

FSC CHAIRMAN SPEAKS ABOUT THE NEED TO STRENGTHEN ANTI-MONEY LAUNDERING MEASURES

FSC Chairman Eun Sung-soo presented commendations to those who contributed to the prevention of money laundering at an event held on December 14 and spoke about the need to strengthen AML capabilities.

The following is a summary of Chairman Eun's remarks.

The Financial Action Task Force's 2020 mutual evaluation report on Korea placed Korea's AML regime on a par with that of some of the advanced economies. It is the result of close cooperation between the financial institutions, law enforcement agencies and financial authorities.

Amid growing threats about the diversification and advancement of money laundering techniques, especially through digital finance, it is necessary to draw up plans to strengthen AML capabilities focusing on the following measures.

First, the Korea Financial Intelligence Unit (KoFIU)'s investigation and analysis capabilities should be strengthened and its communication with law enforcement agencies expanded.

Second, the AML supervision and inspection capabilities should be bolstered. With technological advancements and newly emerging industries, more and more business entities will be subject to AML compliance.

Third, more professional personnel should be hired at the KoFIU for a more systematic human resources management and to improve the level of expertise. The need to increase international cooperation on AML, rising cases of suspicious transaction reports and growing numbers of entities being subject to AML compliance all require an improvement to the organizational capacity.

In order to ensure an effective functioning of the AML regime, close cooperation is essential among all relevant institutions, including the financial institutions, KoFIU and law enforcement agencies.

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