



ANTI-MONEY LAUNDERING MEASURES

FIL-59-2002
June 7, 2002

TO: CHIEF EXECUTIVE OFFICER
SUBJECT: Guidance for Financial Institutions in Detecting Terrorist Financing

The Financial Action Task Force on Money Laundering (FATF) issued the attached guidance on April 24, 2002, to assist financial institutions in detecting terrorist financing. The guidance will help ensure that financial institutions do not unwittingly hide or move terrorist funds.

In the guidance, FATF indicates that financial institutions will probably be unable to detect terrorist financing as such. The only time that financial institutions might clearly identify terrorist financing as distinct from other criminal misuse of the financial system is when a known terrorist or terrorist organization has opened an account. Therefore, financial institutions should focus on ascertaining whether transactions are unusual, suspicious or otherwise indicative of criminal or terrorist activity. The guidance describes the general characteristics of terrorist financing, provides case studies, and provides a list of the characteristics of financial transactions that have been linked to terrorist activity.

The attached guidance may be accessed at <http://www.fatf-gafi.org>. Also available on that Web site is a February 1, 2002, report on the trends of money laundering and terrorist financing called "Report on Money Laundering Typologies for 2001-2002."

For your reference, all FDIC Financial Institution Letters (FILs) published since January of 1995 may be found on the FDIC's Web site at www.fdic.gov under "Newsroom, Events & FOIA." To learn how to automatically receive FILs through e-mail, please visit www.fdic.gov/news/news/announcements/index.html.

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Attachment: <http://www.fatf-gafi.org/dataoecd/39/21/34033955.pdf> ([PDF Help](#))

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