



# Anti-money laundering and counter-terrorist financing measures

# Suriname

2<sup>nd</sup> Enhanced Follow-up Report &  
Technical Compliance Re-Rating

October 2024

Follow-up Report





The Caribbean Financial Action Task Force (CFATF) is an inter-governmental body consisting of twenty-four member states and territories of the Caribbean Basin, Central and South America which have agreed to implement common countermeasures to address money laundering, terrorist financing and the financing of proliferation of weapons of mass destruction. For more information about the CFATF, please visit the website: [www.cfatf.org](http://www.cfatf.org)

**This report was adopted by the Caribbean Financial Action Task Force (CFATF) in accordance with paragraph 92 of the CFATF Procedures for the Fourth Round of AML/CFT Evaluations, 2014 as amended, and paragraph 20 of the CFATF ICRG Procedures for the 4th Round of AML/CFT Evaluations (as amended).**

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## **SURINAME: 2<sup>nd</sup> ENHANCED FOLLOW-UP REPORT**

### **1. INTRODUCTION**

1. The mutual evaluation report (MER) of Suriname was adopted in December 2022 during the 55<sup>th</sup> Caribbean Financial Action Task Force (CFATF) Plenary held in the Cayman Islands and published on January 24<sup>th</sup>, 2023. Since it met the thresholds of having eight or more NC/PC ratings for technical compliance and a low or moderate level of effectiveness for seven or more of the 11 effectiveness outcomes, Suriname was placed under the enhanced follow-up process<sup>1</sup>.
2. This FUR analyses the progress of Suriname in addressing the technical compliance requirements of the recommendations being re-rated. Technical compliance re-ratings are given where sufficient progress has been demonstrated. Suriname's 1<sup>st</sup> FUR with technical compliance re-ratings was adopted by written process and published on October 25, 2013. The jurisdiction achieved technical compliance re-rating upgrades in Recommendations 12, 13, 21 and 22 and the status quo was maintained in Recommendations 10.
3. This report does not analyse any progress Suriname has made to improve its effectiveness.
4. The assessment of Suriname's request for technical compliance re-ratings and the preparation of this report was undertaken by the Group of Experts consisting of, Mr. Anthony McKenzie, Director, AML/CFT Department, Financial Institution Supervisory Division, Bank of Jamaica, Jamaica; Ms. Megan Powell, Deputy Head of Division, AML/CFT Division, Cayman Islands Monetary Authority, Cayman Islands; and Ms. Junice Arion, Senior Parketsecretaris/Deputy Prosecutor, Prosecutor's Office, Sint Maarten. The Experts were supported by Ms. Avelon Perry (Financial Advisor) and Mr. Jefferson Clarke (Law Enforcement Advisor) of the CFATF Secretariat.
5. Section 4 of this report summarises the progress made to improve technical compliance and section 5 contains the conclusion and a table illustrating Suriname's current technical compliance ratings.

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<sup>1</sup> Regular follow-up is the default monitoring mechanism for all countries. Enhanced follow-up is based on the CFATF's policy that deals with members with significant deficiencies (for technical compliance and/or effectiveness) in their AML/CFT systems and involves a more intensive process of follow-up.

## 2. FINDINGS OF THE MUTUAL EVALUATION REPORT & FOLLOW-UP

6. Suriname's MER ratings<sup>2</sup> are as follows:

R.	Rating	R.	Rating
1	PC (MER 2023)	21	PC (MER 2023) C (1 <sup>st</sup> FUR)
2	PC (MER 2023)	22	PC (MER 2023) LC (1 <sup>st</sup> FUR)
3	PC (MER 2023)	23	PC (MER 2023)
4	LC (MER 2023)	24	NC (MER 2023)
5	PC (MER 2023)	25	NC (MER 2023)
6	NC (MER 2023)	26	PC (MER 2023)
7	NC (MER 2023)	27	PC (MER 2023)
8	NC (MER 2023)	28	PC (MER 2023)
9	LC (MER 2023)	29	PC (MER 2023)
10	PC (MER 2023) PC (1 <sup>st</sup> FUR)	30	PC (MER 2023)
11	LC (MER 2023)	31	PC (MER 2023)
12	PC (MER 2023) LC (1 <sup>st</sup> FUR)	32	PC (MER 2023)
13	PC (MER 2023) C (1 <sup>st</sup> FUR)	33	LC (MER 2023)
14	LC (MER 2023)	34	C (MER 2023)
15	NC (MER 2023)	35	PC (MER 2023)
16	LC (MER 2023)	36	PC (MER 2023)
17	LC (MER 2023)	37	PC (MER 2023)
18	LC (MER 2023)	38	NC (MER 2023)
19	PC (MER 2023)	39	PC (MER 2023)
20	LC (MER 2023)	40	PC (MER 2023)

7. Given these results and the effectiveness ratings in the MER, Suriname was placed in enhanced follow-up.

## 3. OVERVIEW OF PROGRESS TO IMPROVE TECHNICAL COMPLIANCE

8. In keeping with the CFATF Procedures for the Fourth Round of AML/CFT Mutual Evaluations (“the Procedures”), this FUR considers progress made up until May 31<sup>st</sup>, 2024. In line with the Procedures and FATF Methodology, the ‘Group of Experts’ analysis has considered progress to address the deficiencies identified in the MER and the entirety (all criteria) of each Recommendation under review, noting that this is cursory where the legal, institutional or operational framework is unchanged since the MER or previous FUR.

9. This section summarises the progress made by Suriname to improve its technical compliance by addressing the technical compliance deficiencies identified in the MER.

10. Suriname undertook significant legislative changes to address the deficiencies in the 4<sup>th</sup> Round MER. The Parliament of Suriname approved the enactment of the *Wet ter voorkoming en bestrijding van Money Laundering en Terrorisme Financiering* (the ‘WMTF Act’), translated “*Prevention and Combatting of Money Laundering and Terrorism Financing Act*” on November 19, 2022, which repealed the Act of 5 September 2002; Disclosure of Unusual Transactions Act (the MOT Act) and Act of 5 September 2002; Act on the Identification

<sup>2</sup> There four possible levels of technical compliance are: compliant (C), largely compliant (LC), partially compliant (PC), and non-compliant (NC). Effectiveness ratings for the 11 Immediate Outcomes are: Low, Moderate (Mod), Substantial or High.

Requirements for Service Providers (the WID Act) (O.G. 2022 No. 138). The MOT Act established The Financial Intelligence Unit of Suriname (FIUS) and outlines the requirements for service providers to disclose unusual transactions and the WID Act established the regulations requiring service providers to implement customer due diligence, enhanced due diligence and record keeping obligations. The WMTF Act now provides for the prevention and combatting of ML and TF. Additionally, Suriname repealed the Money Laundering Penalization Act (the MLPA Act) (Official Gazette 2002 No. 64) that criminalized money laundering (ML) and outlined the penalties for such offences. The repealed legislation was replaced with amendments to the Penal Code which now criminalizes the offence of ML and predicate offences as well as terrorist financing (TF).

### **3.1. PROGRESS TO ADDRESS TECHNICAL COMPLIANCE DEFICIENCIES IDENTIFIED IN THE MER**

#### **3.1.1. Recommendation 3 (originally rated PC)**

11. In its 4<sup>th</sup> round MER, Suriname was rated PC with R.3. The technical deficiencies included: (i) Articles 1 and 3 of the Money Laundering Penalization Act (MLPA), which criminalize ML, did not incorporate the purposive element of converting and transferring an item, the acts of being in possession of an item and concealing or disguising ownership of an item; (ii) the MLPA did not provide a definition of criminal offence and all categories of offences designated by the FATF (including TF); (iii) The definition of ‘items’ in the MLPA does not comply with the FATF Standards; and (iv) the criminal sanctions for legal persons are not proportionate and dissuasive.
12. With the repeal of the MLPA, the Penal Code (Official Gazette 1911 No. 1) was amended to include provisions for the criminalisation of ML and to harmonise the legislation with the requirements of R.3. This change prompted a full review of the Recommendation to confirm that all requirements previously addressed by the MLPA remain met and the deficiencies highlighted in the MER are now addressed.
13. **Criterion 3.1 (Met):** Paragraphs 1 and 3 of Article 489a of the amended Penal Code criminalise three variants of ML and align with the Vienna and Palermo Conventions. (i) Conversion or Transfer: these aspects are incorporated in Article 489a paragraph 1(b) and paragraph 3(b) of the amended Penal Code. In the repealed legislation, the *purpose* elements were missing. These paragraphs now include this element. (ii) Acquisition, possession or use: these aspects are incorporated in Article 489a paragraph 1 sub c and paragraph 3 sub c; and (iii) Concealment or disguise: these aspects are also incorporated under Article 489a paragraphs 1(a) and 3(a) which uses the term *Verbergen en verhullen* translated as hides or conceals or disguise. The provisions punish both intentional and culpable ML.
14. **Criterion 3.2 (Met):** The deficiency in the MER was related to the absence of a definition of ‘criminal offence’. Article 489a, paragraph 4 of the Penal Code now prescribes a list of categories of offences, regarded as ‘*any crime*’, all carrying a penalty of at least four years imprisonment. Whilst the listed offences exclude migrant smuggling, human trafficking and sexual exploitation (including of children) and counterfeiting and forgery, these are criminal offences punishable by more than four years imprisonment (articles 249b; 334; 260, 268 and 278 of the Penal Code). Changes made through Article 489a now fully address the deficiency.
15. **Criterion 3.3 (Met):** This criterion was assessed as not applicable to the 4<sup>th</sup> Round MER. In the change to the legislative framework, Suriname now applies a combined approach that includes any criminal offences that are punishable by at least four years imprisonment and a schedule of criminal offences (listed in Article 489a paragraph 4 of the Penal Code) that are punishable by

at least four years imprisonment. Changes made through Article 489a of the amended Penal Code now fully address the deficiency

16. **Criterion 3.4 (Met):** In accordance with Article 489a paragraph 6 of the Penal Code, ML can extend to any type of property despite the value. The provision states that the term ‘*object*’ referred to in the ML offence in paragraphs 1 and 2 shall mean all ‘*assets*’, regardless of value, both movable and immovable property as well as real and personal rights and legal documents or data carriers in any form whatsoever, evidencing the ownership or any interest therein. Further, the Explanatory Memorandum to the amendments explains that the term ‘*object*’ includes assets that are tangible as well as intangible. This criterion is re-rated as Met.
17. **Criterion 3.5 (Met):** This criterion was rated as met in the 4<sup>th</sup> Round MER. With the repeal of the MLPA, Article 489a paragraph 5 of the Penal Code is the new provision which meets the criterion. In Suriname, a prior or concurrent conviction for the crime by which the object was obtained is not a condition for a conviction of a ML offence (as per paragraphs 1 to 3 of Article 489a of the Penal Code). The criterion remains met.
18. **Criterion 3.6 (Met):** This criterion was rated mostly met in the 4<sup>th</sup> Round MER. The MER stated that pursuant to Articles 2 to 5a of the Criminal Code, the predicate offences for ML extend to conduct that occurred in another country, which constitutes an offence in that country, and which would have constituted a predicate offence had it occurred domestically. The deficiency in the MER stemmed from the deficiency in c.3.2 regarding the list of predicate offences in the MLPA. The designated offences are now listed in Article 489a of the Penal Code which meets the requirements of c.3.2. As such, the deficiency is addressed.
19. **Criterion 3.7 (Met):** Suriname met aspects of this criterion but did not fully meet the requirements at the time of the MER, however the deficiency in c.3.2 cascaded. With the designated offences listed in Article 489a paragraph 4, this deficiency has been addressed.
20. **Criterion 3.8 (Met):** This criterion was rated as met in the 4<sup>th</sup> Round MER. The provisions of Articles 19 and 325 of the Code of Criminal Procedures that made it possible for the intent and knowledge required to prove the ML offence to be inferred from objective factual circumstances, remain applicable. Further the Explanatory Notes of State Decree 2023 no. 133, which amended the Penal Code to replace the repealed MLPA, mirrors the Explanatory Notes of the MLPA referenced in the MER for this criterion and supports the provisions at Articles 19 and 325 of the Code of Criminal Procedures. This criterion remains met.
21. **Criterion 3.9 (Met):** Suriname fully addressed this criterion in the 4<sup>th</sup> Round MER. With the repeal of the MLPA, the criterion is now met by Article 489a, paragraphs 1, 2 and 3 of the Penal Code. Suriname has three categories of ML, where depending on the severity of the offence, the punishments can range between (i) a deprivation of liberty sentence that can range from 6 years to 20 years imprisonment; and/or (ii) a sanction that focuses on finances (targeted financial sanction) in the form of a fine that can range between SRD50,000 (USD1,638)<sup>3</sup> and SRD100,000 (USD3,277). Both punishments can serve as putative and be seen as preventive. The fine and the prison sentence can be imposed simultaneously, and the threat of punishment is deemed proportionate. The imprisonment sanction is also dissuasive. While the fine is not exorbitant, because it can be imposed with a prison sentence, the sanctions regime is deemed proportionate and dissuasive. The criterion remains met.
22. **Criterion 3.10 (Met)** In the 4<sup>th</sup> Round MER this criterion was rated mostly met as the sanctions were not deemed to be proportionate and dissuasive to some legal persons (depending on the magnitude). Further to the proportionate and dissuasive sanctions referenced in c.3.9, the

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<sup>3</sup> An exchange rate of USD1 = SRD30.52 as per The Central Bank of Suriname (<https://www.cbvs.sr/>) was used throughout this report.

following measures outlined in Paragraphs 9 and 10 of Article 489a of the Penal Code can be applied in the event of a conviction on a legal entity for a criminal: (a) temporary or permanent exclusion or termination of benefits or subsidies granted by the government; (b) temporary or permanent exclusion from access to procurement procedures, permits and concessions; (c) a temporary or permanent ban on engaging in commercial activities; (d) placement under the supervision of the examining magistrate; (e) a court order for dissolution and liquidation; and (f) temporary or permanent closure of establishments used to commit the criminal offence. These measures can be applied on a temporary or permanent basis and can have a financial, social and economic impact on the entity.

23. **Criterion 3.11 (Met)** This criterion was met by Articles 72 and 73 of the Criminal Code as reflected in the 4<sup>th</sup> Round MER which still applies. The criterion remains met.

**Weighting and conclusion:**

24. Since the MER, Suriname took significant steps to rectify the identified gaps with the repeal of the MLPA and amendment to the Penal Code which criminalizes ML in in alignment with the Vienna and Palermo Conventions and applies such offences in accordance with the various criteria in R.3.

**Suriname is re-rated as Compliant for R.3.**

**3.1.2. Recommendation 5 (originally rated PC)**

25. In the 4<sup>th</sup> Round MER, Suriname was rated PC for Recommendation 5. The following deficiencies were cited: (i) the criminalization of TF does not cover all elements of the FATF Standards (c.5.1); and (ii) there was no clear definition of ‘funds’ in the context of TF offence.
26. **Criterion 5.1 (Met)** This criterion was deemed met in the MER. However, Suriname amended the provisions for the criminalization of TF with the repeal of the MOT Act and Article 71(2) of the Penal Code as per State Decree 2023 No 133. The offence of TF is now criminalized under Article 489b of the Penal Code which aligns with the Terrorist Financing Convention. The provision includes if a person (i) collects, possesses, manufacture, imports, transits or exports objects for himself or for another person or provides them to another person; or (ii) incites, encourages or entices another to do so, with the intention that or while he knows that these objects will be used in whole or in part, indirectly or directly (a) for committing a terrorist crime; (b) for committing a crime in preparation or facilitation of a terrorist crime; (c) to support persons or organizations that commit or intent to commit terrorist crimes; and (d) to finance travel by a person to a state other than his state of residence or nationality. The criterion remains Met.
27. **Criterion 5.2 (Met)** This criterion was rated mostly met in the 4<sup>th</sup> Round MER. However, based on the change in the legislative infrastructure, the criterion has been reviewed. Article 489b, paragraph 1(b), states the offence of TF extends to a person that incites, encourages or entices another to commit TF with the intention that or knowing the objects will be used directly or indirectly to (a) commit a terrorist crime; commit a crime in preparation or facilitation of a terrorist crime; or (b) support persons or organizations that commit or intend to commit terrorist crimes; and (iv) to finance travel by a person for the purpose of committing, preparing, facilitating or participating in a terrorist crime or providing or participating in education or training for the execution of a terrorist crime. The MER stated whilst the terms ‘opportunity’ and ‘means’ in the provisions cover funds and assets of every kind in Suriname, there was no clear definition of the terms nor support material to give interpretation.
28. **Criterion 5.2<sup>bis</sup> (Met)** This criterion was rated not met in the 4<sup>th</sup> Round MER. Article 489b, paragraphs 1 and 2 incorporates the finance of travel by a person to a state other than his state of residence or nationality for the purpose of committing, preparing, facilitating or participating

in a terrorist offence or providing or participating in education or training for the execution of a terrorist crime. This addresses the deficiency and the criterion is re-rated as met.

29. **Criterion 5.3 (Met)** This criterion was deemed met in the 4<sup>th</sup> Round MER and was re-assessed against the new law. Paragraph 4 of Article 489b of the Penal Code which defines ‘objects’ to mean assets of any kind extends to funds or other assets both moveable and immovable, as well as real and personal rights, and legal documents or data carriers (in whatever form) from which the ownership of or any interest with regard to the assets appear ‘*regardless of whether they have a legal or illegal origin*’. The rating of met is maintained for this criterion.
30. **Criterion 5.4 (Met)** The 4<sup>th</sup> Round MER noted that this criterion was met in the MOT Act which was repealed. However, the criterion was re-assessed against the new provisions for the criminalization of TF in the Penal Code. The TF offence in Suriname law does not require that the funds or other assets (a) were actually used to carry out or attempt a terrorist act/s or (b) be linked to a specific terrorist act/s (Art. 489b(3)). This criterion remains met.
31. **Criterion 5.5 (Met)** This criterion was rated as met in the 4<sup>th</sup> Round MER and was re-assessed based on the new provisions in the Penal Code related to the criminalisation of TF. Articles 19 and 325 of the Code of Criminal Procedure (S.B. 1977 no. 94) make it possible for the intent and knowledge required to prove TF offences to be inferred from objective factual circumstances. Specifically, article 19 of the Code of Criminal Procedure stipulates that a person shall be considered as a suspect whose facts or circumstances give rise to a reasonable suspicion of guilt of any criminal offences. Further article 325 of the Code of Criminal Procedure prescribes the matters that shall be recognized as legal evidence and the stipulation that general known facts or circumstances shall not require proof. This criterion remains met.
32. **Criterion 5.6 (Met)** This criterion was rated as met in the 4<sup>th</sup> Round MER and was re-assessed based on the new provisions in the Penal Code related to the criminalisation of TF. The proportionate and dissuasive sanctions for the TF offence as outlined in the analysis of c.5.1, are applicable to natural persons convicted of the offence. The criterion remains met.
33. **Criterion 5.7 (Met)** This criterion was rated as met in the 4<sup>th</sup> Round MER and was re-assessed based on the new provisions in the Penal Code related to the criminalisation of TF. Natural and legal persons can commit criminal offences (Article 76 of the Penal Code) and as such can have criminal, civil and administrative sanctions imposed upon their conviction for the TF offence. The criterion remains met.
34. **Criterion 5.8 (Met)** This criterion was rated as met in the 4<sup>th</sup> Round MER and was re-assessed based on the new provisions in the Penal Code related to the criminalisation of TF. According to Article 489b of the Penal Code, the TF offence includes (a) preparation (attempt to commit); (b) support persons or organisations that commit or intent to commit terrorist crimes (participate as an accomplice in a TF or attempted offence); and (c) incite, encourage or entice another person to do so. This criterion remains met.
35. **Criterion 5.9 (Met)** This criterion was rated as met in the 4<sup>th</sup> Round MER and was re-assessed based on the new provisions in the Penal Code related to the criminalisation of TF. Further to the analysis in c.3.2, TF is included in the list of designated offences in Article 489a paragraph 4 of the Penal Code. This criterion remains met.
36. **Criterion 5.10 (Met)** This criterion was rated partly met in the 4<sup>th</sup> Round MER. Pursuant to Article 489b paragraph 3 of the Penal Code, it is not necessary that the person alleged to have committed a TF offence is in the same country or in a country other than the country where the terrorist or terrorist organisation is located or whether the terrorist offence has taken place or will take place. The new provision addresses the deficiency and the criterion is now met.

**Weighting and conclusion:**

37. Suriname has made progress in enhancing their satisfaction of the requirements in R.5. The change to the legislative infrastructure included the repeal of the MOT Act and Article 71 paragraph 2 of the Penal Code which were replaced with Article 489b of the Penal Code. This amendment maintained Suriname's compliance in the areas met in the MER and has fully addressed the deficiencies noted in the 4<sup>th</sup> round MER.

**Suriname is re-rated as Compliant for R.5.**

**3.1.3. Recommendation 11 (originally rated LC)**

38. In the 4<sup>th</sup> Round MER, Suriname was rated LC for Recommendation 11. There was a minor deficiency whereby measures in place did not explicitly address the need for service providers to keep records of the results of any analysis undertaken (c.11.2). However, Suriname sought a review of this recommendation consequent the significant change in the legislative framework in whereby the MOT Act and the WID Act, which were repealed and replaced with the WMTF Act (2022) significantly impacted the Recommendation.
39. **Criterion 11.1 (Met)** This criterion was met in the MER. Under the new legislative framework, FIs are required to maintain all necessary records (pertaining to CDD and account information) on national and international transactions for seven years after the termination of the contract (relationship) pursuant to Article 19, 20 and 21 of the WMTF Act. As such, the rating of Met is maintained.
40. **Criterion 11.2 (Met)** Suriname largely met the requirements of this criterion in the MER with a minor deficiency pertaining to the lack of explicit requirement for FIs to keep records of the results of any analysis undertaken. Pursuant to Article 19 of the WMTF Act, FIs are required to keep records of CDD documents, account information, business correspondence and the results of analysis performed, for a period of at least seven years after the termination of the service or after the date of the transaction.
41. With regards to other FIs, Article 39 of the BCSS Act (2023) outlines the record keeping requirements for *credit institutions*; Article 14 of the Money Transaction Supervision Act outlines the requirements for *money transfer agencies*; and Article 26 of the Capital Market Act outlines the requirements for *stock brokerage firms/stock exchange*. All provisions require such records be maintained for at least 10 years.
42. The criterion is now met by the relevant provisions and the deficiency has been addressed. As such, this criterion is re-rated as Met.
43. **Criterion 11.3 (Met)** As noted in the MER, Suriname required FIs to maintain transaction records sufficient to permit the reconstruction of transactions to provide evidence for prosecution of criminal activity. This requirement for service providers (including FIs) is now outlined in Article 21 of the WMTF Act and is sufficient to permit the reconstruction of transactions to provide evidence for prosecution of criminal activity, if necessary. The rating of met is retained for this criterion.
44. **Criterion 11.4 (Met)** This criterion was met in the 4<sup>th</sup> Round MER under the MOT Act. Under the new legislative framework for record keeping, Article 21 of the WMTF Act requires FIs to keep transaction records (all relevant documents concerning national and international transactions) in an accessible manner. The Explanatory Notes for this Articles explains an accessible manner means that records should be kept by FIs ***to respond immediately to requests from competent authorities for the provision of information***. The rating of met is retained.

**Weighting and conclusion:**

45. Suriname made significant enhancements to the AML/CFT legislative framework that led to the enactment of the WMTF Act (that merged two key legislations into one law for preventing ML and combatting TF). As a result, the deficiency in the MER for R.11 has been addressed.

**Suriname is re-rated as Compliant for R.11.**

#### **3.1.4. Recommendation 19 (originally rated PC)**

46. In the 4<sup>th</sup> Round MER, Suriname was rated PC for Recommendation 19. The following deficiencies were cited: (i) there were no specific measures in place to ensure that FIs are advised of concerns about weaknesses in the AML/CFT systems of other countries (c.19.3); and (ii) there was no definition of the countermeasures to be applied proportionately to risks (c.19.2). FIs in Suriname are required to apply enhanced due diligence, proportionate to the risks, business relationships and transactions with natural and legal persons (including FIs) from countries when called for by the FATF
47. **Criterion 19.1 (Met)** This criterion was met in the 4<sup>th</sup> Round MER under the WID Act which was repealed and replaced with the WMTF Act that now provides for the prevention and combatting of ML and TF. Pursuant to Article 14 Paragraph 3f of the WMTF Act, FIs in Suriname are required to apply enhanced due diligence, proportionate to the risks, business relationships and transactions with natural and legal persons (including FIs) from countries, when called for by the FATF. Additionally, the Central Bank of Suriname (CBvS) issued directives in March and April of 2024 advising FIs of AML/CFT weaknesses in the systems of other jurisdictions. Specifically, the directives state that FIs should apply enhanced measures to business relationships and transactions with natural and legal persons as well as to FIs with origins in countries designated by the FATF as a high-risk jurisdiction or a jurisdiction under increased monitoring. These enhanced measures must be effective and proportionate to risk. This criterion remains Met.
48. **Criterion 19.2 (Met)** This criterion was not met in the 4<sup>th</sup> Round MER. The CBvS issued sector-specific directives in 2024 for the banking, insurance and credit union sectors. The directives require the respective FIs to apply enhanced due diligence measures to business relationships and transactions with natural and legal persons as well as FIs from countries that appear on the FATF list of "High-risk Jurisdictions Subject to Call for Action" and "Jurisdictions under Increased Monitoring". Enhanced due diligence measures must be effective and proportionate to the risks. These measures are outlined in the directives.
49. **Criterion 19.3 (Met)** This criterion was not met in the 4<sup>th</sup> Round MER. The CBvS issued AML/CFT Directives in March and April 2024 pursuant to Article 38(3) of the WMTF Act which authorizes the supervisor to issue guidelines, to entities under its supervision, to promote compliance with the requirements under the Act. The respective sections of the Directives, which are sector-specific, advise FIs to apply enhanced due diligence measures to business relationships and transactions with natural or legal persons from countries that appear on the FATF list of "High-risk jurisdictions subject to call for action" and "Jurisdictions under increased monitoring". The CBvS also has mechanisms to advise FIs and keep them informed by updating its website with links to FATF Statements and email announcements to FIs with links to the relevant information regarding weaknesses in the AML/CFT systems of other countries. This criterion is now met. .

#### **Weighting and conclusion:**

50. The deficiencies outlined under Criteria 19.2 and 19.3 of the 4<sup>th</sup> Round MER have now been addressed and Suriname meets all the criteria of R.19.
51. **Suriname is re-rated as Compliant with R.19.**

### **3.1.5. Recommendation 20 (originally rated LC)**

52. In the 4<sup>th</sup> Round MER, Suriname was rated LC for Recommendation 20. Suriname was assessed as largely having measures for reporting suspicious transactions. However, a minor deficiency related to the higher threshold than that anticipated for c.20.1 established in the jurisdiction. Theoretically this can result in transactions indicative of other criminal activities, than ML, going unreported. As a result of the significant change in the legislative framework (see paragraph 11) with the repeal of the MOT Act that provided for the reporting of suspicious transactions, this recommendation was reviewed.
53. **Criterion 20.1 (Mostly Met)** Service Providers (which includes FIs) who discover facts in the performance of their duties that indicate or could indicate ML of TF are required to immediately report in writing to the FIU (digitally or otherwise), pursuant to Article 29 paragraph 1 of the WMTF Act. Further, the State Decree of Unusual Indicators (SDUIT) which places the obligation on FIs to report based on objective and subjective indicators listed, remain in force. By linking suspicious transactions reporting to ML, Suriname has set a higher threshold than that anticipated for c.20.1, which theoretically can result in transactions that are indicative of other criminal activities going unreported.
54. **Criterion 20.2 (Mostly Met)** FIs are required to report all suspicious transactions, including attempted transactions. However, the deficiency regarding c.20.1 cascades.

#### **Weighting and conclusion:**

55. The deficiency resulting from the higher threshold applied by Suriname regarding the identification of suspicious transactions for reporting to the FIU identified in the 4<sup>th</sup> Round MER has not been addressed. This can result in transactions related to other criminal activities going unreported.
56. **Suriname maintains the rating of Largely compliant with R.20.**

### **3.1.6. Recommendation 26 (originally rated PC)**

57. In the 4<sup>th</sup> Round MER, Suriname was rated PC for Recommendation 26. The following deficiencies were cited: (i) there was no designated supervisor for compliance with the WID Act which outlines the CDD, EDD and record keeping AML/CFT requirements and obligations (c.26.1); (ii) notwithstanding the prohibition of correspondent banking dealings with shell banks, there was no prohibition on the establishment, or continued operation of shell banks; (c.26.2); (iii) there were no specific measures for beneficial owners as defined by FATF (c.26.3); (iv) there were no measures with respect to regulation and supervision of FIs in line with the core principles such as IOSCO, IAIS, etc (c.26.4); (v) The frequency and intensity of AML/CFT supervision (on-site and off-site) was not adequately based on the ML/TF risks present in the country and ML/TF characteristics and risks for the FIs (banks, credit unions, insurances and securities) or for those that are part of a group (c.26.5 and c.26.6); and (vi) The risk-based supervision framework (for both the off-site monitoring and on-site inspections) for the credit unions, banks, insurance and securities was still under development.
58. **Criterion 26.1 (Met)** This criterion was rated Mostly Met in the 4<sup>th</sup> Round MER. The changes in the legislative regime outlined at paragraph 11 impacted on the aspects of the Recommendation met in the MER. The WMTF Act now provides for the designation of AML/CFT supervisors and AML/CFT requirements for service providers. Pursuant to Article 38 of the WMTF Act, the CBvS is designated with responsibility for regulating and supervising financial service providers for compliance with AML/CFT requirements outlined in Chapters 1 and 2 of the WMTF Act. As such, Suriname has enhanced provisions to fully address this criterion.

59. **Criterion 26.2 (Met)** This criterion was partly met in the 4<sup>th</sup> Round MER. While there were provisions for the licensing of core principle FIs, there was no prohibition on the establishment or continued operation of shell banks. Article 2 paragraph 4 of the Banking and Credit System Supervision Act 2023 (BCSS Act) states that the CBvS, the licensing authority for FIs, shall not license a legal entity such as a shell bank or offshore bank, regardless of whether such legal entity is part of a regulated financial group subject to supervision on a consolidated basis. Further, pursuant to Paragraph 2.4.3 Cross-border correspondent banking of the CBvS AML-CTF Directive 2024 for Banks, Money Transaction Offices and Capital Market (BMTC), states that no licenses are issued to shell banks. The CBvS directives further prohibit FIs from entering into or continued correspondent banking relationships with a shell bank. FIs are also not allowed to have their accounts used by shell banks. This criterion is now fully addressed.
60. **Criterion 26.3 (Met)** As outlined in the 4<sup>th</sup> Round MER, financial supervisors are empowered to take legal and regulatory measures to prevent criminals and associates from holding a significant or controlling interest or holding a management function in a FI. However, there were no specific measures for beneficial owners (BO) as defined by the FATF and as such, fitness and proprietary measures for BOs were not adequately defined. Article 18 of the BCSS Act 2023 (O.G. 2024 No. 4) outlines the criteria for fitness and propriety assessments for a director, member of the supervisory body or holder of a qualified participation of a credit institution. Qualified participation is defined in Article 1 of the BCSS Act as *direct or indirect interest of at least five (5) percent of the issued share capital of a legal entity, or the ability to exercise, directly or indirectly, at least five (5) percent of the voting rights in a legal entity, or the ability to exercise, directly or indirectly, a similar control in a legal entity, including the beneficial owner of or in a qualified participation*. This aligns with the FATF's definition of a BO. The BCSS Act also states that a natural or legal person shall not hold, acquire or increase a qualified participation or exercise any control relating to a qualified participation in a credit institution without the prior written consent of the CBvS. Further, the CBvS' Fit and Proper Assessment Process applies to directors, management board members, internal supervisors and qualified participants/shareholders (natural persons) of all supervised institutions. The criterion is now fully addressed.
61. **Criterion 26.4 (Met)** This criterion was rated partly met in the 4<sup>th</sup> Round MER.
- (a) **(Met)** As established in the MER, FIs are subject to regulation and supervision in line with the core principles. Subsequently, the CBvS issued AML-CTF directives in March and April 2024 which defines the nature and extent of the application of consolidated AML/CFT group supervision. The directives apply to banks, money transaction offices and capital market (**CBvS-AML-CTF Directive 2024-BMTC**); insurance entities (**CBvS-AML-CTF Directive 2024-INS**); and credit unions (**CBvS-AML-CTF Directive 2024-CU**). The respective directives outline the minimum AML/CFT requirements for their respective entities. Specifically, the directive to insurance entities (including branches and subsidiaries) requires the develop and implement effective policies and operating procedures and control mechanisms that are based on the identified and analyzed ML and TF risks.
- (b) **(Met)** The CBvS supervises FIs for compliance with the AML/CFT requirements pursuant to Article 38 paragraph 1 of WMTF Act. The directive **CBvS-AML-CTF Directive 2024-BMTC** also applies to money transaction offices.
62. **Criterion 26.5 (Met)** This criterion was rated partly met in the 4<sup>th</sup> Round MER. Suriname has enacted the relevant provisions and taken measures that provide for the frequency and intensity of AML/CFT supervision of FI or groups. The WMTF (O.G. 2022 No. 138) Act provides for the CBvS as the designated supervisor with power to monitor compliance with the AML/CTF obligations under Chapters 1 and 2 of the WMTF. Further, the CBvS developed an AML/CFT

risk-based supervision framework, which covers both on-site and off-site monitoring of FIs under supervision. The Manual AML/CTF Supervision-April 2024 outlines the frequency with which supervisory activities are conducted and speaks to an AML/CFT risk matrix utilized to determine the risk profile of the FI. The supervisory activities are informed on the basis of:

- (a) *(Met)* The Sectoral Risk Analysis (SRA) and the CBvS' assessment of risk posed by the FIs;
- (b) *(Met)* The results of the National Risk Analysis (NRA); and
- (c) *(Met)* The Risk and Effectiveness matrix, based on the resulting risk profiles.

63. To determine the frequency and intensity of the ongoing monitoring of FIs, the CBvS conducted sectoral risk assessments in the banking sector, exchange offices, money transfer offices, the insurance sector and pension funds sector.
64. **Criterion 26.6 (Met)** The CBvS' Manual AML/CTF Supervision-April 2024 outlines the risk-based framework for AML/CFT supervision which includes the frequency with which supervisory activities (including on-site examinations) will take place, based on the risk profile of institutions. The Manual states the CBvS utilises an AML/CFT risk matrix to determine the risk profile of the FI, and incorporates data from various sources including annual AML/CFT questionnaires, results of previous AML/CFT examinations (on-site and off-site), self-reporting by FIs, information from other competent authorities (FIU, law enforcement and Justice) and foreign supervisory authorities. This risk assessment is conducted structurally and periodically to inform the CBvS' risk understanding. The Manual also speaks to trigger events that can change an FI's risk profile and necessitate an inspection. As such, the criterion is now fully addressed.

**Weighting and conclusion:**

65. Suriname has taken significant steps to address the deficiencies in MER. Since the MER, Suriname has repealed the MOT Act and WID Act and replaced them with the WMTF Act, issued directives to FIs (banks, MTO, insurances, CU, etc), conducted sectoral risk assessments and the CBvS developed its Manual AML/CFT Supervision that prescribes the risk based framework for AML/CFT supervision of FIs. All criteria are now met.
66. **Suriname is re-rated as Compliant for R.26.**

**3.1.7. Recommendation 27 (originally rated PC)**

67. In the 4<sup>th</sup> Round MER, Suriname was rated PC for Recommendation 27. The following deficiencies were cited: (i) CBvS' supervision of FIs only extend to the supervision of unusual transaction reporting and as such the CBvS does not have supervisory powers under the WID Act (Identification Requirements for Service Providers); (ii) The CBvS' authority to compel the production of information deemed relevant to the monitoring of compliance is limited to prudential supervision; (iii) As it relates to the WID Act, the CBvS may have difficulty enforcing the sanctions outlined therein given that it is not explicitly empowered to supervise compliance under the act; (iv) As it relates to insurance companies and pension funds, the supervisor is not empowered by legislation (Bank Act and MOT Act) to compel the production of any information relevant to monitoring compliance with the AML/CFT requirements; (v) In relation to sanctions, the current legislation relating to pension funds and insurance companies does not contain disciplinary sanctions for non-compliance and does not contain the power to withdraw, restrict or suspend these entity licenses in relation to AML/CFT matters; and (vi) As it relates to stock brokerage firms or the stock exchange, the sanctions outlined in Articles 34

and 35 of the Capital Market Act are not in relation to licensees' failure to comply with AML/CFT requirements.

68. **Criterion 27.1 (Met)** This criterion was rated partly met in the 4<sup>th</sup> Round MER. The changes in the legislative regime outlined at paragraph 11 impacted on the aspects of the Recommendation met in the MER. Pursuant to Article 38 of the WMTF Act, the CBvS has the power to supervise and monitor FIs to ensure compliance with the AML/CFT obligations outlined in Chapters 1 and 2 of the WMTF Act. Additionally, the CBvS is also authorized to issue guidelines to FIs under its supervision, to promote compliance with the provisions outlined in the WMTF Act. The criterion is fully addressed.
69. **Criterion 27.2 (Met)** This criterion was rated partly met in the 4<sup>th</sup> Round MER. The CBvS as the designated supervisor for FIs, is authorized to carry out inspections at any service provider under its supervision, as often as it deems necessary (Article 39 (2) of the WMTF Act). As such, the CBvS is authorized to conduct inspections of FIs to monitor and ensure compliance with AML/CFT requirements.
70. **Criterion 27.3 (Met)** This criterion was rated partly met in the 4<sup>th</sup> Round MER. Pursuant to Article 39 (2) of the WMTF Act, the CBvS as the designated supervisor for monitoring compliance with AML/CTF obligations under to Chapters 1 and 2 of the WMTF Act, is authorized to request information from service providers under its supervision, as often as it deems necessary. Article 39 goes further to state that each service provider is obliged to cooperate with the supervisory authority. The Explanatory Memorandum to Article 39 clarifies that service providers are obliged to cooperate with supervisors
71. **Criterion 27.4 (Partly Met)** This criterion was rated partly met in the MER. The newly enacted WMTF Act which replaced the MOT Act and WID Act, authorizes the CBvS (the designated supervisor) to impose a penalty on FIs (services providers) under supervision, that don't or don't timely comply, with obligations in Chapters 1 and 2 of the WMTF Act (Article 40 (1) of the WMTF Act). The WMTF Act further states that "the penalty shall not exceed SRD100,000 (USD3,277) per day, which can be changed by State Decree. However, the WMTF does not empower the AML/CFT supervisors to restrict or suspend licenses for AML/CFT breaches pursuant to Chapters 1 and 2 of the WMTF. The deficiency cited in the MER for c.35.2 remains unaddressed and therefore cascades to this criterion.

#### **Weighting and conclusion:**

72. The deficiencies outlined under c.27.1 to c.27.3 of the 4th Round MER have been addressed with the enactment of the WMTF Act. However, the WMTF Act does not include provisions that empower the relevant competent authority to withdraw, restrict, or suspend a the FI's license for noncompliance with the Act. Further, the deficiency related to c.35.2, which remains unaddressed, cascades into c.27.4
73. **Suriname is re-rated as Largely Compliant with R.27.**

#### **3.1.8. Recommendation 28 (originally rated PC)**

74. In the 4<sup>th</sup> Round MER, Suriname was rated PC for Recommendation 28. The following deficiencies were cited: (i) there are no measures to prevent criminal or their associates from holding or controlling interest, or holding a management function or being an operator of a casino (c.28.1 (b)); (ii) The GSCI's supervisory responsibility under the MOT Act is limited to the disclosure of unusual transactions, consequently, it has no authority to supervise casinos of compliance with other AML/CFT obligations (under the WID Act) (c.28.2 (c)); (iii) there are no provisions in place that grants the supervisors the power to supervise, monitor and impose sanctions on DNFBPs pursuant to the WID Act (c.28.2); (iv) there are no measures are in place to prevent criminals or their associates from being professionally accredited or holding (or

being the beneficial owner of) a significant or controlling interest or holding a management function in a DNFBP (c.28.4 (b)); (v) there were no mechanisms in place to determine the frequency and intensity of AML/CFT supervision of DNFBPs (c.28.5 (a)); (vi) supervision is not conducted on a risk sensitive basis for all DNFBPs (including casinos) (c.28.5); and (vii) the Council on International Sanction is yet to develop a supervisory framework to monitor compliance with the Act.

**75. Criterion 28.1 (Met)**

(a) (*Met*) This sub criterion was considered Met in the 4th round MER. Since the adoption of the MER, Suriname had revoked the Hazard Games Act 1962 and replaced it with the Hazard Games Act (O.G. 2023 no 135). Pursuant to Articles 2 and 6 of the Hazard Games Act (2023), all casinos operating in Suriname must be licensed, including online casinos. As such the rating is maintained for this criterion.

(b) (*Met*) Pursuant to Article 4 (3) of the Hazard Games Act (2023), the applicant or the license holder, the persons who exercise a management position, the persons who have a substantial or controlling interest in the casino, and the persons who are beneficial owners of such interest are subject to environmental and background investigations by the Gaming Control Board of Suriname (the GSCI).

(c) (*Met*) The GSCI is empowered under Article 38(1)(b) of the WMTF Act to supervise, monitor and ensure compliance with Chapters 1 and 3 of the WMTF.

**76. Criterion 28.2 (Met)** According to the MER, the Financial Intelligence Unit of Suriname (the FIUS) was the designated supervisor for non-financial services providers under the MOT Act, but this supervision was limited to compliance with reporting obligations therein. The WMTF, which replaced the MOT Act, designates the FIUS as the supervisor for non-financial services providers for compliance with the AML/CFT obligations under Chapters 1 and 2 (CDD, EDD and record keeping obligations) of the WMTF Act (Articles 38(1)(c) of the WMTF Act).

**77. Criterion 28.3 (Met)** The definition of service providers in the WMTF Act includes FIs and DNFBPs in alignment with the FATF definition of the sectors' activities. DNFBPs in Suriname are categorized as non-financial service providers. As per c.28.2, these entities are supervised by the FIUS (Article 38(1)(c) of the WMTF Act). Chapters 1 and 2 of the WMTF Act outline the AML/CFT obligations which non-financial services providers are required to comply with. The FIUS is authorized to issue guidelines, conduct inspections for compliance and impose sanctions for non-compliance with the AML/CFT obligations.

**78. Criterion 28.4 (Mostly Met)**

(a) (*Met*) This sub-criterion was rated partly met in the 4<sup>th</sup> Round MER. As the designated supervisor (Article 38(1)(c) of the WMTF Act), the FIUS has the requisite powers to monitor non-financial services providers compliance with AML/CFT obligations, undertake compliance inspections to assess compliance (Article 39(2) of the WMTF Act) and issue guidelines to promote compliance (Article 39(3) of the WMTF Act).

(b) (*Not Met*) This sub-criterion was rated not met in the 4<sup>th</sup> Round MER. While the respective associations for sectors such as attorney-at-law, accountants and notaries have rules and mechanisms to prevent misuse of this profession by criminals or their associates, there are no provisions in Suriname that require the FIUS (the designated competent authority responsible for monitoring non-financial service providers) to take measures that prevent criminals and their associates from being professionally accredited or holding a significant or controlling interest, or holding a management function. The deficiency in the MER remains unaddressed.

(c) (*Mostly Met*) This sub-criterion was rated mostly met in the 4<sup>th</sup> Round MER. Pursuant to Article 40(1) of the WMTF, the FIUS may impose a penalty on a non-financial service provider that does not or does not timely comply with its request for information or requirements to take measures to promote an adequate regime as a result of an inspection carried out by the FIUS. However, the deficiency at c.35.2 relative to

applicability of sanctions to directors and senior management of service providers for AML/CFT breaches cascades to this sub-criterion. Therefore, this sub-criterion remains Mostly Met.

79. **Criterion 28.5 (Partly Met)** This criterion was assessed as not met in the 4<sup>th</sup> Round MER as the supervisory processes of the FIUS and GSCI were not based on a risk-sensitive approach nor was there any mechanism to determine the frequency and intensity of AML/CFT supervision of DNFBPs.

(a) (**Met**) The FIUS is required to exercise supervision in a risk-oriented manner. Further, the frequency and intensity of this supervision is determined on the basis of the risks identified pursuant to Article 38(2) of the WMTF Act. Further, supervisors are empowered to conduct compliance inspections of non-financial service providers (Article 39(2) of the WMTF Act).

(b) (**Partly Met**) With the exception of the GSCE, Suriname did not demonstrate that the supervisors of the various DNFBP sectors have mechanisms or a methodology in place that take into consideration the ML/TF risk profiles of the relevant DNFBPs, and the degree of discretion allowed to them under the RBA, when assessing the adequacy of the AML/CFT internal controls, policies and procedures of DNFBPs.

**Weighting and conclusion:**

80. Suriname has made progress in addressing some deficiencies (c.28.1 and c.28.4(b)) outlined in the 4<sup>th</sup> Round MER. Due to the enactment of the WMTF Act have resolved the issues related to these criteria. However, deficiencies remain as Suriname has not demonstrated that measures are in place to prevent criminals or their associates from being professionally accredited, holding a significant or controlling interest, or having a management function in a DNFBP. There remains a deficiency relative to the applicability of sanctions on directors, as a result of the cascading effect of the deficiency in c.35.2.

**Suriname is re-rated as Largely Compliant with R.28.**

**3.1.9. Recommendation 30 (originally rated PC)**

81. In the 4<sup>th</sup> Round MER, Suriname was rated PC for Recommendation 30. The lone deficiency cited was that while the JIT was designated with responsibility for investigating the cross-border element of TF, there was no law enforcement agency specifically designated with responsibility for ensuring that all aspects of TF are properly investigated.
82. **Criterion 30.1 (Met)** This criterion was rated partly met in the 4<sup>th</sup> Round MER. By Routine Order 19/23, dated 13 March 2023, the Police Commissioner of the Suriname Police Force (KPS) designated the Financial Investigation Team (FOT) as the department charged with TF investigations.
83. **Criterion 30.2 (Met)** This criterion was assessed and rated met in the 4<sup>th</sup> Round MER. The Procurator General, Public Prosecution Service, District Commissioner, and KPS officers are responsible for criminal investigations whilst specially appointed police officers under the Ministry of Justice and Police are authorised to investigate ML within their designated territories. The Joint Investigation Team (JIT) is responsible for investigating cross-border ML and TF activities (see MER c.30.1) All of these authorities can refer cases to the FOT for further investigation. There have been no changes to the AML/CFT framework in this regard.
84. **Criterion 30.3 (Met)** This criterion was assessed and rated met in the 4<sup>th</sup> Round MER. Under articles 83 to 91 of the Criminal Proceeding Code the Examining magistrate (art.86a) can grant an investigating officer authorization to identify, trace and seize property suspected to be the proceeds of crime There have been no changes to the AML/CFT framework in this regard. There have been no changes to the AML/CFT framework in this regard.

85. **Criterion 30.4 and 30.5 (Not applicable)** These criteria were deemed not applicable in the MER as there were no other competent authorities which are not law enforcement authorities designated with responsibility for pursuing financial investigations of predicate offences in Suriname and there was no anti-corruption authorities designated to investigate ML/TF offences. There have been no changes to the framework in this regard.

**Weighting and conclusion:**

86. Suriname has addressed the lone deficiency outlined in the 4<sup>th</sup> Round MER by designating the FOT as the law enforcement authority responsible for investigating TF offences.

**Suriname is re-rated as Compliant with R.30.**

**3.1.10. Recommendation 32 (originally rated PC)**

87. In the 4<sup>th</sup> Round MER, Suriname was rated PC for Recommendation 32. The following deficiencies were cited: (i) there is no information on whether declarations are also required for the physical cross-border transportation through mail or cargo; (ii) there are no measures which grants competent authorities the authority to request and obtain further information from the carrier about the origin of currency or BNIs, and their intended use, upon discovery of a false declaration of currency of BNI or a failure to disclose them; (iii) there are no provisions for specifically stopping or restraining currency or BNIs for a reasonable time in order to ascertain whether there may be evidence of ML/TF in cases where there is suspicion of ML/TF or predicate offences or where there is a false declaration; (iv) no measures which specifically address the requirement that records should be retained when: a declaration or disclosure exceeds the prescribed threshold; or when there is a false declaration; or when there is suspicion of ML/TF; (v) there were no mechanisms in place to determine the frequency and intensity of AML/CFT supervision of DNFBPs (c.28.5 (a)); and (vi) though there are measures in place which broadly cover the imposition of sanctions.
88. **Criterion 32.1 (Met)** This criterion was rated partly met in the MER as there was no information on whether declarations are also required for the physical cross-border transportation through mail or cargo. The physical cross-border transportation of currency and bearer negotiable instruments is now addressed in General Order No. 225 which was issued by the Foreign Currency Board (FCB) on August 31, 2022. Paragraph II of this Order amended paragraph VIII of General Decision No. 221 which was in force at the time of the MER. Consequently, there is now a prohibition on the physical import and export of 'values' from USD10,000, or its equivalent, without a permit. Values as defined in art.3 of the Foreign Currency Act, G.B. 1947 appropriately covers bearer negotiable instruments in line with the General Glossary. As such, the deficiency has been addressed.
89. **Criterion 32.2 (Met)** No deficiency was cited in the MER for this criterion. All persons making a physical cross-border transportation of currency and BNIs exceeding the threshold of USD10,000 or the equivalent in a convertible currency must make a written truthful declaration using the declaration form established by the FCB. There are no changes to the AML/CFT framework in this regard.
90. **Criterion 32.3 (Not applicable)** Suriname uses a written declaration system instead of a disclosure system.
91. **Criterion 32.4 (Not met)** As set out in the MER, there are no measures which grant competent authorities the authority to request and obtain further information from the carrier with regard to the origin of the currency or BNIs, and their intended use, upon discovery of a false declaration of currency of BNI or a failure to disclose them. General Order No. 225 provides no measures in this regard. As such, this criterion remains not met.

92. **Criterion 32.5 (Met)** No deficiency cited in the MER. In case of a false, incorrect, or incomplete declaration, or if the carrier fails to fulfil declaration obligations, the cash or BNI may be confiscated by Customs or seized by the competent authority. Additionally, a fine may be imposed by the Court for violating the Foreign Currency Regulations of 1947. Moreover, the carrier could face imprisonment for up to six years if found to be importing or exporting USD10,000 or more (or the equivalent in other currencies) without submitting a declaration form. There are no changes to the AML/CFT framework in this regard.
93. **Criterion 32.6 (Met)** No deficiency cited in the MER. Paragraph 5 of the established declaration form states that *“the provided information and personal details will be recorded and processed by Customs and made available to the Financial Intelligence Unit Suriname and the Foreign Currency Board”*. In practice, Customs collects and processes the provided information before sending it to the FCB. The FCB compiles the information into an Excel spreadsheet and then transmits it to the FIUS. There are no changes to the AML/CFT framework in this regard.
94. **Criterion 32.7 (Met)** No deficiency cited in the MER. Suriname has established mechanisms for effective collaboration among relevant authorities. Customs shares currency declaration information with the FCB, which then passes it to the FIUS. Customs collaborates with district police to hand over individuals for further investigation if false or non-disclosures are detected. There are no changes to the AML/CFT framework in this regard.
95. **Criterion 32.8 (Partly met)** This criterion was rated not met in the 4<sup>th</sup> Round MER. Authorities are authorized to stop and seize "values" above USD10,000 (General Order 225). However, there is no specific provision for holding these values for a reasonable period to determine whether evidence of ML/TF can be found in cases where there is suspicion of such activities or related offenses, or where false declarations or disclosures have been made.
96. **Criterion 32.9 (Partly met)** Suriname was rated partly met on this criterion in the 4<sup>th</sup> Round MER. On October 30, 2023, the FIUS and the FCB signed an MOU which will facilitate the sharing of information between the two agencies. This action does not provide any clarity on the applicable measures which address the retention of records in the following cases: when a declaration or disclosure exceeds the prescribed threshold; when there is a false declaration; or when there is suspicion of ML/TF. The deficiency has not been addressed.
97. **Criterion 32.10 (Met)** No deficiency cited in the MER. The Foreign Currency Act binds the FCB and any experts, including Customs, involved in its implementation. These safeguards do not interfere with trade payments or the free movement of capital. There are no changes to the AML/CFT framework in this regard.
98. **Criterion 32.11 (Met)** No deficiency cited in the MER. The cross-border transportation of currency related to ML/TF and predicate offences can be seized under Article 82 of the Penal Code, with confiscation covered by Article 50.
- (a) **(Met)** Persons transporting currency or BNIs across borders must make accurate declarations. Penalties apply for false, incorrect, or incomplete declarations (see c.32.5), as well as for criminal convictions (see r.3). There are no changes to the AML/CFT framework in this regard.
- (b) **(Met)** Forfeiture may be imposed upon conviction of any criminal offence (Article 50 Criminal Code). Objects belonging to a convicted person in respect of which the offence was committed (Article 50a (1)(b) and by means of which the offence was committed (Article 50a (1)(c) can be forfeited. There are no changes to the AML/CFT framework in this regard.

**Weighting and conclusion:**

99. Suriname has made progress in addressing some of the deficiencies outlined in the MER. However, gaps still exist in the country's ability to obtain additional information from carriers about currency or BNIs; holding *values* for a reasonable period to determine evidence of ML/TF, and clarity on applicable measures for record retention.

**Suriname remains Partially Compliant with R.32.**

**4. CONCLUSION**

100. Overall, Suriname has made significant progress in addressing most of the technical deficiencies identified in its MER and has been upgraded to C on R.3, R.5, R.11, R.19, R.26 and R.30; upgraded to LC on R.27 and R.28 and maintained the rating of LC for R.20. R.32 is maintained at PC.

101. A summary table setting out the underlying deficiencies for the Recommendations assessed in this report is included at *Appendix I*.

102. Overall, in light of the progress made by Suriname since its MER was adopted, its technical compliance with the FATF Recommendations is as follows as of December 2024:

R.	Rating
1	PC (MER 2023)
2	PC (MER 2023)
3	PC (MER 2023) ↑ <b>C (FUR 2024)</b>
4	LC (MER 2023)
5	PC (MER 2023) ↑ <b>C (FUR 2024)</b>
6	NC (MER 2023)
7	NC (MER 2023)
8	NC (MER 2023)
9	LC (MER 2023)
10	PC (MER 2023) PC (FUR 2023)
11	LC (MER 2023) <b>C (FUR 2024)</b>
12	PC (MER 2023) ↑ LC (FUR 2023)
13	PC (MER 2023) ↑ C (FUR 2023)
14	LC (MER 2023)
15	NC (MER 2023)
16	LC (MER 2023)
17	LC (MER 2023)
18	LC (MER 2023)
19	PC (MER 2023) ↑ <b>C (FUR 2024)</b>
20	LC (MER 2023) <b>LC (FUR 2024)</b>

R.	Rating
21	PC (MER 2023) ↑ C (FUR 2023)
22	PC (MER 2023) ↑ LC (FUR 2023)
23	PC (MER 2023)
24	NC (MER 2023)
25	NC (MER 2023)
26	PC (MER 2023) ↑ <b>C (FUR 2024)</b>
27	PC (MER 2023) ↑ <b>LC (FUR 2024)</b>
28	PC (MER 2023) ↑ <b>LC (FUR 2024)</b>
29	PC (MER 2023)
30	PC (MER 2023) ↑ <b>C (FUR 2024)</b>
31	PC (MER 2023)
32	PC (MER 2023) <b>PC (FUR 2024)</b>
33	LC (MER 2023)
34	C (MER 2023)
35	PC (MER 2023)
36	PC (MER 2023)
37	PC (MER 2023)
38	NC (MER 2023)
39	PC (MER 2023)
40	PC (MER 2023)

103. Suriname has 19 Recommendations rated NC/PC. Suriname will remain in enhanced follow-up based on effectiveness ratings. Suriname’s next enhanced follow-up report is due November 2025.

## Appendix I: Summary of Technical Compliance – Deficiencies underlying the ratings<sup>4</sup>

Compliance with FATF Recommendations		
Recommendation	Rating	Factor(s) underlying the rating <sup>6</sup>
R.3	PC (MER) C (FUR 2024)	<ul style="list-style-type: none"> <li>• All criteria are met</li> </ul>
R.5	PC (MER) C (FUR 2024)	<ul style="list-style-type: none"> <li>• All criteria are met</li> </ul>
R.11	LC (MER) C (FUR 2024)	<ul style="list-style-type: none"> <li>• All criteria are met</li> </ul>
R.19	PC (MER) C (FUR 2024)	<ul style="list-style-type: none"> <li>• All criteria are met.</li> </ul>
R.20	LC (MER) LC (FUR 2024)	<ul style="list-style-type: none"> <li>• A higher threshold is applied by Suriname regarding the identification of suspicious transactions for reporting to the FIU which can result in transactions related to other criminal activities going unreported.</li> </ul>
R.26	PC (MER) C (FUR 2024)	<ul style="list-style-type: none"> <li>• All criteria are met.</li> </ul>
R.27	PC (MER) LC (FUR 2024)	<ul style="list-style-type: none"> <li>• There are no provisions that empower the competent authority to withdraw, restrict, or suspend a financial institution's license for violations of the WMTF Act.</li> </ul>
R.28	PC (MER) LC (FUR 2024)	<ul style="list-style-type: none"> <li>• There are no measures in place to prevent criminals or their associates from being professionally accredited or holding (or being the beneficial owner of) a significant or controlling interest or holding a management function in a DNFBP.</li> <li>• The deficiency in c.35.2 (directors and senior management of service providers are not captured for AML/CFT breaches) cascades to this criterion.</li> <li>• DNFBP Supervisors, except the GSCI, do not have mechanisms or methodology</li> </ul>
R.30	PC (MER) C (FUR 2024)	<ul style="list-style-type: none"> <li>• All criteria are met.</li> </ul>
R.32	PC (MER) PC (FUR 2024)	<ul style="list-style-type: none"> <li>• There are no measures which grant competent authorities the authority to request and obtain further information from the carrier with regard to the origin of the currency or BNIs, and their intended use, upon discovery of a false declaration of currency of BNI or a failure to disclose them.</li> <li>• There is no specific provision for holding values stopped or seized for a reasonable period to determine whether evidence of ML/TF can be found in cases where there is suspicion of such activities or related offenses, or where false declarations or disclosures have been made.</li> <li>• It is not clear if Suriname will retain records of declarations either when a declaration or disclosure that exceeds the prescribed threshold is made; when there is a false declaration; or when there is a suspicion of ML/TF.</li> </ul>

<sup>4</sup> Ratings and factors underlying the ratings are only include for those recommendations under review in this FUR.



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October 2024

Anti-money laundering and counter-terrorist financing measures in Suriname

**Follow-up Report & Technical Compliance Re-Rating**

This report analyses Suriname's progress in addressing the technical compliance deficiencies identified in the CFATF assessment of their measures to combat money laundering and terrorist financing of January 2023.

The report also looks at whether Suriname has implemented new measures to meet the requirements of the FATF Recommendations that have changed since its 4th Round Mutual Evaluation assessment.

Follow-up Report

