

KPMG AEOI Updates & Tracking Service FATCA/CRS Alert

Date: 07 November 2023

Alert Type: Announcement

Country: Panama

Regime: FATCA/CRS

Panama: Removal from the Anti-Money Laundering (AML) Grey List

On 27 October 2023, the Panama Tax Authority issued a press release announcing the decision by the Financial Action Task Force (FATF) to remove Panama from its Anti-Money Laundering (AML) grey list. Per the announcement, the decision was made in recognition of Panama's efforts to combat money laundering and terrorist financing. The FATF added Panama to its grey list of countries in June 2019 due in part to fifteen unfulfilled action points required for FATF compliance.

The FATF announcement follows an October plenary in Paris, providing confirmation that Panama's strengthened AML framework and counter-terrorism financing system can adhere to the globally accepted standards of the AML regime, enhancing international transparency. The decision received support from Latin American, Asian, and European countries, and from the international organizations and the Latin American Financial Action Group (GAFILAT), of which Panama has been a member since 2010.

Per June 2023 evaluation, following several technical meetings with FATF expert evaluators, the required action points were mostly achieved by Panama. These actions encompassed essential updates to the National Risk Assessment, increasing personnel for analysis, and strengthening risk-based supervision. Panama modified its standard for the prevention of money laundering and financing of terrorism (AML/CFT), imposing stricter penalties for non-compliance. Since 2019, the country has introduced several AML/CFT laws and executive decrees, demonstrating its fixed commitment for improving its financial integrity and international standing.

Reference (Spanish): [Press Release](#)

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