. Rather, financial regulators and supervisors in FATF member countries and other jurisdictions should follow the FATF's calls for action and regulate their financial institutions to do the enhanced due diligence. Regulatory bodies in FATF countries have legislative power and can formally regulate that financial institutions conduct enhanced due diligence. Although some are better and quicker at implementing these requirements.

Interestingly, the FATF did not request upon its members to undertake countermeasures against Myanmar, as they did in the case of Iran and North Korea. Potential countermeasures that could be advised range from specific elements of enhanced due diligence and systematic reporting of transactions involving the jurisdiction, to a limitation or prohibition of financial transactions with the jurisdiction.[x]

The FATF recommendations state that financial institutions should examine, as far as possible, the background and purpose of all complex, unusual, and large transactions, and all unusual patterns of transactions, which have no obvious economic or lawful purpose. This means that financial institutions should increase their monitoring of business relationships to determine whether the transactions appear to be unusual or suspicious. This could include financial institutions operating with people and entities in Myanmar doing the following:

- Obtaining additional information on customers regarding their occupations, assets, and their sources of assets and funds.
- Obtaining additional information relating to business relationships between clients.
- Obtaining additional information on the reasons for transactions.
- When obtaining this additional information, institutions should use a variety of robust sources, including news and media. Financial institutions could also commission intelligence reports on customers to understand their relationships and activity.

The SAC, who sent a delegation to the hearing held in Paris on October 20 and 21, said they were not concerned about the ruling and that the Central Bank had planned projects which would get it off the blacklist in one year.[xi] It is worth noting, however, that it tends to take countries considerably longer to exit the FATF's public lists.

What are the implications of blacklisting?

Although being put on the blacklist does not entail any legal sanctions, financial intermediaries, and organisations from the 39 member countries of the FATF are requested to conduct enhanced due diligence when operating with firms and individuals based in Myanmar.[xii] This could potentially inhibit the amount of trade and investment coming into Myanmar as the cost of due diligence becomes too high or due diligence finds adverse findings related to money laundering or terrorist financing. For example, in Iran, following the blacklisting in 2020, IMF estimates suggest Iran fell into a trade deficit of $3.45 billion in 2020. The country had a trade surplus of $6.11 billion in 2019.[xiii] *The FATF did, however, say that countries should ensure that the flow of funds for humanitarian assistance, NGO activity, and remittances are not disrupted.*[xiv]

The Kyat instantly plummeted on the news, falling to 6,000 MMK to $1 but quickly stabilised to around 3,200 MMK on October 23.[xv] If trade and investment does decrease due to the blacklisting, it will put additional pressure on the exchange rate and lead to continued inflation.

Iran and North Korea are the two other countries on the FATF blacklist. North Korea has been on the blacklist since February 2011 whilst Iran was added in February 2020. The case study box below explores what happened in Iran following the blacklisting and analyses any potential lessons and implications for Myanmar.

What does blacklisting mean? What happened in Iran

Iran was blacklisted in February 2020 as the country failed to ratify and implement the Palmeiro and Terrorist Financing Conventions. These were international law enforcement models adopted by the UN General Assembly to counter terrorism financing.[xvi] However, the Iranian government failed to implement these and was subsequently blacklisted.

Following the blacklisting, Iran experienced a sharp depreciation in its currency as foreign currency earnings and foreign currency inflows slowed significantly.[xvii] Iran's blacklisting followed heavy US sanctions imposed in a bid to encourage nuclear negotiations. This was already having a heavy toll on trade, investment, and economic growth within the country. However, a spokesperson from a state-affiliated news agency said that the blacklisting is exacerbating these damaging consequences on the entire economy, causing a surge in the price of trade, loss of export earnings, and countries and organisations being unwilling to work with Iran. In 2020, Iran's economy shrank by 5% following steady increases in the three years prior. World trade also fell into a deficit of $3.45 billion in 2020 despite a surplus of $6.11 billion in 2019 as currency depreciation and reduced trade weighed on the economy.

The President, Hassan Rouhani, has long supported the FATF and said blacklisting was Iran's second most fundamental problem after US sanctioning.[xviii] Rouhani has attempted several times to support the FATF and his parliament passed four bills regarding the FATF, however, only two of these were cleared by the Guardian Council.

Whilst Rouhani argues that this is the second most damaging thing to the Iranian economy, others have argued that the impact of US sanctions is so damaging that the FATF listing has very little bearing. The prevalence of US dollars in international trade, the non-convertibility of the Iranian Rial, and the heavy sanctioning of the Iranian economy by the US means Iran cannot access dollars for trade. US sanctions on Iran mean that US companies cannot invest or trade with Iran in amounts of more than $20 million annually. This means that Iran has had to increasingly rely on a barter trade system while the country lost $60 billion in energy investment and imports are 24 per cent more costly on average.[xix]

However, despite being an FATF member state, the blacklisting in Iran did not deter Chinese investment and trade. China is Iran's largest trading partner and a major source of investment. China even increased the amount of crude oil it imported from Iran in both 2020 and 2021. Trade between the two countries amounts to over $20 billion annually and accounts for around 20 per cent of Iran's total trade volume.

Myanmar is in a different position to Iran. Although military-affiliated companies have already been heavily sanctioned, the whole economy has not, nor is there a recent past of UN Security Council sanctions, as it was the case for Iran until the Joint-Comprehensive Plan of Action (JCPOA) was signed in 2015. Organisations and countries remain free to trade with organisations in Myanmar. This is likely to mean that the FATF listing may have more of an impact on the Myanmar economy.

However, like Iran, Myanmar's largest trading partner is China at 32 per cent of total trade volume, and then Thailand, totalling 18 per cent of total trade volume.[xx] Myanmar primarily exports petroleum gas into China, accounting for 25 per cent of volume, followed by metals, minerals, and agriculture produce. Although China is a FATF member state whose financial institutions are requested to conduct enhanced due diligence, it remains the largest trading partner of both Iran (20% of total trade volume) and North Korea (approx. 85% of total trade volume).[xxi] Therefore, the FATF requests to conduct enhanced due diligence do not seem to have much bearing on China's trading decisions.

Thailand is Myanmar's second largest trading partner and whilst not an FATF member country, it is a member of the FATF regional body for the Asia Pacific. In July 2021, Thailand updated their regulatory system with regards to FATF listings and imposed an obligation on reporting entities to apply enhanced due diligence to mitigate the risk associated with countries identified as high-risk areas. However, the level of due diligence required is at the discretion of the reporting entity. In October 2022, Thailand's financial regulators updated its high-risk country list following Myanmar's blacklisting. Myanmar was the only country deemed a level 2 which is jurisdictions subject to enhanced due diligence measures. Iran and North Korea are both level 1 which are countries subject to a call for action. Therefore, Thailand has updated its position regarding Myanmar but has not released any information on what this means in practice and how quickly changes will be implemented. It is also worth noting that Myanmar's position is not as severe as that of Iran and North Korea.

A potential implication of this would be an increase in the prevalence of cross-border and informal trade. The coup and subsequent heavy-handed currency controls have already seen border trade increasing. Estimates put border imports from Thailand into Myanmar between $1.5-2 billion a year. If Myanmar entities are subject to enhanced due diligence when conducting formal trade, then this figure is likely to increase to bypass regulations. This will keep money away from official records and limit available tax and duties. Likewise, consumers can also suffer as goods traded through informal routes will not be subject to the same quality control requirements and unofficial exchange rates will be used, making imports more expensive and prices more volatile.

One sector that could be affected is garments. This sector has benefitted greatly from Myanmar's comparative advantage in having a cheap and skilled labour force combined with preferential trade agreements, particularly through the EU's Everything but Arms agreement. In 2019, Myanmar's garment exports to the EU totalled a third of Myanmar's total export value. Garment retailers place garment orders at independently run factories. Garment companies are having to make difficult decisions on whether it is ethical to continue to purchase garments from Myanmar due to alleged human rights abuses and poor labour practices. Some have pulled out due to these issues whilst others have decided to stay as they recognise the importance of their investment in providing jobs and livelihoods. The blacklisting will compound such pre-existing challenges and make pulling out more attractive if due diligence becomes too cumbersome.

However, most foreign banks already undertake substantial due diligence when working with entities in Myanmar. In 2020, the European Union issued its “Action Plan for a Comprehensive EU Policy on Preventing Money Laundering and Terrorist Financing”, under which European banks were advised to practice enhanced due diligence regarding financial transactions in Myanmar. As mentioned, Myanmar benefits from trade agreements with the EU and is Myanmar’s fourth biggest trading partner, accounting for 7.2 per cent of Myanmar’s trade volume.[xxii] Myanmar’s exports to the EU grew by 35.6 per cent in 2019 before falling by 8 per cent and 13.1 per cent in 2020 and 2021 respectively. The fall in 2020 is most likely attributable to the ongoing effects of COVID-19 and the requirement for enhanced due diligence whilst the massive fall in 2021 can be attributed to the political situation.[xxiii]

As many foreign financial institutions and firms are more than likely already undertaking enhanced due diligence in Myanmar, ensuring ethical supply chains will most likely be the most important reason for deciding whether to work in Myanmar or not with the FATF ruling potentially having limited bearing.

One of the key issues for Myanmar potentially would have been the flow of humanitarian aid, non-profit activity, and the flow of remittances. The FATF specifically remarked that when conducting enhanced due diligence, countries should ensure that aid, non-profit activities, and remittances are not disrupted. Funds in the non-profit sector should be more easily manageable. INGOs and development organisations that receive money from abroad can be easily checked and managed by financial institutions which can ensure they are not disrupted. However, as the recommendations are non-binding, national financial regulators might also enforce their own due diligence procedures which could have a potential impact on the flow of aid.

The flow of remittances is more difficult to predict. Estimates from studies on remittances show that up to 92 per cent of international remittances are sent through informal methods.[xxiv] Potentially, this means that because remittances are typically sent informally through a *hundi* system, which is a transfer of value rather than funds, the FATF listing will have little to no impact as financial institutions in member countries have no oversight in this area.[2]

[2] Hundis refers to an informal network of brokers who aid the transfer of money by transferring value rather than cash. For example, if person A needs to send person B, person A would visit hundi A and give them

This means that financial institutions, especially those operating in FATF member countries, will have little to no oversight on remittances and the effect of the listing will be minimal. The problem does, however, lie in the fact that one of the FATF's recommendations is formalising the *hundi* system in Myanmar and attempting to regulate it to ensure it does not contribute to money laundering or terrorist financing. The CBM attempted to do this several times, including, most recently, in April 2022 on the back of FATF recommendations[xxv] However, because informal remittances are so prevalent due to their low cost, convenience, and general inertia will mean that changes to this are unlikely unless cheaper and more convenient alternatives are found.

Response to the listing

The SAC acknowledged the listing but immediately downplayed its implications, saying that Myanmar citizens need not worry and that there are plans to remove Myanmar from the list within a year. The SAC responded with a string of regulations seemingly aimed at responding to FATF recommendations.

On October 31, The Ministry of Commerce introduced new rules for accessing foreign exchange to pay for imports and receiving money for exports and remittances. In a piloting phase involving trade with Thailand, overland importers were instructed to only use foreign exchange earnings from exports and remittances deposited in bank accounts to pay for imports. This would mean that would not need to be converted into MMK, however, it would also constrain imports as it would be difficult to formally find foreign exchange to pay for these. Therefore, the SAC is trying to balance trade through draconian measures. The Department of Trade said that this was being done per the FATF Mutual Evaluation Report, however, there was no mention of this, and it seems a way for the SAC to introduce increasingly draconian laws.

The National Unity Government responded by saying that they are committed to cooperating with international institutions and that the blacklisting sends a strong signal that Myanmar is not a

---

the money and hundi B would give that money to person B. From person A and person B's perspective, the transfer is complete. Hundi A and hundi B would typically be connected through family, friends, religion, ethnicity, etc. and hundi A would then send something of value, for example, supplies for hundi B's shop equivalent to person A's money. It is, therefore, a system of value transfer rather than cash meaning no currency exchange is seen by the government.

reliable place to do business. In terms of how the listing could affect funding the resistance and fundraising abroad, banks will apply enhanced due diligence to transactions involving Myanmar citizens. This could include stringent know your customer requirements and monitoring of accounts to know the nature of transactions. Funds flowing to sources of resistance could potentially be flagged if they do not appear to be legitimate. This could alert the junta as to where funds are flowing and increase the likelihood of arrest.

What happens next?

FATF compliance: what happened in Pakistan?

Pakistan was taken off the FATF grey list during the same meeting in October 2022 following enormous progress in its AML/CFT regime and ensuring this aligned with international best practices.[xxvi] Pakistan was listed in 2018 because of deficiencies in its counter-terrorist financing and was given a programme of reform recommendations that it would have to implement before being unlisted. Overall, the impact of being on the FATF grey list for Pakistan's economy was minimal. As a result of the enhanced due diligence conducted, two large banks, HBL and National Bank of Pakistan, were found by U.S. regulators to have compliance failures and anti-money laundering violations. HBL was fined $225 million in 2017 and National Bank of Pakistan was fined $55 million in 2022.[xxvii]

Pakistan believes being removed from the grey list shows a bout of confidence in the Pakistan economy, improving sentiment from a foreign direct investment perspective, especially after having its sovereign credit downgraded by Moody's.

Overall, being removed from the grey list was the culmination of four years of reforms that saw far-reaching changes to Pakistan's financial system. This has involved specific action to find, target, and prosecute groups and individuals linked with terrorist activity supported by communication and coordination between law enforcement and financial institutions.[xxviii]

The CBM was quick to downplay the impacts of the blacklisting and said that they have an "action plan" for addressing the FATF's review. The CBM added that throughout 2022, Myanmar has made multiple attempts to be compliant with FATF regulations and has met 24 out of 40 recommendations. Its action plan to meet all recommendations and come off the blacklist will be released later this year. The CBM said in a statement on October 22 that Myanmar people also need not worry about it.[xxix] The CBM noted that they had not been subject to countermeasures, as North Korea and Iran are, and that they were successful in coming off the blacklist in 2016.

The key sticking point will be formalising the *hundi* system and remittances. For this to be the case, there needs to be investment, availability, and more relaxed regulation surrounding money transfer services that can be used to formally remit cash from abroad and within the country. Currently, there is strict regulation on who can use services, including proving identification and video capture. Moreover, when remitting funds from abroad, people must use the CBM exchange rates which see them lose a lot of money. Therefore, the CBM needs to develop a better strategy to increase the formality of remittances that incentivises migrant workers to use that instead of the *hundi* system.

One challenge will be the prevalence of undocumented migrant workers being paid through cash in hand who must rely on the *hundi* system to remit funds to Myanmar. However, if there is incentive for documented migrant workers to use formal services to send money back to Myanmar then this could be enough to meet the FATF recommendations.

Conclusion

Overall, the impact of the blacklisting will do little to unseat the junta, instead inflicting some reputational damage whilst Myanmar people bear the brunt. Myanmar was previously on the blacklist until 2016 and was on a positive economic trajectory from around 2011 onwards. Therefore, it is unlikely that blacklisting alone will prove to be the undoing of the junta and precipitate an economic crisis. However, the combination of this, further heavy-handed measures by the SAC to be removed from the list, the potential for firms to reduce dealings in Myanmar, and the possibility of increased formality could put further pressure on an already vulnerable population of citizens.

Whilst the political opposition publicly welcomed the move as a sign of further isolation of the SAC, some of the opposition representatives also privately acknowledge that the measure is not selective and could have unintended consequences, as the ones illustrated above. In terms of diplomatic negotiations, whilst the vote on the recommendation showed a sense of international unity – India and China also supported the backlisting in the sein of the FATF, for example – positions were more nuanced during the discussions that led to the blacklisting decision.

Junta financing through illicit mechanisms will not be affected by the blacklisting, whilst legitimate financial transactions involving citizens may become collateral damage. The blacklisting and enhanced due diligence might also have some indirect impact on Ethnic Armed Organisations. This would be the case for those countries, particularly in the region, which might increase scrutiny on all transactions involving individuals with Myanmar citizenship. Most likely, this would encourage actors to intensify the use of informal and less regulated channels to exchange values (valuable stones, gold, cryptocurrencies).

Foreign organisations that might have been affected by the blacklisting will already be likely to undertake enhanced due diligence when working with entities in Myanmar due to the increased risk and other EU rulings. Enhanced due diligence measures will almost certainly increase the cost of financial transactions and could lead to some firms and entities decide that the cost is too high to continue operating in Myanmar.

Similarly, the FATF has urged that aid and other non-profit activity should not be affected. However, in practice it is likely that the blacklisting will slow aid and funding for civil society as more extensive checks are done on the flow of funds. It could also alert the junta to where funds are flowing and any resistance activities. Whilst remittances are conducted so much through informal channels that it is unlikely that the ruling will have any impact on these as well unless the CBM is able to formalise remittances. Efforts to formalise the *hundi* system by force have not worked very well so incentivising people to use formal methods would be much more efficient.

References

[i] AFP, "Myanmar blacklisted, Russia sidelined by money-laundering watchdog", *The Irrawaddy,* October 22, 2022. https://www.irrawaddy.com/news/burma/myanmar-blacklisted-russia-sidelined-by-money-laundering-watchdog.html

[ii] Financial Action Task Force (FATF), "Jurisdictions under increased monitoring – June 2022", *The FATF,* June 17, 2022. https://www.fatf-gafi.org/publications/high-risk-and-other-monitored-jurisdictions/documents/increased-monitoring-june-2022.html

[iii] *Ibid.*

[iv] FATF, "Mutual Evaluation of Myanmar", *FATF,* August 2022. https://www.fatf-gafi.org/media/fatf/documents/reports/fur/APG-Myanmar-FUR-2022.pdf

[v] Frontier Daily Briefing, "FATF blacklists Myanmar", October 24, 2022.

[vi] Thompson Chau and Dominic Oo, "Myanmar blacklisted by FATF for terrorism and crime finance", *Nikkei Asia,* October 22, 2020. https://asia.nikkei.com/Spotlight/Myanmar-Crisis/Myanmar-blacklisted-by-FATF-for-terrorism-and-crime-finance

[vii] DVB Daily Briefing, October 24, 2021.

[viii] AP News, "Myanmar downplays blacklisting by money laundering watchdog", *AP News,* October 24, 2020. https://apnews.com/article/myanmar-economy-business-money-laundering-crime-af6ae743bd2df3c1aebfd7c7f10da220

[ix] Financial Action Task Force (FATF), "Jurisdictions under increased monitoring – June 2022", *The FATF,* June 17, 2022. https://www.fatf-gafi.org/publications/high-risk-and-other-monitored-jurisdictions/documents/increased-monitoring-june-2022.html

[x] *Ibid.*

[xi] DVB Daily Briefing, October 24, 2021.

[xii] For members, please see the following: https://www.fatf-gafi.org/about/membersandobservers/

[xiii] Abigail Ng, "These 6 charts show how sanctions are crushing Iran's economy", *CNBC,* March 22, 2021. https://www.cnbc.com/2021/03/23/these-6-charts-show-how-sanctions-are-crushing-irans-economy.html

[xiv] Financial Action Task Force (FATF), "Jurisdictions under increased monitoring – June 2022", *The FATF,* June 17, 2022. https://www.fatf-gafi.org/publications/high-risk-and-other-monitored-jurisdictions/documents/increased-monitoring-june-2022.html

[xv] Frontier Daily Briefing, "FATF blacklists Myanmar", October 24, 2022.

[xvi] Financial Action Task Force (FATF), “Jurisdictions under increased monitoring – June 2022”, *The FATF,* June 17, 2022. https://www.fatf-gafi.org/publications/high-risk-and-other-monitored-jurisdictions/documents/increased-monitoring-june-2022.html

[xvii] Perviz S. Khazi, “Consequences of enlisting Iran on FATF blacklist”, *Middles East Online,* March 1, 2020. blacklist

[xviii] *Ibid.*

[xix] Brian O’Toole, “FATF backlists Iran, but does it matter?” *Atlantic Council”,* February 24, 2020. https://www.atlanticcouncil.org/blogs/iransource/fatf-blacklists-iran-but-does-it-matter/

[xx] The World Bank, “Myanmar Trade”, https://wits.worldbank.org/countrysnapshot/en/MMR

[xxi] *Ibid.*

[xxii] https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/myanmar_en

[xxiii] https://webgate.ec.europa.eu/isdb_results/factsheets/country/details_myanmar_en.pdf

[xxiv] Randal Akee and Devesh Kapur, “Myanmar Remittances”, *The International Growth Centre,* October 2017. https://www.theigc.org/wp-content/uploads/2018/06/Akee-and-Kapur-2017-Final-report.pdf

[xxv] https://myanmar.gov.mm/news-media/news/latest-news/-/asset_publisher/idasset354/content/cbm-launches-course-to-issue-remittance-licence-combat-unofficial-hundi-business

[xxvi] MOFA, Government of Pakistan “Pakistan exits FATF grey list”, *MOFA Gov. of Pakistan,* October 2022. https://mofa.gov.pk/pakistan-exits-fatfs-grey-list/

[xxvii] Asif Shahzad and Gibran Naiyyar Peshimam, “Explainer: Pakistan hopes to get off global dirty money watchdog’s grey list”, *Reuters,* October 20, 2022. https://www.reuters.com/world/asia-pacific/pakistan-hopes-get-off-global-dirty-money-watchdogs-grey-list-2022-10-20/

[xxviii] *Ibid.*

[xxix] https://elevenmyanmar.com/news/cbm-assures-no-worries-about-fatf-statement-warns-action-against-currency-market-manipulators#:~:text=The%20Central%20Bank%20of%20Myanmar,and%20regulations%20shall%20face%20action.