

2025

International Dialogue for Strengthening Regional AML/CFT Policies



Index

- 1 Introduction
- 2 Strategic Direction of the FATF Global Network towards the Fifth Round of Mutual Evaluations
- 3 Global threats from a regional perspective
- 4 Organized crime and terrorist financing: Global trends
- 5 Regional challenges in addressing illicit flows: A perspective from observer and cooperating organizations
- 6 The new international cooperation agenda: Priorities, approaches, and opportunities for Latin America
- 7 Conclusions

Introduction

The International Dialogue for Strengthening Regional AML/CFT Policy was convened as a high-level forum within the framework of the 52nd Plenary Meeting of GAFILAT, bringing together representatives of the FATF, FATF-Style Regional Bodies (FSRBs), observer organizations, and cooperating partners for a technical and forward-looking exchange on key global threats, emerging risks, and shared regional priorities .

The Dialogue took place at a particularly relevant juncture, given the forthcoming launch of the fifth round of mutual evaluations and the need to ensure early alignment of perspectives, methodologies, and expectations across the FATF Global Network.

The discussions enabled the linkage of global trends with their regional implications, promoted methodological convergence among participant bodies, and facilitated anticipatory analysis of the challenges that will shape the AML/CFT agenda in the coming years. The diverse and multisectoral participation strengthened the analytical depth of the exchange and supported the identification of concrete lines of action to strengthen the institutional capacities of GAFILAT member jurisdictions.

In this context, the present report outlines the main strategic orientations emerging from the Dialogue, with the objective of contributing to development of a shared regional vision and providing substantive input to GAFILAT's Strategic Plan 2026–2030, thereby reinforcing the region's role within the FATF Global Network.

Panel 1: Strategic Direction of the FATF Global Network towards the Fifth Round of Mutual Evaluations

The FATF has identified proliferation financing, emerging forms of terrorist financing linked to organized crime, and, in particular, the rapid growth of fraud - now one of the largest generators of illicit funds- as major global threats. It has further warned that the increasing use of technology, including artificial intelligence and deepfakes, is reshaping the risk landscape and is expected to play a decisive role in the evolution of these threats in the coming years.

In the fifth round of mutual evaluations, FATF scrutiny will focus particularly on the quality, availability, and verification of beneficial ownership information; the effectiveness of asset recovery framework; and the implementation of the risk-based approach, in line with the updated Recommendation 1, with particular attention to financial inclusion considerations. Greater analytical precision will also be applied to the assessment of effectiveness under Immediate Outcomes 3 and 4, now evaluated separately, as well as to the supervision of virtual assets, notably with respect to regulatory coverage and verification mechanisms.

This evolving context will require both countries and FSRBs to strengthen their technical and operational capacities, including the expansion of assessment teams, analytical and review functions, and the allocation of adequate budgetary resources, - especially in light of the shortened interval between evaluation cycles. Sustained political commitment, alongside continuous enhancement of technical standards, analytical tools, and staff training, will therefore be essential to meet the increased demands of the forthcoming evaluation round.



Giles Thomson,
Vicepresident of GAFI

Overall, the fifth round of mutual evaluations will take place in a more dynamic and demanding environment, requiring greater technical consistency, in-depth supervision of emerging sectors, and significantly more advanced institutional preparation. In this context, sustained dialogue between the FATF and GAFILAT will be essential to ensure consistent and credible evaluations, while reinforcing Latin America's voice in the ongoing evolution of the global AML/CFT framework.

Accordingly, countries in the region must move decisively to strengthen their institutional and technical capacities, adopt a more mature and evidence-based risk-based approach, and make a strategic, long-term commitment to effectiveness.

Panel 2: Global threats from a regional perspective

The panel highlighted that financial threats are evolving rapidly and exhibit common patterns across regions. In the Middle East and North Africa, this trends include technological developments such as the increasing use of virtual assets, phishing schemes, and emerging payment systems. In Central Africa, organized crime linked to wildlife trafficking, corruption, and the exploitation of natural resources is increasingly combined with the use of virtual assets and cross-border transfer.

Panelists agreed that fraud has become the most pressing cross-cutting threat, given its impact on public confidence, its high profitability combined with relatively low risk, and its role as a gateway to more complex criminal activities. It was also noted that fraud has evolved into increasingly extortive modalities.

The discussion further highlighted the growing interconnection of criminal network across regions, with actors in the Middle East, Eurasia, and Latin America cooperating in activities such as human trafficking, smuggling, and trade base money laundering schemes.



Esteban Fullin, Executive Secretary of Grupo de Acción Financiera de Latinoamérica (GAFILAT)

Eddy Nguiffeu Tajouo, Official of the Action Group against Money Laundering in Central Africa (GABAC)

Suliman Aljabrin, Executive Secretary of Middle East and North Africa Financial Action Task Force (MENAFATF)

Sergey Teterukov, Executive Secretary of Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG)

FSRBs are prioritizing preventive and anticipatory mechanisms: including awareness raising initiatives, supervisory forums, and strengthened specialized working groups, to better anticipate emerging risks.

The panel also highlighted key challenges for the fifth round of FATF mutual evaluations, the need to maintain a strong focus on effectiveness and risk, overcome political and institutional constraints, strengthen specialized human resources, and ensure technical consistency across FSRBs.

Panel 3: Organized crime and terrorist financing: Global trends

The discussion highlighted a significant evolution in organized crime, now characterized by more fragmented structures, often composed of younger actors with advanced technological capabilities, including operations conducted under crime-as-a-service models. These groups have diversified their illicit portfolios well beyond traditional criminal activities, expanding into human trafficking, arms trafficking, environmental crimes, cybercrime, and smuggling linked to strategic commodities, such as lithium and copper.

Organized criminal groups have also demonstrated a high degree of adaptability, forming unprecedented transnational alliances and systematically exploiting governance and state-capacity gaps to facilitate territorial and economic expansion. The continued reliance on cash, combined with accelerated digitalization, has further increased the mobility, anonymity, and opacity of their operations.



Juan Cruz Ponce, Deputy Executive Secretary of GAFILAT

Mario Díaz Romero, Group Leader of the Cross-Cutting and Emerging Crime Area of Centro de Inteligencia contra el Terrorismo y el Crimen Organizado (CITCO)

Lina Cepeda, legal officer del Comité Contra el Terrorismo de Naciones Unidas (CTC-UN)

Andrea Agudelo, Regional Head of Corruption and Economic Crime, UNODC

With respect to TF, structural vulnerabilities within the financial system persist, enabling illicit financial flows through the use of front companies, cross-border transfers, and hybrid financing schemes. The expanding use of new technologies has further enhanced the ability of terrorist actors to evade controls and mobilize funds, while the growing convergence between organized crime and TF exacerbates these risks.

Among the emerging threats identified is the proliferation of hybrid risks typologies combining instrumentalized migration, large-scale fraud, cyberattacks, and disinformation; emerging technologies, and environmental crimes.

Panel 4: Regional challenges in addressing illicit flows: A perspective from observer and cooperating organizations

The main challenges identified relate to digitalization, transnational organized crime, and the rapid adaptation of money laundering schemes. Panelists agreed that the expansion of digital services, new payment platforms, and cross-border transfers has significantly increased vulnerabilities within the AML/CFT system, particularly due to the speed of innovation compared to still limited supervisory capabilities. These challenges are further compounded by the growth of cybercrime, digital fraud, and opaque cross-border payment channels, including stablecoins and peer-to-peer (P2P) schemes operating outside the regulatory perimeter.

From a sectoral perspective, the most exposed areas are foreign trade, real estate, mining, and the real economy in general was highlighted, requiring the extension of AML/CFT standards to historically less covered activities and the adoption of more flexible and cross-cutting approaches.



Gustavo Vega, Deputy Executive Secretary of GAFILAT

Yara Esquivel, Senior Financial Specialist, World Bank

Carolina Claver, Deputy Division Director, International Monetary Fund

Daniel Francisco, Expert, EL PAcCTO

The panel highlighted the consolidation of cross-border organized crime. At the institutional level, progress has been made in risk-based supervision, the development of analytical tools and supervisory frameworks, national risk assessments, and beneficial ownership transparency.

Despite this advances, persistent challenges in asset recovery were identified, including weaknesses in the management of seized assets, lengthy judicial proceedings, limited specialized institutional structures, and insufficient integration of the asset recovery approach across the criminal justice chain.

Panel 5: The new international cooperation agenda: Priorities, approaches, and opportunities for Latin America

The panel emphasized that international cooperation is increasingly evolving toward a more strategic and technical model, focused on addressing specific country priorities rather than applying uniform solutions. Cooperating agencies stressed that no single institution can meet all needs in isolation, making complementarity and coordination essential.

The discussion highlighted new modalities for effective cooperation, including dedicated funding mechanisms to mobilize external resources and sustain long-term reforms, as well as the importance of avoiding donor fragmentation through technical coordination mechanisms that define clear roles and complementarities. In this context, panelists underscored the value of developing regional public goods—such as shared tools, diagnostics, and technical manuals—which help reduce costs, generate economies of scale, and enhance regional coherence.



Juan Carlos Monroy Véliz, President of GAFILAT and Head of the Financial Intelligence Unit of Guatemala

Rennie Valladares, Head of the Integrity and Compliance Office off Banco Centroamericano de Integración Económica (BCIE)

Guillermo Lagarda, AML/CFT and Integrity Specialist at the Inter-American Development Bank (IDB)

David Hotte, Team Leader of the EU Global Facility on AML/CFT

The panel identified key capacity-building gaps, including outdated regulatory frameworks, constraints in specialized expertise, uneven digitalization, limited training within the justice system, and insufficient understanding of virtual assets. It also highlighted priority opportunities, such as stronger FSRB involvement in cooperation agendas, deeper public-private collaboration, enhanced ML/TF risk education, and the need for durable cooperation mechanisms that ensure institutional continuity beyond changes in authorities.

Conclusions

- The FATF has confirmed that the global threat landscape has undergone a profound transformation. Proliferation financing, new forms of terrorist financing, and, above all, the rapid expansion of fraud have emerged as priority global risks. In response, the fifth round of mutual evaluations will bring more demanding standards, with a special focus on the quality and verification of beneficial ownership, asset recovery, the consistent application of the risk-based approach, and the supervision of virtual assets.
- FSRBs noted that while regions continue to face distinct risk profiles, points of convergence are becoming increasingly evident. Fraud was identified as the most widespread threat, with significant social and economic impact, alongside a growing interconnection of criminal networks operating across Latin America, Eurasia, Africa, and the Middle East.
- Contemporary organized crime is more adaptive, technologically enabled, and diversified, combining traditional criminal activities with cybercrime, trafficking, environmental crimes, and the misuse of digital platforms. Addressing these dynamics requires enhanced operational capabilities, agile and responsive regulatory frameworks, and a preventive approach that integrates financial intelligence, judicial cooperation, and harmonized legal frameworks. Persistent gaps underscore the need for coordinated, evidence-based action and timely information sharing.
- In Latin America, risks are intensifying in relation to digital financial services, cross-border payments, stablecoins, unregulated platforms, and criminal infiltration of key sectors such as foreign trade, mining, logistics, and real estate. These challenges highlight the need to strengthen risk-based supervision, beneficial ownership transparency, non-financial sector capacities, and the effectiveness of asset management and recovery systems.
- Finally, the international cooperation agenda is evolving toward a more technical, coordinated, and complementary model, focused on responding to countries' actual priorities and avoiding duplication of efforts. Significant gaps remain, requiring sustained investment in specialized training, digitalization, and justice system strengthening. Conceived as a strategic process rather than a purely assistential exercise, international cooperation will be decisive in enabling Latin America to accelerate reforms, enhance resilience to illicit financial flows, and consolidate a more robust and sustainable integrity architecture.



#sinfondosnohaycrimenorganizado
#GAFILAT25años