

Financial Action Task Force (FATF)

Prelims: *Current events of national and international importance | International Relations*

Why in News?

FATF concluded its Plenary meeting in Paris (October 28-30, 2026), under the UK Presidency of Giles Thomson, announcing measures to combat virtual asset crimes, fraud and scam compounds.

About FATF

- **Established** - 1989, during the G7 Summit.
- **Headquarters** - Paris, France.
- **Nature** - Intergovernmental organisation.
- **Objective** - Combat money laundering, terrorist financing and proliferation financing.

***Proliferation financing** relates to financing weapons of mass destruction (WMDs).*

- **Key role** - Develops international standards through its 40 Recommendations.
- **Membership** - Its Global Network covers over 200 jurisdictions and observers.
 - **Russia's FATF membership suspension continues.**
- **India and FATF** - India became a FATF member in 2010.
 - Key agencies involved include FIU-IND, Enforcement Directorate, RBI, NIA and SEBI.

Key Outcomes of the 2026 Plenary

- **Virtual Asset Regulation** - Accelerated implementation of FATF standards on Virtual Assets (VAs) and Virtual Asset Service Providers (VASPs).
 - Targeted reviews will identify regulatory gaps, with findings expected in June and October 2027.
- **Action Against Fraud** - Elevated fraud and scam compounds as a global priority.
 - Approved a report examining illicit financial flows linked to scam compounds and criminal networks.
- **Changes in FATF Grey List** - Removed Bulgaria, Côte d'Ivoire, Democratic Republic of the Congo and Monaco from increased monitoring following successful completion of action plans.

- **High-Risk Jurisdictions** -

- **Myanmar** - Called for action against extensive fraud and scam activities.
- **Iran** - Called for criminalisation of terrorist financing and targeted financial sanctions.
- **Vietnam** - Expressed concern over slow progress in addressing strategic deficiencies.

- **FATF Grey List vs Black List**

- **Grey List** - Jurisdictions under increased monitoring that have committed to address identified deficiencies through action plans.
- **Black List** - High-risk jurisdictions subject to a call for action, including enhanced due diligence and, where required, countermeasures.

Reference

[TH Businessline| FATF steps up global crackdown on virtual asset crimes](#)

