

PANAMA REMOVED FROM THE EUROPEAN UNION'S LIST OF HIGH-RISK COUNTRIES



The evaluation carried out by the Commission of the European Union, following the country's removal from the FATF grey list, has resulted in considering that the Republic of Panama does not present strategic deficiencies in its AML/CFT regime.

Panama, March 14, 2024. In a significant decision for the Republic of Panama, which undoubtedly has positive effects for the country's economy, the Commission of the European Union has announced the removal of Panama from the European Union's list of high-risk countries due to strategic deficiencies in the prevention of money laundering and terrorist financing.

After reviewing the progress made by the country in the area of preventing money laundering and countering the financing of terrorism, in order to address strategic deficiencies in this area, the Commission welcomed the important progress made by Panama's technical team in improving its anti-money laundering and countering the financing of terrorism regime.

Among them, it was observed that the country not only strengthened the legal and regulatory framework to comply with the commitments of the action plan on the strategic deficiencies identified by the Financial Action Task Force (FATF), but also implemented important mechanisms that evidenced the effectiveness of the measures adopted.

The country's exclusion from this list follows a process that began in October 2020, in which important measures have been implemented to combat these scourges.

The announcement made today by the European Commission, through which it amends, through an annex, the Delegated Regulation (EU) 2016/1675, will enter into force twenty days after its publication in the Official Journal of the European Union, allowing the country to take an important step towards international transparency.



Visit of Minister Alexander, European Union 2023.

On October 27, 2023, Panama was excluded from the FATF grey list, so, to date, it is not subject to the intensified monitoring process by said agency within the framework of its current global compliance process in the fight against money laundering and terrorist financing. In this regard, Panama has reiterated that it will continue to work with the Financial Action Task Force of Latin America (GAFILAT) to continue strengthening its regime and remain at the forefront in terms of sustainability evidenced by compliance with the action plan.

As part of the actions developed for the exclusion from this list, the following stand out: the modification of the regulation for the prevention of money laundering and terrorist financing (AML/CFT), the adoption of the Single Registry of Final Beneficiaries, through Law 129 of 2020 and the issuance of the Final Beneficiary Guide that has strengthened the knowledge of obliged subjects.

The recognition by international organizations of the actions implemented by Panama results in a positive impact on multiple aspects of the Panamanian economy since it improves the country's international image and recognizes the application of high standards in terms of transparency, facilitating international economic and financial relations.

With the removal from these lists, Panama not only demonstrates its leadership in the face of national and international commitment in the fight against money laundering and terrorist financing, but also maintains the effective and timely development of tangible actions that allow it to maintain the jurisdiction in a competitive position in the international financial community.



Isabel Vecchio, National Coordinator of Panama AM/CFT and Isabel Matuzs, Ambassador of the European Union in Panama.