

The fight against money laundering

The FATF publishes its 4th follow-up report on Switzerland

Par Katia Villard le 1 November 2023

On October 19, 2023, the FATF published its fourth enhanced follow-up report on Switzerland since the 2016 mutual evaluation. The report is limited to Switzerland's progress in improving its compliance with Recommendations 10 (due diligence) and 40 (international cooperation).

The FATF has highlighted three main improvements (two in connection with recommendation no. 10, one in connection with recommendation no. 40). The first is the amendment, with effect from January 1, 2023, of art. 4 para. 1 AMLA, which now expressly provides for the obligation to verify the identity of the beneficial owner. The second is the adoption of Art. 7 para. 1bis MLA, also from the 2019 MLA revision, which requires periodic verification of the documentation required by the MLA using a risk-based approach. The third is the possibility for MROS, since July 2021, to request information from a financial intermediary independently of any report within the meaning of Art. 9 AMLA (suspicious transaction report in international terminology).

As a result, recommendations no. 10 and 40 have been downgraded from "partially compliant" to "largely compliant".

Switzerland now has only three recommendations rated "partially compliant" (R. 22, 23 and 35), two of which concern the application of the anti-money laundering regime to certain legal and accounting activities, a subject which, it should be remembered, is precisely the subject of the current AMLA revision (see cdbf.ch/1300/). It moves from reinforced to regular monitoring.

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