



Financial Services Commission
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Press Release

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KOREA GAINS FULL MEMBERSHIP INTO THE FATF

Korea has been admitted as a full member into the Financial Action Task Force (FATF) during the FATF Plenary held in Paris from October 14 to 16, 2009.

Since the establishment of the Korea Financial Intelligence Unit and the introduction of Anti-Money Laundering (AML) system in 2001, the Korean government has been working to obtain full membership into the international organization.

A wide range of efforts to join the FATF by Korea, which gained an observer status in August 2006, has come to fruition when this October FATF Plenary decided to admit the nation as a full member.

The FATF, a leading international organization for anti-money laundering and counter-financing of terrorism (AML/CFT), was established in 1989 as an independent agency. It sets the global AML/CFT standards and works to ensure countries around the world comply with the standards.

The FATF has established the global AML/CFT network consisting of 183 countries through 8 FATF-Style Regional Bodies. The network enables the organization to supervise compliance with the international standards by countries across the globe.

Korea's accession into the FATF will allow Korea to participate more actively in the process of setting or revising the global AML/CFT standards and in international AML/CFT cooperation. It is also expected to help improve integrity and confidence in the nation's financial market, having positive impacts on overseas business operation by local financial institutions.

Korean financial institutions will find it easier to have overseas business operations. They were originally required to submit additional documents for overseas businesses to the relevant authorities of the host countries simply because Korea was not a member of the FATF.

Considering the recent G20 Summit called for efforts to enhance transparency in the financial markets and a stronger role by the FATF in addressing the risk of money laundering and terrorist financing, Korea will find itself well-positioned to increase its role in the FATF as it is set to take the G20 chairmanship and host the Summit next year.



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The Financial Services Commission is ready to take the FATF membership as an opportunity for Korea to make greater contribution to the international AML/CFT efforts. It is also planning to promptly address deficiencies in the nation's AML/CFT system so as to further increase transparency in the financial markets.

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