



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2010-11/159

RPCD.CO.RF.AML.No.1643/07.02.12/2010-11

August 9, 2010

The Chairmen / CEOs of all State / Central Co-operative Banks

Dear Sir,

Know your Customer (KYC) Norms / Anti-Money Laundering (AML) Standards / Combating of Financing of Terrorism (CFT)

Please refer to our letter [RPCD.CO.RF.AML.No. 11830/07.02.12/2009-10 dated May 12, 2010](#) on risks arising from the deficiencies in AML/CFT regime of Iran, Angola, Democratic People's Republic of Korea (DPRK), Ecuador, Ethiopia, Pakistan, Turkmenistan and Sao Tome and Principe.

2. Financial Action Task Force (FATF) has issued a further Statement on June 25, 2010 on the subject ([copy enclosed](#)). It may be observed that the statement divides the strategic AML/CFT deficient jurisdictions into two groups as under:

- a. Jurisdictions subject to FATF call on its members and other jurisdictions to apply countermeasures to protect the international financial system from the ongoing and substantial money laundering and terrorist financing (ML/FT) risks emanating from the jurisdiction : Iran
- b. Jurisdictions with strategic AML/CFT deficiencies that have not committed to an action plan developed with the FATF to address key deficiencies as of June 2010. The FATF calls on its members to consider the risks arising

Rural Planning & Credit Department Central Office, 10th Floor, Central Office Building, post box no. 10014 Mumbai -400 001

Tel No: 91-22-22601000 Fax No: 91-22-22621011/22658273/22658276 Email ID:cgmicrpcd@rbi.org.in

from the deficiencies associated with each jurisdiction: Democratic People's Republic of Korea (DPRK), Sao Tome and Principe.

3. All banks are accordingly advised to take into account risks arising from the deficiencies in AML/CFT regime of these countries, while entering into business relationships and transactions with persons (including legal persons and other financial institutions) from or in these countries/ jurisdictions.

4. Please advise Principal Officer of your bank to acknowledge receipt of this letter to our concerned Regional Office.

Yours faithfully,

(B.P.Vijayendra)
Chief General Manager

Encl: As above