



BANK OF PAPUA NEW GUINEA

# FASU Update – PWC Workshop

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# OUTLINE

- ❖ FATF GREY-LIST ACTION PLAN
- ❖ PNG'S REPORTING CYCLE TO JOINT GROUP
- ❖ GO FORWARD

# FATF ACTION PLAN 2026-2028

Immediate Outcome	Action Item	Timelines
IO1 (with elements of IO5)	1.1 PNG should improve its understanding of ML risks by:	
	a) completing the NRA and the legal persons risk assessment, using the widest range of data sources.	September 2026
	b) conducting awareness raising activities for competent authorities and FIs/DNFBPs on the NRA and legal persons risk assessment (e.g. publishing the risk assessment findings, conducting workshops and outreach sessions).	January 2027
	1.2 Based on the updated understanding of risks following the adoption of the NRA, PNG should finalise and endorse a National AML/CFT/CPF Strategic Plan (including a mechanism to track progress against PNG's highest priority areas), with clear action ownership and a plan for system-wide allocation of resources.	May 2027
IO2	PNG should proactively seek outbound mutual legal assistance requests and informal requests to identify and trace criminal property abroad, in line with its risk profile (in particular corruption and bribery, and fraud against government programs and activities).	January 2028
IO3	3.1 PNG should demonstrate that competent authorities are taking measures to mitigate ML risks by identifying and sanctioning materially significant illegal MVTS/FX dealers and DPMS, without hindering financial inclusion.	May 2027
	3.2 Competent authorities should resource and demonstrate risk-based supervision of banks, MVTS/FX dealers and higher risk DNFBPs by: a) conducting offsite and onsite supervision in line with reporting entities' risk profile; b) as appropriate, applying remedial actions and/or proportionate and dissuasive sanctions; and	May 2028

# FATF ACTION PLAN 2026-2028

IO3 (with elements of IO4/5/10/11)	a) conducting training and outreach to enhance reporting entities' understanding of AML/CFT obligations, with a specific focus on BO, PEPs, TFS and STRs.	May 2027
IO4	PNG should address the technical compliance deficiencies on R.12 and R.20.	September 2026
IO7	7.1 PNG should address the technical compliance deficiencies on R.3.	September 2026
	7.2 LEAs and prosecution authorities should be provided with adequate resources (human and institutional) and training on ML investigations and prosecutions to effectively undertake their functions.	May 2027
	7.3 PNG should demonstrate, through case studies and statistics, a sustained increase in investigations and prosecutions, including through the increased use of financial intelligence, of different types of ML and predicate offences in accordance with PNG's risk profile, with an emphasis on identified higher risk offences.	January 2028
IO8	8.1 PNG should: <ul style="list-style-type: none"> <li>a) provide adequate resources and training to competent authorities involved in the freezing, seizing, confiscation and managing of assets; and,</li> <li>b) increase the coordination between the relevant competent authorities, including the enhancement of the ARROW mechanism.</li> </ul>	May 2027
	8.2 PNG should demonstrate an increase in the freezing/seizing and confiscation of criminal proceeds, instrumentalities, and property of equivalent value in line with PNG's risk profile, including through the increased use of financial intelligence.	January 2028
IO9	PNG should address the technical compliance deficiencies on R.5.	September 2026
IO11	11.1 PNG should address the technical compliance deficiencies on R.7.	September 2026
IO11	11.2 PNG should conduct training for competent authorities to enhance their understanding of TFS-PF implementation.	May 2027

# GREY-LIST ACTION ITEMS DUE IN SEPT 2026

Item	Action Items	Primary responsible agencies	PNG completion by	Reporting to JG by (indicative only)	JG F2F review by (indicative only)
<b>Immediate Outcome 1. Risk, policy and coordination (with elements of IO5)</b>					
1.1(a)	Complete the National Risk Assessment	FASU	1 July 2026	24 July 2026	14 Sep 2026
	Complete the Legal Persons Risk Assessment	IPA	1 July 2026	24 July 2026	14 Sep 2026
1.1(b)	Conduct awareness raising activities for competent authorities and FIs/DNFBPs on the NRA and legal persons risk assessment	FASU	1 Nov 2026	27 Nov 2026	11 Jan 2027
)		IPA			
<b>Immediate Outcome 4. Preventive measures</b>					
4	Address the technical compliance deficiencies on R.12 and R.20.	DJAG FASU	1 July 2026	24 July 2026	14 Sep 2026
<b>Immediate Outcome 7. Money-laundering investigation and prosecution (with elements of IO6)</b>					
7.1	Address the technical compliance deficiencies on R.3.	DJAG OPP	1 July 2026	24 July 2026	14 Sep 2026
<b>Immediate Outcome 9. TF investigation and prosecution</b>					
9	Address the technical compliance deficiencies on R.5.	DJAG	1 July 2026	July 2026	14 Sep 2026
<b>Immediate Outcome 11. PF financial sanctions</b>					
11.1	Address the technical compliance deficiencies on R.7.	DJAG	1 July 2026	24 July 2026	14 Sept 2026

# ACTIVITIES UNDERTAKEN BY NCC IN JAN- FEB 2026

Date	Events/ activities undertaken
5-9 Jan	Joint Group F2F
12-14 Jan	PNG received the draft Action Plan and responded to JG on 14 Jan
19- 21 Jan	PNG received the POPR Fact Check on 19 Jan and responded to the JG on 21 Jan
21 Jan	The NCC endorsed the POPR Fact check at Special NCC No.1/2026
23 Jan	NCC submitted a NEC submission/information Paper to the Treasury & PM on the outcome of the FATF Action Plan & Outcome of the F2F
30 Jan	PNG responded to FATF President's letter
9-13 Feb	FATF Plenary
12-13 Feb	NCC Secretariat will conduct one-on-one meetings with NCC agencies re FATF Action Plan
25 & 27 Feb	NCC/TWG Meetings No.1/2026

# PNG'S REPORTING TIMELINE 2026 & ACTIVITIES UNDERTAKEN

<p><b>January</b></p> <p>5-9 Jan: Joint Group F2F</p> <p>14 Jan: PNG responded to JG on the draft Action Plan</p> <p>21 Jan: The NCC endorsed the POPR Fact check at Special NCC No.1/2026, PNG responded to the JG on POPR Fact Check</p> <p>23 Jan: NEC submission/information Paper to the Treasury &amp; PM on the outcome of the FATF Action Plan</p> <p>30 Jan: PNG responded to FATF President's letter</p>	<p><b>February</b></p> <p>9-13 Feb: FATF Plenary</p> <p>12-13 Feb: NCC Secretariat will conduct one-on-one meetings with NCC agencies re FATF Action Plan</p> <p>27 Feb:</p> <ul style="list-style-type: none"> <li>• NCC Meeting No. 1 of 2026</li> <li>• NCC will endorse the sanctioned FATF Action Plan</li> </ul>	<p><b>March</b></p> <p>23 March: PNG sends draft progress report #1 to JG</p> <p><i>*optional outlining progress on Action Items 1.1(a), 4, 7.1, 8, 11.1</i></p>
<p><b>April</b></p> <p>JG feedback process</p> <p>27 April: PNG submits final progress report #1 to JG</p>	<p><b>May</b></p> <p><b>6-8 May: JG F2F (Hanoi – confirmed)</b></p> <p>25 May: Progress report to be finalised</p>	<p><b>June</b></p> <p><b>15-19 June: FATF Plenary</b></p>
<p><b>July</b></p> <p>1 Jul: Action Items 1.1(a), 4, 7.1, 8, 11.1 completed</p> <p>24 Jul: PNG sends draft progress report #2 to JG</p>	<p><b>August</b></p> <p>JG feedback process</p> <p>28 Aug: PNG submits final progress report #2 to JG</p>	<p><b>September</b></p> <p><b>14-18 Sep: JG F2F</b></p>
<p><b>October</b></p> <p><b>26-30 Oct: FATF Plenary</b></p>	<p><b>November</b></p> <p>1 November: Action Item 1.1(b) completed</p> <p>27 November: PNG sends draft progress report #3 to JG</p>	<p><b>December</b></p> <p>JG feedback process</p> <p>23 Dec: PNG submits final progress report #3 to JG</p>

# GO FORWARD

- WHAT ARE THE NEXT STEPS?



Thank you

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