

Press release: Charity regulator welcomes Financial Action Task Force report



CHARITY COMMISSION
FOR ENGLAND AND WALES

The Financial Action Task Force (FATF), the inter-governmental body that sets the standards for Anti-Money Laundering (AML), Counter Terrorist Financing (CTF) and Counter Proliferation of the Financing of Weapons of Mass Destruction (CPF) has today published its Mutual Evaluation Report of the United Kingdom. The report can be accessed [here](#). A team of international assessors evaluated the UK's technical compliance with the FATF standards as well as the effectiveness the United Kingdom's AML and CTF regime.

The UK has achieved the highest rating of any country assessed as part of this round of evaluations – this includes achieving the highest ratings, for both technical compliance and effectiveness, relating to protecting charities and the UK's wider non-profit sector from abuse for terrorist financing. The UK secured a compliant rating for Recommendation 8 and a highly effective rating for Immediate Outcome 10 – the best ratings available. FATF's evaluation of the UK identified no deficiencies in its approach relating to charities and non-profit organisations and has made no recommendations on this issue in the report published today.

Michelle Russell, Director of Investigations, Monitoring and Enforcement at the Charity Commission said:

The Commission welcomes the report published today and in particular the ratings and findings of the FATF assessors relating to the UK's approach to the protection of charities and other NPOs from terrorist financing. We're pleased to see that the report recognises the effectiveness and importance of the work of the Commission as civil regulator – including our outreach and collaborative engagement with charities and those who work with and support them, as well as our investigative and partnership working with law enforcement agencies and the Charity Commission for Northern Ireland and the Office of the Scottish Charity Regulator.

The sad reality is that a number of people who have supported or

engaged in terrorism have used and abused charities, including for the resourcing and financing of terrorism. The report published today recognises that the Commission's approach to tackling terrorist abuse and supporting charities to protect themselves against it, is firmly a layered, risk based approach. We have led the way in making clear that this risk of abuse is not shared equally across the charitable and not for profit sector, but is of serious concern where it does arise. The UK has a good understanding of those risks and the Commission's response is proportionate to that risk, with both targeted and robust interventions where needed, along with support and tools to make charities more resilient to such abuse. This enables legitimate charitable work to thrive. Charities and their work is a vital part of our society and we are working to ensure that public trust can continue.

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