

Basel AML Index 2024: 13th Public Edition

Ranking money laundering risks around the world



About this report

The Basel AML Index is developed and maintained by the International Centre for Asset Recovery (ICAR) at the Basel Institute on Governance. ICAR receives core funding from the Government of Jersey, Principality of Liechtenstein, Norwegian Agency for Development Cooperation (Norad), Swiss Agency for Development and Cooperation (SDC), UK Foreign, Commonwealth & Development Office (FCDO) and UK Home Office.

This report is licensed under a Creative Commons Attribution NonCommercial-NoDerivatives 4.0 International License ([CC BY-NC-ND 4.0](https://creativecommons.org/licenses/by-nc-nd/4.0/)). Suggested citation: Basel Institute on Governance. 2024. 'Basel AML Index 2024: 13th Public Edition – Ranking money laundering and terrorist financing risks around the world.' Available at: index.baselgovernance.org.

While we have made reasonable efforts to ensure the accuracy and completeness of information provided in this report, neither the authors nor the Basel Institute on Governance nor our donors and collaborators assume any responsibility or liability for any errors or omissions, or for your use of the information and opinions contained in the report. Please send any feedback to: index@baselgovernance.org.

Foreword

We decided to launch the Basel AML Index back in 2012 to help financial institutions, financial intelligence units and policymakers to assess money laundering risks across countries and jurisdictions.

This initiative followed the Financial Action Task Force's formal adoption of a risk-based approach, which urged governments and private institutions to evaluate their exposure to money laundering and apply mitigation measures based on their specific risks. The Basel AML Index in its methodological approach satisfies regulatory expectations for such a risk management tool. Financial institutions can either rely solely on the Basel AML Index, use it as a benchmark to test their internal systems, or use it as a database to develop their own index (for which the Basel Institute can act as an expert advisor).

While developing the Index all those years ago, we realised that money laundering risks can't be fully understood by merely assessing a country's laws and institutions according to a checklist. For a more holistic picture, we included broader factors like transparency, accountability, rule of law, judicial independence, and freedom of expression and the media. These elements are essential for a country's resilience against financial crimes.

We also saw that the same systemic weaknesses exploited for money laundering can enable people to steal public resources, fund terrorism or the proliferation of weapons of mass destruction, evade sanctions and profit from organised crimes. This shows how a country's vulnerability to money laundering – often seen as a technical issue – profoundly impacts people's lives. In fact, it is now increasingly seen as an issue of national and global security.

It has been a privilege to follow the Basel AML Index's evolution as our understanding of money laundering and related risks has deepened. This process is supported by an independent external panel of experts who meet annually to review the methodology and advise on its improvement. This year we added data on fraud, hoping to underscore its critical role in any country-level risk assessment. The rise in fraud carries enormous risks for individuals, businesses and economies alike. A coherent approach to defining it and gathering relevant data according to a yet-to-be-developed global standard is urgently needed.

Despite our efforts to produce a holistic picture of money laundering risk at the country level, we caution against relying solely on the overall score of the Basel AML Index for judgments or decisions. To encourage informed analysis, the Expert Edition gives access to comprehensive data and granular details on all the underlying risk indicators. The Expert Edition Plus option features an in-depth analysis of FATF data. Access to this broad database and analysis tool is free for practically all non-private sector users and comes with a very interesting pricing structure for commercial users.

As someone who cares deeply about financial crime and its impacts on us all, I encourage you to explore this year's public report and the Basel AML Index data. Use these resources to deepen your understanding of evolving money laundering risks around the world, their links to serious financial crimes and what's needed to plug the gaps.



Hans-Peter Bauer
Senior Advisor AML/CFT
and former Board Member
Basel Institute on Governance

Executive summary

Key findings of the 13th annual Public Edition of the Basel AML Index, an independent, data-based ranking and risk assessment tool for money laundering and related financial crime risks around the world.

- The **inclusion of fraud indicators** in the Basel AML Index methodology reflects growing concerns over its rising scale as a driver of money laundering and its profound social and economic impacts. The change has increased risk scores for high-income countries and those with large financial centres. But if the world is to get a grip on fraud, **global standards, definitions and better data collection** are urgently needed.
- Since 2013, there has been a **12 percentage point improvement in technical compliance** with the 40 Recommendations of the Financial Action Task Force (FATF) among countries with available data. This means that in terms of national systems to counter money laundering, terrorist financing and proliferation financing, **there are fewer dark spots on the map**.
- The largest progress is in the areas of **targeted financial sanctions, measures to address higher-risk countries and politically exposed persons**, and **customer due diligence** by non-financial businesses and professions such as lawyers, accountants and gambling businesses.
- The improvement is driven mainly by **low-performing countries catching up**, including in some cases as a result of being on the FATF grey list.
- The FATF grey list is often misconceived as simply a public list of high-risk countries for money laundering, whereas it actually identifies those that have been assessed as **deficient in specific areas of their AML frameworks** and that are targeted by the FATF's **prioritisation criteria**. While being grey listed can deter foreign investment and impact financial inclusion, it does not come out of the blue and can also **serve to catalyse reforms**.
- In contrast to the modest progress in technical compliance with the FATF Recommendations, the **average effectiveness of AML measures globally** as measured by the FATF remains at the **low level of 28 percent**, down from 30 percent in 2021.
- The effectiveness of **investigations, prosecutions and sanctions** is at the bottom of the list at just 20 percent, followed by the misuse of legal persons and arrangements and the availability of beneficial ownership information at 21 percent. Effectiveness in the confiscation of criminal assets – an FATF priority in 2022–2023 – has dropped by two percentage points to 27 percent since 2021.
- In the face of legitimate questions about whether investments in AML compliance are translating into success, we stress the **multi-dimensional nature of money laundering and related financial crimes** and the impossibility of measuring success or failure with a single metric. Rather, we recommend looking at wider factors such as financial transparency and political/legal factors relating

to civil liberties, media freedom and judicial independence. Data on these factors and more are available in the Basel AML Index Expert Editions, which are free for most users outside the private sector..

- Ultimately, we need to understand the fight against financial crime as key to **achieving broader societal goals** relating to peace, justice and sustainable development, rather than limiting our ambitions to the protection of financial systems and economies. A clear, collective understanding of our purpose in countering financial crime will help us to design effective and sustainable AML systems and to demonstrate their tangible benefits.

Contents

09

1 Introduction

10

2 Methodology

16

3 Spotlight on fraud

20

4 FATF grey list: truth and myths

25

5 Assessing success

32

6 Scores and ranking

36

7 Regional focus

52

8 Expert Editions

54

About and contact

Acronyms and abbreviations

AML	anti-money laundering
CFT	counter financing of terrorism
CPF	counter proliferation financing
DNFBP	designated non-financial businesses and professionals
DR Congo	Democratic Republic of the Congo
EU	European Union
FATF	Financial Action Task Force
FUR	follow-up report (FATF assessment)
GI-TOC	Global Initiative against Transnational Organized Crime
ICAR	International Centre for Asset Recovery
ICRG	International Co-operation Review Group (FATF)
IDA	International Development Association
IMF	International Monetary Fund
INCSR	International Narcotics Control Strategy Report
IDEA	Institute for Democracy and Electoral Assistance
IO	Immediate Outcome (FATF effectiveness measure)
MER	mutual evaluation report (FATF assessment)
ML/TF	money laundering and terrorist financing
R.	Recommendation (FATF standard)
SAR	Special Administrative Region
UAE	United Arab Emirates
UK	United Kingdom
UNODC	United Nations Office on Drugs and Crime
UNSCR	United Nations Security Council Resolution
U.S. / USA	United States / United States of America
USD	U.S. Dollar
WEF	World Economic Forum

1 Introduction

This report accompanies the 13th Public Edition of the Basel AML Index, released in December 2024.

At the heart of the Basel AML Index is a ranking of countries and jurisdictions around the world according to their risks of money laundering and related financial crimes.

Risk, as measured by the Basel AML Index, is defined as a country's vulnerability to money laundering and related financial crimes and its capacities to counter these threats. The Index does not attempt to measure the actual amount of money laundering activity.

Published annually since 2012, the Basel AML Index is the only independent, research-based ranking by a non-profit organisation in this thematic area.

The Public Edition of the Basel AML Index reflects the overall score of countries and jurisdictions in terms of their money laundering risks, based on available data. However, we strongly advise against a superficial comparison of countries in accordance with their overall score and ranking.

For this purpose, we encourage users to subscribe to the Expert Edition and Expert Edition Plus (see section 8), which is free of charge for almost all organisations outside the private sector. The Expert Editions offer more comprehensive data and allow for a more in-depth analysis of individual countries, regions and risk factors.

2 Methodology

The Basel AML Index uses a composite methodology based on 17 indicators from publicly accessible sources relevant to evaluating money laundering risk at the country level. They are categorised into five domains in line with key factors considered to contribute to a high risk:



Figure 1: Five factors considered by the Basel AML Index to contribute to a high risk of money laundering and related financial crimes.

The aim of the Basel AML Index is to provide a holistic picture of money laundering risk. Its 17 indicators differ in focus and scope. We choose indicators based on several criteria, including their relevance, methodology, country coverage, public access and the availability of recent data.

2.1 Data sources

From the 13th edition onwards, indicators and their respective weightings are:

Domain 1: Quality of AML/CFT/CPF framework (50%)

- FATF: Mutual Evaluation Reports and Follow-up Reports (35%)
- U.S. State Department: International Narcotics Control Strategy Report (5%)
- U.S. State Department: Trafficking in Persons Report (5%)
- GI-TOC: Global Organized Crime Index – Flora, fauna, non-renewable resources (5%)

Domain 2: Corruption and fraud risks (17.5%)

- Transparency International: Corruption Perceptions Index (5%)
- TRACE: Bribery Risk Matrix (5%)
- GI-TOC: Global Organized Crime Index – Financial crimes (5%) (*new*)
- GI-TOC: Global Organized Crime Index – Cyber-dependent crimes (2.5%) (*new*)

Domain 3: Financial transparency and standards (17.5%)

- Tax Justice Network: Financial Secrecy Index (15%) (*previously in Domain 1*)
- World Bank: IDA Resource Allocation Index – Financial sector (2.5%)

Domain 4: Public transparency and accountability (5%)

- International Budget Partnership: Open Budget Survey – Budget transparency (1.66%)
- International IDEA: Political Finance Database – Political finance transparency (1.66%)
- World Bank: IDA Resource Allocation Index – Transparency, accountability and corruption in the public sector (1.66%)

Domain 5: Political and legal risks (10%)

- WEF Centre for the New Economy and Society: Judicial independence (3.33%)
- World Justice Project: Rule of Law Index (3.33%)
- Freedom House: Freedom in the World (2.22%)
- Reporters Without Borders: World Press Freedom Index (1.11%)

For detailed descriptions of each indicator and why it is important, see: index.baselgovernance.org/methodology.

2.2 Country coverage

The Basel AML Index includes in the Public Edition only countries and jurisdictions that meet the minimum data requirements: a fourth-round FATF mutual evaluation and at least 65 percent of data availability across all indicators. This year, 164 jurisdictions met these requirements, increasing the total coverage in the 2024 Public Edition by 12 compared to last year.

2.3 Scaling and weighting

Most indicators chosen for the Basel AML Index have their own scoring system. To achieve a unified coding system, individual indicator scores (variables) are collected and normalised using the min-max method into a 0–10 system, where 10 indicates the highest risk level.

As with any composite index, each variable then receives a weight to aggregate all scores into one score. In this case, the variables used differ in quality, coverage and relevance, with some components being more applicable than others in assessing money laundering risk.

The Basel AML Index therefore uses an expert weighting scheme (or so-called “participatory approach”), whereby experts assign a weight for a variable based on their in-depth knowledge and expertise in the matter. The expert weighting method includes a degree of subjectivity, which is mitigated through an annual expert review meeting.

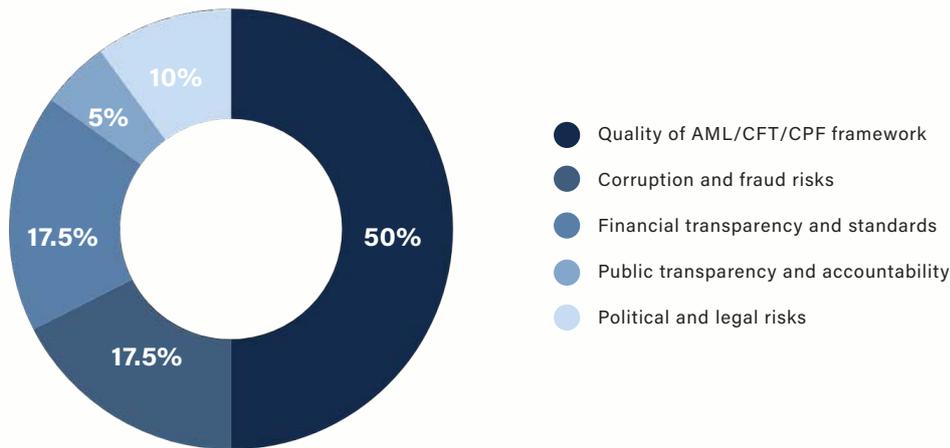


Figure 2: The five domains of the Basel AML Index and their weights in the overall score.

Annual expert review meeting

The Basel AML Index's methodology to calculate the risk scores, including the indicators and weighting, is reviewed every year by an independent panel of experts. The external experts from a diverse set of AML, compliance and risk assessment backgrounds convene to also discuss trends in global AML regulation and practice that may impact the effectiveness of the Basel AML Index.

The role of the annual expert review meetings is critical in ensuring that the Basel AML Index continues to meet best practice standards, that the weighting decisions continue to be adequate and are not influenced by bias or other undue types of subjectivity, and that the ranking is accurate, plausible and continues to capture the latest developments in money laundering risk assessment.

Our decisions on changes to the methodology are informed by the discussions, but do not necessarily indicate consensus among the participants.

The Basel Institute warmly thanks all participants in the Basel AML Index annual review meeting 2024: Gavin Bain (HSBC); Hans-Peter Bauer (Basel Institute on Governance); John Cusack (Global Coalition to Fight Financial Crime); Louis De Koker (La Trobe Law School, Australia); Nico Di Gabriele (European Central Bank); Alan Ketley (The Wolfsberg Group); Nathan Leigh (Bureau of International Narcotics and Law Enforcement Affairs, U.S. State Department); Marian Müller (Bitpliance); Robin Newnham (Alliance for Financial Inclusion); Tinatin Ninua (Open Government Partnership); Manolis Oikonomakis (UBS); Farida Paredes Falconi (Superintendence of Banks, Insurance and Pension Funds – Peru); Joseph Pozsgai-Alvarez (Osaka University); Scott Rembrandt (U.S. Department of the Treasury); Miller Schuyler (U.S. State Department); Donald Thomson (Wipro); Jana Warkotsch (GIZ); Kathryn Westmore (Royal United Services Institute); Malcolm Wright (Global Digital Finance); Helena Wood (Cifas); Ilze Znotina (Global Coalition to Fight Financial Crime, European Chapter).

2.4 Methodology changes

Based on the outcomes of the 2024 annual expert review, we have introduced a number of changes to the methodology of the Basel AML Index from November 2024:

- **Two new indicators** were included in Domain 2 on “Corruption and fraud risks” (previously “Corruption and bribery risk”) to reflect the growing global concern with fraud as a predicate offence to money laundering (see spotlight on fraud in section 3). Fraud-related data is sourced from the Global Organized Crime Index.
- **Three outdated indicators** have been removed: data on the “Extent of corporate transparency” from the World Bank’s discontinued Doing Business report (removed from Domain 3) as well as the indicators “Strength of auditing and reporting standards” and “Institutional pillar” previously published by the World Economic Forum in its Global Competitiveness Report (removed from Domain 3 and 5 respectively).
- **The indicator “Financial Secrecy Index”** has been moved from Domain 1 (“Quality of AML framework”) to Domain 3 (“Financial transparency and standards”) to more clearly separate countries’ performance on financial transparency from other aspects of their anti-money laundering framework.
- Minor **weighting adjustments** have been made to reflect the above changes.

See our [blog](#) for more information.

2.5 Notes and limitations

Use of terms

The Basel AML Index contains some jurisdictions that are not countries or whose status is disputed. We use “countries and jurisdictions” or sometimes just “countries” as a catch-all term.

For concision, the term “anti-money laundering” (AML) is sometimes used as a shorthand to refer to systems and measures to counter money laundering, terrorist financing and proliferation financing.

Data availability and quality

Data collection for the 2024 Public Edition of the Basel AML Index was finished on 25 October 2024 and does not reflect developments after that date. The [Expert Edition](#) is updated quarterly.

There is not always a complete set of 17 indicators available for all countries. The overall score is calculated based on available data only.

Only jurisdictions with sufficient data to calculate a reliable risk score are included in the Public Edition of the Basel AML Index. Russia remains excluded from the Basel AML Index Public Edition in 2024 based on the FATF’s [suspension](#) of Russian membership. The Expert Editions cover 203 countries and jurisdictions, providing risk scores for each indicator and details of the available data.

The introduction of data on fraud in 2024 raises several challenges, including an inconsistent definition and scope of "fraud", the complexity of fraud as a cross-border crime, and generally poor data availability with significant under-reporting and no harmonised global standard. Other risk indicators related to financial crimes of a cross-border nature face similar challenges.

Perception-based indicators

In contrast to financial risk models based purely on statistical calculations, the Basel AML Index evaluates regulatory, legal, political and financial factors that influence a country or jurisdiction's vulnerability to money laundering and related financial crimes. The Index relies partially on perception-based indicators such as Transparency International's Corruption Perceptions Index.

Transforming qualitative data into quantitative data does not fully overcome the limitations of perception-based indicators. Unlike financial risk models, country risk models cannot be used as a solid basis for prediction or for calculating potential loss connected to money laundering or related offences.

Comparability of results

The Basel AML Index methodology is reviewed each year to ensure that it continues to accurately capture money laundering and related risks. This may affect the comparability of the results over the years.

Comparability between countries is also hampered by a lack of full coverage by FATF fourth-round evaluations. FATF data, which assess the quality of a country or jurisdiction's systems to counter money laundering, terrorist financing and proliferation financing, makes up 35 percent of the total risk score in the Basel AML Index. The FATF methodology was revised in 2013 (fourth round of evaluations) in order to assess not only technical compliance with the FATF Recommendations but the effectiveness of the systems according to 11 Immediate Outcomes.

Although coverage with fourth-round evaluations is increasing, several countries still have evaluations based on older methodologies. To mitigate this issue, the Public Edition of the Basel AML Index only includes those that have gone through a fourth-round evaluation, as well as meet the minimum requirement of at least 65 percent of data availability across all indicators.

Fifth-round evaluations are only just commencing. Given that the FATF's methodological change is not as great as between the third and fourth rounds, we do not envisage adjusting the methodology to account for this for the time being.

Use for compliance or risk assessment purposes

Due to the above limitations, we recommend that the Basel AML Index Expert Edition, rather than the Public Edition, should be used for compliance or risk assessment purposes.

Use of the Expert Edition should also form part of a comprehensive, risk-based compliance programme along with additional indicators and procedures relevant to the organisation's specific needs.

Reflecting the progress of grey-listed jurisdictions

The Basel AML Index methodological includes a small adjustment mechanism to better reflect the progress of jurisdictions that have graduated from the FATF's grey list of jurisdictions subject to increased monitoring.

Countries or jurisdictions that graduate from the grey list have necessarily made efforts to improve their AML systems in line with an action plan agreed with the FATF. However, the FATF does not reassess the effectiveness of their systems. This makes it likely that the jurisdiction's risk score on paper does not fairly reflect their progress in reality.

To remedy this, the Basel AML Index methodology assumes that countries that have graduated from the grey list have improved the effectiveness of their systems to at least a moderate level.

For example, before being placed on the grey list, a Caribbean country was assessed as having the lowest score (0) in six of the FATF's 11 effectiveness criteria. After being removed from the grey list, the methodology assumes it has now achieved a moderate level (1) of effectiveness in those six criteria.

3 Spotlight on fraud

Stories of fraud and scams like those in the box (right) make clear the human impact of financial crime. The financial impact is no less horrifying. The UK is estimated to lose over a USD 1.5 billion annually to fraud, which makes up 40 percent of reported crime – despite significant under-reporting. Globally, individuals are estimated to lose over USD 1 trillion to online scams alone.

Whatever the real figures, that's a lot of money that needs to be laundered on international markets. Following our expert annual review meetings we decided to add indicators of fraud to the Basel AML Index methodology this year. This decision reflects the growing significance of fraud as a predicate offence to money laundering and as a risk that regulated entities need to consider.

Though definitions of fraud vary and data is both poor and inconsistent, the huge and rising social and economic consequences of fraud make it impossible to ignore in any money laundering risk assessment.

3.1 Fraud-related indicators in the Basel AML Index

Fraud-related data is sourced from the Global Organized Crime Index in two categories: "financial crimes" (covering financial fraud, tax evasion, embezzlement and misuse of funds) and "cyber-dependent crimes" (including malware, hacking, ransomware and cryptocurrency fraud). It is not possible to disaggregate the data.

Both indicators join indicators of corruption and bribery in Domain 2 of the Basel AML Index methodology, with a weighting of 5 percent and 2.5 percent respectively. The weight of the domain (its impact on the overall Basel AML Index score) has increased from 10 percent to 17.5 percent.

Sound like someone you know?

The 84-year-old who lost his life savings after receiving a panicked call from someone who sounded exactly like his granddaughter, saying she was in jail for drug possession and needed USD 10,000 for bail...

The lonely widow seeking companionship online, who sent cash via a money transfer service to his long-distance love – who in actual fact was himself a victim of human trafficking, trapped in a "scam centre" on the other side of the world and defrauding hundreds simultaneously...

The small business owner who suffered reputational and financial loss after his identity was stolen and used to establish shell companies and purchase goods as part of a money laundering scheme...

The young professional, excited by the buzz around cryptocurrency, who invested USD 15,000 in an online crypto platform advertised on social media that promised guaranteed high returns – which vanished before she could withdraw them...

The government that loses billions of dollars annually to healthcare fraud, money that should be spent on some of the most vulnerable in society...

What is fraud?

Given the lack of a globally accepted definition of fraud, we use the term loosely as an umbrella term for activities that involve **deliberate deception of an individual or entity for the sake of obtaining a financial gain**. At the transnational level, fraud schemes are often orchestrated by organised criminal actors and facilitated by technology.

3.2 What impact has the inclusion of these new indicators had?

Globally, the average risk score in Domain 2 on corruption and fraud has increased from 5.02 in 2023 to 5.12 this year following the addition of the fraud indicators. This increase may be influenced by this year's larger country coverage, as well as by changes in performance in the existing indicators of corruption and bribery.

Just under half of the countries covered – 44 percent – have a higher risk score in Domain 2. These include high-income countries and those with large financial centres. The top 20 from highest to lowest increase are: New Zealand (which nearly tripled its risk score), Switzerland, Norway, Denmark, Sweden, Australia, Singapore, Germany, Estonia, United Kingdom, Finland, USA, Japan, Netherlands, UAE, Canada, Ireland, Luxembourg, Liechtenstein and Belgium.



Figure 3: New indicators added to Domain 2 in 2024 take the weight from 10 percent of the overall Basel AML Index risk score to 17.5 percent.

Most of these countries still have lower than average scores for corruption and bribery, but their relative wealth makes them targets for fraud, cybercrimes and the related financial crimes measured by the new indicators.

Around 50 percent get a lower risk score in Domain 2 as a result of adding the two new indicators, though the impact is less drastic than for those with an increased risk score. The top 20 include,

from biggest to smallest reduction, Antigua and Barbuda, Chad, Barbados, Central African Republic, Republic of the Congo, Cuba, Nicaragua, Armenia, Saint Lucia, Samoa, Togo, Brunei Darussalam, Azerbaijan, Grenada, Turkmenistan, Sri Lanka, Vanuatu and the Maldives.

At the regional level, the European Union and Western Europe, North America and East Asia and Pacific saw an increase in risk scores in Domain 2 while Eastern Europe and Central Asia, Latin America and the Caribbean, South Asia and Sub-Saharan Africa saw a decrease overall. The impact on the Middle East and North Africa was negligible. This means the gap between regions is decreasing, at least in relation to performance in Domain 2.

3.3 Challenges in fraud data and analysis

The reason we don't provide more analysis of the impact of fraud data is that there are significant challenges and concerns around the quality of fraud data generally.

First, there are no globally recognised or unified approaches to collecting data on fraud. Data is mostly collected (if at all) at the country level and according to different definitions and scopes, for example with a focus on scams. Underreporting of fraud, perhaps due to feelings of shame or the desire among businesses to avoid reputational damage, is also a major issue.

As supported by an extensive UNODC report on organised fraud, a global standard and collaborative efforts to improve data collection, quality and sharing are urgently needed as the foundations of any coherent attempt to prevent and counter fraud.

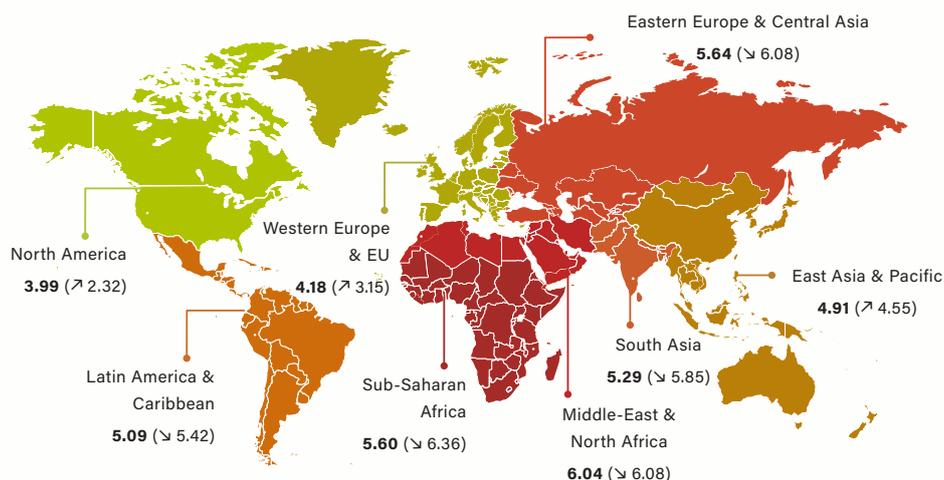


Figure 4: Regional scores in Domain 2 after adding fraud data in 2024 (compared to 2023).

Second, the cross-border nature of many forms of fraud and money laundering make it particularly challenging to assign risks to a particular jurisdiction.

An investment fraud scheme may be perpetrated in several financial centres, masterminded by a transnational organised crime group and carried out by individuals working in scam centres such as those rapidly emerging in Southeast Asia. The proceeds may be laundered across multiple jurisdictions and through the crypto ecosystem before ending up in a bank account or real estate – perhaps even in the country in which it was stolen.

Given the above challenges, and until standards and data are improved, we would urge all users of the Basel AML Index to consult the detailed breakdown of indicators available in the Expert Edition and to seek additional sources of data on specific fraud risks where this element is included in a risk assessment.

4 FATF grey list: truth and myths

As highlighted by the epidemic of fraud discussed in the previous section, financial crime has far-reaching impacts on people's lives. Yet often the only time it draws serious attention in the media is when a country is added to the FATF's grey list. This designation of "jurisdictions under increased monitoring" frequently sparks debate and concern, and is clouded by misconceptions. This section looks at five common myths that we come across in our work to support partner countries seeking to avoid or leave the grey list.

Myth 1: The grey list = high-risk countries

A common misconception about the FATF grey list is that it represents (the only) countries and jurisdictions that pose high risks for money laundering, terrorist financing and proliferation financing.

In fact, in the FATF's own words, the grey list is the public list of jurisdictions that are "actively working with the FATF to address strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing." It is the FATF's black list that specifically identifies high-risk countries and calls for enhanced due diligence and/or countermeasures when dealing with these.

The distinction is important because not all grey-listed countries pose the same level or type of risk. Many are on a rapid path to improvement. Not all will require enhanced due diligence. And some countries that are not and never have been on the grey list may still present significant risks.

Inclusion on the grey list is based on the FATF's International Co-operation Review Group (ICRG) process and on the criteria summarised under Myth 2, rather than merely on its own criteria for identifying a higher-risk country (see box).

A complicating factor for financial institutions seeking to identify clear criteria for applying enhanced due diligence is the use of both the black and grey lists by the EU and UK for their own lists of high-risk third countries.

What is a higher-risk country?

The Interpretative Note to the FATF's Recommendation 10 on customer due diligence sets out guidelines on country or geographic risk factors that might trigger the application of enhanced due diligence according to a risk-based approach. The criteria (note 15b) refer to countries that are "identified by credible sources" as having inadequate AML/CFT systems, high levels of corruption and crime or high levels of terrorist activity and financing, or that are subject to sanctions or similar measures. It does not specifically refer to either the grey list or the black list, though this may be one factor that organisations take into account.

Similarly, Recommendation 19 on higher-risk countries and its Interpretative Note require enhanced due diligence by financial institutions to be applied only to countries "for which this is called for by the FATF", indicating the black list of jurisdictions subject to a call for action.

Myth 2: Grey listing is a surprise

Each time the FATF holds a plenary session, commentators appear to “bet” which countries will be added or removed. This leads some to believe that grey listing comes as a surprise – even to a country’s authorities.

In fact, grey listing is based mainly on a country’s poor performance in its mutual evaluation report, specifically in one of four criteria:

- Fifteen or more non-compliant or partially compliant ratings for technical compliance in any Recommendation.
- A non-compliant or partially compliant rating for three or more of the following Recommendations: R.3 (money laundering offences), R.5 (terrorist financing offences), R.6 (targeted financial sanctions related to terrorist financing), R.10 (customer due diligence), R.11 (record keeping) and R.20 (reporting of suspicious transactions).
- A low or moderate level of effectiveness for nine or more of the 11 Immediate Outcomes, with a minimum of 2 low ratings.
- A low level of effectiveness for six or more of the 11 Immediate Outcomes.

The authorities typically have a year or more to work on their specific weaknesses without being publicly listed, under the FATF’s International Co-operation process.

The FATF also prioritises countries and jurisdictions with significant financial centres. For the fifth round of evaluations, the threshold has been increased from USD 5 billion to USD 10 billion, measured in broad money terms.

So grey listing is rarely a surprise to the authorities. It is however less easy for third parties like financial institutions and foreign donors to predict whether a jurisdiction will end up on the grey list. Our Expert Edition Plus now offers subscribers an assessment of the risks that a particular country will end up on the grey list. This makes it possible to better anticipate this and prepare accordingly – including, we would recommend, by using the Basel AML Index to assess the broad range of factors contributing to a higher level of money laundering risk.

Myth 3: Grey listing has only negative impacts

Being added to the FATF grey list can trigger severe economic consequences for countries, especially low-income countries dependent on foreign investment and assistance. Investors and financial institutions may reduce their business in the country. A 2021 IMF paper found that capital inflows decline on average by 7.6 percent of GDP following grey listing, for example.

Financial institutions may also “de-risk” completely – cutting off all business to avoid the extra compliance and risk management costs. Individuals and businesses may have challenges accessing financial services as a result, leading to lower financial inclusion. Other unintended consequences may include an increase in the use of less regulated channels to move money.

Negative economic consequences are not inevitable, however, especially for more developed economies. Croatia's economy and its financial sector, for example, both appear to be relatively unscathed by its placement on the grey list in 2023. S&P Global even upgraded its long-term sovereign credit rating from BBB+ to A- in September 2023.

Would it have done even better if it hadn't been grey listed? It is hard to know – but in some cases perhaps being grey listed could even *help* a country's performance in the long run, by motivating it to conduct necessary reforms quickly. For example, Iceland and Malta both managed to leave the grey list after just a year, having speedily fulfilled the requirements of their action plans.

For countries receiving development aid, grey listing can bring the benefit of increased targeted assistance to implement reforms and eventually exit the grey list. However, since authorities are typically aware of the risk of grey listing in advance (see Myth 2), it would be more effective if this assistance were provided earlier to help prevent the country from being listed in the first place.

Myth 4: The grey-listing system is unfair

Critics of the grey-listing system point out that it unfairly penalises low-income jurisdictions with less capacity for AML/CFT but also lower significance due to their small financial centres.

It is true that low-income countries are disproportionately represented on the grey list, but this is changing. More than half of grey-listed countries at the time of writing are in Sub-Saharan Africa, for example. Yet the addition of European countries in 2023 and 2024 – Bulgaria, Croatia and Monaco – shows that the geography is shifting.

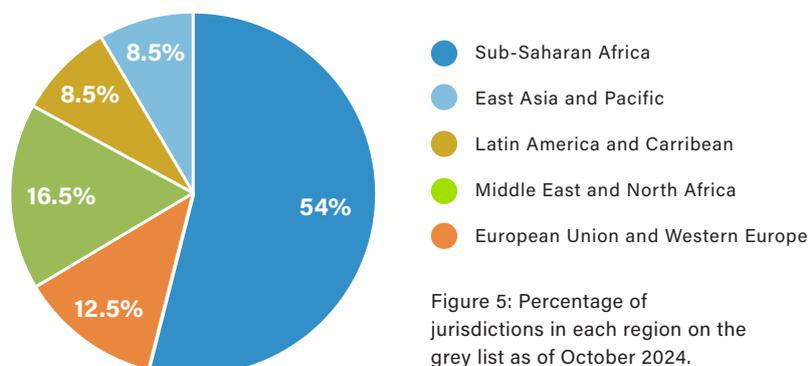


Figure 5: Percentage of jurisdictions in each region on the grey list as of October 2024.

New prioritisation criteria announced in October 2024 in effect apply a risk-based approach to grey listing. High-income countries and jurisdictions with financial centres over USD 10 billion will be prioritised. Least developed countries as defined by the UN will not be prioritised except in rare cases of high risk, in which case they will have a longer time period to work on their deficiencies before being grey listed. As these changes take effect, we should see the grey-listing geography shift towards higher-income countries that are deeply integrated in financial markets.

And there are some simple things that a country can do to avoid grey listing – namely, prepare well for the mutual evaluation process, which is always announced well in advance. Quite basic actions can help, like preparing an up-to-date national risk assessment (and specific sectoral assessments where relevant), gathering statistical data and developing strategies to mitigate identified risks.

The Basel AML Index methodology does not penalise countries for being on the grey list, since the deficiencies that led to them being grey listed are already apparent in the mutual evaluation report data. In 2023, we also updated our methodology to better capture improvements in the effectiveness of jurisdictions that exit the grey list, even if the FATF does not release new effectiveness data.

Myth 5: Leaving the grey list is a happy ending

Grey listing is just one period in a country's anti-money laundering journey. Being delisted is naturally a cause for celebration and hope, but it's not the end of the story. Many jurisdictions have been grey listed more than once, including Cambodia, Nicaragua, Panama and Pakistan.

FATF standards continue to evolve and to strengthen, so jurisdictions need to constantly improve in order to keep up.

A prominent example highlighted in several Basel AML Index reports over the years is Recommendation 15 on virtual assets. After it was updated in 2018, almost all subsequently assessed jurisdictions achieved lower levels of compliance than previously. We can expect a similar effect with the updated Recommendations 4 and 38 on asset recovery, where there are still some countries that do not meet basic criteria such as having a non-conviction based forfeiture law or enforcing international judgements based on these laws.

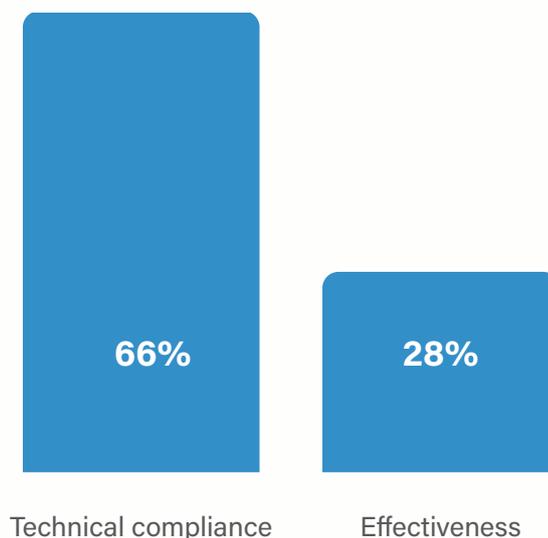


Figure 6: Average scores for technical compliance and effectiveness across all 178 countries and jurisdictions assessed with the FATF fourth-round methodology, expressed as a percentage of the maximum possible performance.

The FATF's fifth round of evaluations will emphasise effectiveness over technical compliance. Countries will need to put in more effort to improve their effectiveness ratings, which are, on average, less than half as strong as their ratings for technical compliance.

As financial systems continue to evolve, criminals will find ever more ingenious ways to steal, launder and hide money or to use it for illicit purposes such as the financing of terrorism and weapons of mass destruction. Avoiding or graduating from the grey list is one step along a never-ending journey to a resilient system that successfully wards off money laundering and related threats while not limiting financial inclusion and innovation.

Which brings us to the important question: When it comes to a country's AML system, what is success?

5 Assessing success

Private companies and governments invest significant resources in efforts to combat money laundering and related financial crimes. Financial institutions alone spent an estimated USD 206 billion globally on AML compliance in 2023 – and that figure is rising. Yet illicit assets continue to flow through and outside of regulated financial systems. Confiscation rates are still very low, with a long way to go before asset recovery becomes an effective deterrence to financially motivated crimes.

This is a disaster for countries deprived of desperately needed funds for development, while also negatively impacting on economies, security and the health of our planet.

It is right to question whether we are on the path to success, and indeed what we mean by success in the fight against money laundering and related financial crimes. The following section looks at what data we have and what else we should consider in answering this question.

5.1 Are we making progress in terms of international standards?

A very basic question is whether countries and regions are at least in line with minimum international standards for AML set by the FATF. While it is important to question FATF data and standards, and to identify abuses and unintended consequences, ultimately they are the foundation of a harmonised global framework aimed at reducing opportunities for criminals to hide and launder illicit funds.

5.1.1 Technical compliance: fewer black holes on the map

First, the good news. Technical compliance with the FATF's 40 Recommendations has, on average, increased by 12 percentage points globally since the start of the fourth round of evaluations in 2013. Much of that improvement comes from lower-performing countries catching up with the others. This indicates that more countries are at least meeting basic standards of an AML legal and institutional infrastructure. There are fewer black holes on the map.

To reach the 12 percentage point figure, we analysed data on 113 countries and jurisdictions that had both mutual evaluation reports (MERs) and subsequent follow-up reports (FURs) from the FATF.

The greatest progress has taken place in the area of preventive measures and targeted financial sanctions, as shown in Table 1.

Recommendation	Average technical compliance
R.7: Targeted financial sanctions – proliferation of weapons of mass destruction	57% ↑ from 31%
R.19: Higher-risk countries	74% ↑ from 51%
R.12: Politically exposed persons	73% ↑ from 51%
 R.16: Wire transfers	71% ↑ from 50%
 R.22: DNFBPs – Customer due diligence	59% ↑ from 40%
R.6: Targeted financial sanctions – terrorism and terrorist financing	62% ↑ from 43%

Table 1: Highest level of progress in technical compliance with FATF Recommendations across all 113 jurisdictions assessed with mutual evaluation and follow-up reports.

 It is good to see progress in R.22 on designated non-financial businesses and professions (DNFBPs), since this has traditionally been an area of low performance globally and a frequently criticised weakness in AML systems.

The progress brings hope that more countries have now imposed stricter customer due diligence requirements for gambling businesses, improved record-keeping standards on customer information and transactions, increased the coverage of customer due diligence requirements to relevant professionals such as property developers and precious metal dealers, and increased the responsibilities and obligations for legal professionals.

 While improvements in most Recommendations may show real progress across countries, the dynamics in R.16 on wire transfers are complicated by the increase in new payment systems and methods that are not captured by this Recommendation.

In early 2024, the FATF conducted [public consultations](#) on possible amendments to R.16 to reflect this evolution in payment systems and to increase the transparency of cross-border payments. It may be that stricter requirements under R.16 will lead to a rapid deterioration in compliance in the next period.

5.1.2 Regional picture: closing the gap

In general, countries and regions with low scores in technical compliance with the FATF Recommendations are catching up, including as a result of being grey listed (see section 4). The top 20 countries and jurisdictions in terms of progress (see Table 2) are mostly in Sub-Saharan Africa and Latin America and the Caribbean, followed by East Asia and Pacific, regions with low average performance previously.

Progress between mutual evaluation report and latest follow-up report	Countries and jurisdictions (progress in percentage points)
40–52 percentage points	Mauritius* (52), Botswana* (50), Vanuatu* (49), Mauritania (48), Uganda* (40)
25–39 percentage points	Pakistan* (33), Iceland* (33), Saint Lucia (29), Bahamas* (28), Sri Lanka* (27), Zimbabwe* (26)
20–25 percentage points	Mongolia* (24), Kenya* (24), Norway (24), Costa Rica (23), Morocco* (23), Fiji (22), Jamaica* (22), Bhutan (21), Trinidad and Tobago* (21), Tunisia* (20)

Table 2: Countries with the highest level of progress in technical compliance with FATF Recommendations, out of all those assessed with mutual evaluation and follow-up reports. *Countries that are or have been on the FATF grey list.

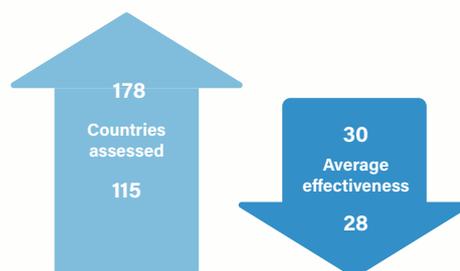
These leaps in performance are not the norm, however: more than half of the assessed countries made progress of less than 10 percentage points.

5.1.3 Effectiveness is falling

More challenging, and more depressing, is to assess changes in effectiveness according to the FATF's 11 Immediate Outcomes (IOs). FATF follow-up reports do not currently reassess countries against these effectiveness criteria. At the global level, however, we can see that effectiveness is decreasing. And that decrease is happening from an already very low base.

We analysed the difference in global effectiveness scores as the FATF increased its coverage of fourth-round evaluation reports from 115 countries and jurisdictions in 2021 to 178 in 2024. Average effectiveness dropped from 30 percent in 2021 to 28 percent in 2023 and remained at that low level in 2024. That means newly assessed countries have similarly low levels of effectiveness as those assessed in earlier years.

Figure 7: Average levels of effectiveness have dropped between 2021–2024 as the coverage of FATF fourth-round evaluations increased.



What's falling the most? Table 3 displays the five IOs with the lowest average performance globally, all of which dropped still further between 2021 and 2024:

Immediate Outcome (paraphrased)	Average effectiveness
IO7: Money laundering investigations, prosecutions and effective, proportionate and dissuasive sanctions.	20% ↓ from 21% in 2021
IO5: Legal persons and arrangements prevented from misuse for ML/TF; beneficial ownership information available to competent authorities.	21% ↓ from 22%
IO4: Financial institutions and DNFBPs apply AML/CFT preventive measures commensurate with their risks and report suspicious transactions.	22% ↓ from 24%
IO11: Prevention of financing of proliferation of weapons of mass destruction.	22% ↓ from 24%
IO3: Appropriate supervision according to a risk-based approach.	23% ↓ from 26%
IO10: Prevention of terrorist financing / abuse of non-profit sector.	24% ↓ from 27%

Table 3: Lowest effectiveness scores on average across all jurisdictions assessed with mutual evaluation reports.

Even in the IOs with the highest average performance globally, we see decreasing effectiveness as more countries are assessed:

Immediate Outcome (paraphrased)	Average effectiveness
IO2: International cooperation on information, financial intelligence and evidence against criminals and assets>	44% ↓ from 49% in 2021
IO1: Risks understood and domestic coordination to combat ML/TF and proliferation financing.	36% ↓ from 38%
IO6: Financial intelligence and other information used investigations.	34% ↓ from 37%
IO9: Terrorist financing investigations, prosecutions and effective, proportionate and dissuasive sanctions.	33% ↓ from 37%
 IO8: Proceeds and instrumentalities of crime confiscated.	27% ↓ from 29%

Table 4: Lowest effectiveness scores on average across all jurisdictions assessed with mutual evaluation reports.

 Despite hopes for a rise, as [asset recovery was an FATF priority in 2022–2023](#).

The big picture? Overall, countries' AML frameworks are gradually becoming more technical compliant with the global standards but less effective in practice.

Effectiveness along the asset recovery chain

Data from the Basel AML Index Expert Edition Plus, which includes the full FATF dataset, can help to identify weak links in what we call the asset recovery “chain” – all the steps from preventing and detecting illicit financial flows through to their confiscation and restitution.

Applying this concept to FATF data on effectiveness can give us a simplified picture of what might be weak links in the chain.

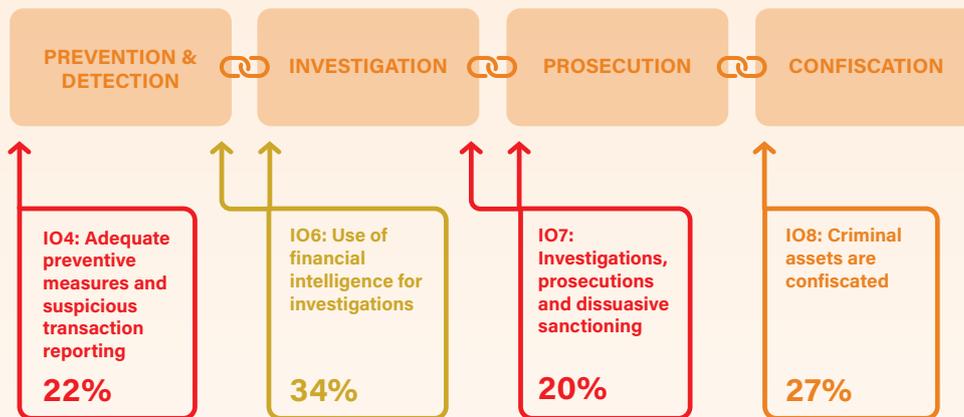


Figure 8: FATF average effectiveness ratings applied to key links in the asset recovery “chain”.

The concept of the asset recovery chain is at the heart of the support provided by our International Centre for Asset Recovery (ICAR) to partner countries, including Basel AML Index-based technical assistance in strengthening understanding of and resilience to money laundering risks.

5.2 What other data and metrics can we use to better measure success in practice?

FATF data is the best that is available for comparing money laundering vulnerabilities in different countries and jurisdictions, as the same assessment methodology is applied globally. Yet alone it is clearly not enough to give an accurate picture of success. Critics point out that many countries with high performance in both technical compliance and effectiveness are favoured destinations for those seeking to stash, spend and launder money.

This is why the Basel AML Index methodology takes into account a variety of indicators beyond the quality of a country’s AML framework as assessed by the FATF. They make it easier to evaluate financial crime risk exposure more widely as well as the functioning of the system as a whole. They also make it possible to see where data is missing or could be misleading.

5.3 Clearer goals, better evidence

It may seem obvious to readers, but it still needs to be stressed: the fight against financial crime is not a narrow technical issue but a multi-dimensional challenge that is interlinked with many aspects of our lives at both the national and global level. A single metric alone will never be sufficient to measure success.

Measuring success depends on defining the ultimate objective. The FATF's purpose has always been to "protect financial systems and the broader economy". This may be a useful intermediate goal. But we support rising calls to position the fight against money laundering and related financial crimes as ultimately key to achieving a more peaceful, just and sustainable world.

Achieving this ambition requires a nuanced understanding of the broader factors driving money laundering risk and their far-reaching consequences, as illustrated above. It also demands robust evidence of the effectiveness and tangible benefits of AML measures, to counter scepticism and bolster the case for sustained investment in these efforts.

Crucially, building an effective AML system is not merely a technical task for a single government department or a compliance team. It is a collective mission that requires collaboration across sectors, industries and borders. Only through a shared commitment and clear vision of our end goal can we create a world where financial systems are resilient to exploitation for criminal purposes and where AML measures support broader societal goals.

6 Scores and ranking

Only jurisdictions with sufficient data to calculate a reliable risk score and that have been evaluated using the FAFT fourth-round methodology are included in the Public Edition of the Basel AML Index. See the methodology description in section 2 or on the [website](#) for more information. The [Expert Edition](#) contains a detailed overview of 203 jurisdictions and their risk scores based on available data.



Ranking	Country	Score			
1	Myanmar	8.17	●	↗	
2	Haiti	7.92	●	↘	
3	Dem. Republic of the Congo	7.73	●	↘	
4	Chad	7.60	●	↘	
5	Venezuela	7.59	●	↘	
6	Lao PDR	7.53	●	↗	
7	Central African Republic	7.49	●	○	
8	Gabon	7.48	●	↘	
9	Republic of the Congo	7.28	●	↘	
10	Guinea-Bissau	7.28	●	↘	
11	China	7.27	●	↗	
12	Mozambique	7.15	●	↘	
13	Liberia	7.11	●	↘	
14	Algeria	6.92	●	↘	
15	Vietnam	6.90	●	↘	
16	Kenya	6.87	●	↘	
17	Nigeria	6.85	●	↗	
18	Niger	6.83	●	↗	
19	Mali	6.81	●	↘	
20	Madagascar	6.76	●	↘	
21	Cambodia	6.75	●	↘	
22	Angola	6.71	●	↘	
23	Turkmenistan	6.71	●	↘	
24	Eswatini	6.69	●	↘	
25	Comoros	6.68	●	○	
26	Cameroon	6.67	●	↘	
27	Sierra Leone	6.49	●	↘	
28	Burkina Faso	6.48	●	—	
29	Togo	6.48	●	↘	
30	Tajikistan	6.45	●	↗	
31	Benin	6.44	●	↘	
32	Guinea	6.44	●	○	
33	Côte d'Ivoire	6.42	●	↘	
34	Nicaragua	6.40	●	↘	
35	Solomon Islands	6.32	●	↘	
36	Mauritania	6.28	●	↘	
37	Kuwait	6.27	●	○	
38	United Arab Emirates	6.18	●	↗	
39	Thailand	6.16	●	↗	
40	Suriname	6.09	●	↘	
41	Tanzania	6.08	●	↘	
42	Nepal	6.01	●	○	
43	Lesotho	5.98	●	○	
44	Zimbabwe	5.98	●	↗	
45	Kyrgyzstan	5.95	●	↘	
46	Rwanda	5.94	●	○	
47	Panama	5.90	●	↗	
48	Saudi Arabia	5.88	●	↗	

Ranking	Country	Score							
49	Philippines	5.84	●	↗	82	Ukraine	5.26	●	↗
50	Lebanon	5.81	●	○	83	Bahamas	5.21	●	↘
51	Uganda	5.71	●	↘	84	Malta	5.18	●	↗
52	South Africa	5.70	●	↘	85	Bahrain	5.17	●	↗
53	Belarus	5.67	●	↗	86	Egypt	5.08	●	↗
54	Ethiopia	5.66	●	↗	87	Ecuador	5.06	●	—
55	Honduras	5.66	●	↗	88	Hungary	5.06	●	↗
56	Tonga	5.65	●	↘	89	Vanuatu	5.05	●	↘
57	Saint Kitts and Nevis	5.64	●	↘	90	Paraguay	5.00	●	↘
58	Türkiye	5.63	●	↗	91	Bulgaria	4.99	●	↘
59	Bangladesh	5.62	●	↘	92	Romania	4.99	●	↗
60	Gambia	5.56	●	↘	93	Mongolia	4.98	●	↘
61	Pakistan	5.56	●	↗	94	Dominican Republic	4.96	●	↘
62	Qatar	5.55	●	↗	95	Morocco	4.94	●	↗
63	Senegal	5.53	●	↘	96	Colombia	4.92	●	↗
64	Bhutan	5.51	●	↘	97	Namibia	4.89	●	↘
65	El Salvador	5.51	●	○	98	Serbia	4.82	●	↗
66	Cuba	5.50	●	↘	99	Cyprus	4.81	●	↗
67	Malaysia	5.50	●	↗	100	Jordan	4.81	●	↘
68	India	5.49	●	○	101	United States	4.81	●	↗
69	Cape Verde	5.45	●	↘	102	Italy	4.80	●	↗
70	Guatemala	5.45	●	↗	103	Jamaica	4.79	●	↘
71	Malawi	5.45	●	↘	104	Japan	4.77	●	↗
72	Bolivia	5.44	●	○	105	Peru	4.77	●	↘
73	Mexico	5.44	●	↗	106	Tunisia	4.77	●	↗
74	Azerbaijan	5.40	●	○	107	Seychelles	4.76	●	↘
75	Brazil	5.36	●	○	108	Grenada	4.72	●	↘
76	Hong Kong SAR, China	5.34	●	↗	109	Fiji	4.71	●	↗
77	Zambia	5.34	●	↘	110	Singapore	4.70	●	↗
78	Indonesia	5.33	●	↗	111	Kazakhstan	4.65	●	↘
79	Ghana	5.28	●	↘	112	Moldova	4.65	●	↗
80	Sri Lanka	5.28	●	↘	113	Georgia	4.64	●	↘
81	Uzbekistan	5.27	●	↗	114	Germany	4.63	●	↗

Ranking	Country	Score							
115	Costa Rica	4.61	●	↘	148	Australia	4.04	●	↗
116	Mauritius	4.61	●	↘	149	Luxembourg	3.99	●	↗
117	Barbados	4.58	●	↘	150	Israel	3.97	●	↗
118	Samoa	4.56	●	↘	151	France	3.86	●	↗
119	Croatia	4.53	●	↘	152	Czech Republic	3.85	●	↗
120	Netherlands	4.52	●	↗	153	Norway	3.76	●	↗
121	Belgium	4.48	●	↗	154	New Zealand	3.68	●	↗
122	Canada	4.47	●	↗	155	Grece	3.66	●	↘
123	Saint Lucia	4.46	●	↘	156	Lithuania	3.54	●	↗
124	Switzerland	4.46	●	↗	157	Slovenia	3.54	●	↘
125	Korea, South	4.42	●	↘	158	Denmark	3.50	●	↗
126	Slovakia	4.39	●	↗	159	Sweden	3.45	●	↗
127	Botswana	4.36	●	↘	160	Andorra	3.29	●	↗
128	Albania	4.35	●	↘	161	Estonia	3.16	●	↗
129	Armenia	4.35	●	↘	162	Finland	3.07	●	↗
130	Austria	4.35	●	↗	163	Iceland	3.00	●	↗
131	Poland	4.34	●	↘	164	San Marino	2.96	●	↘
132	Brunei Darussalam	4.3	●	↘					
133	Spain	4.29	●	↗					
134	North Macedonia	4.24	●	↘					
135	Ireland	4.23	●	↗					
136	Montenegro	4.23	●	○					
137	Dominica	4.21	●	↘					
138	Trinidad and Tobago	4.19	●	↘					
139	Liechtenstein	4.16	●	↘					
140	United Kingdom	4.14	●	↗					
141	Uruguay	4.11	●	↗					
142	Antigua and Barbuda	4.10	●	↘					
143	Portugal	4.09	●	↗					
144	Chile	4.08	●	↘					
145	Latvia	4.08	●	↗					
146	St. Vincent and the Grenadines	4.07	●	○					
147	Taiwan (Chinese Taipei)	4.05	●	↗					

7 Regional focus

The Basel AML Index follows the World Bank classification of jurisdictions, with an additional separation of Europe and Central Asia into two regions:

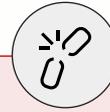
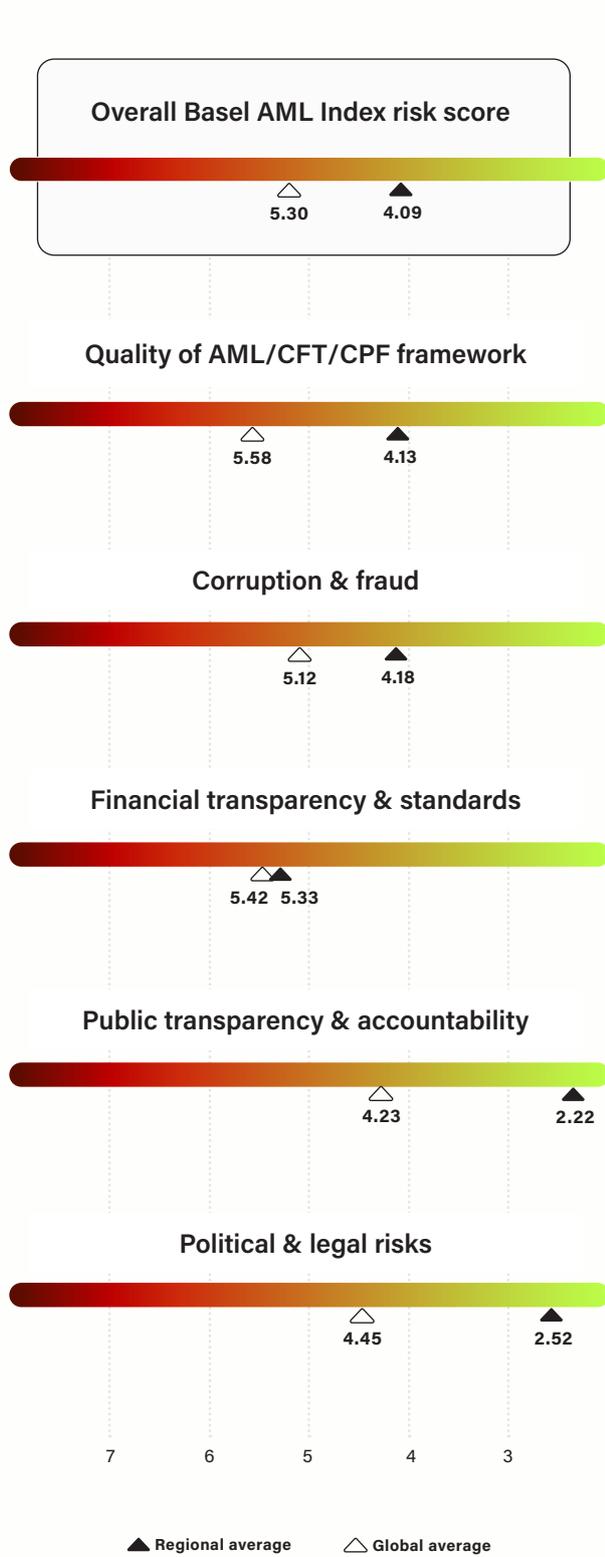
- European Union and Western Europe
- Eastern Europe and Central Asia
- East Asia and Pacific
- Latin America and Caribbean
- Middle East and North Africa
- North America
- South Asia
- Sub-Saharan Africa

While each jurisdiction has different risks, we do see particular trends and problem zones in each region that help to highlight weak links and areas to address. These are highlighted in the following infographics. These are best viewed as a double-page spread and can be downloaded separately from index.baselgovernance.org/download.

European Union and Western Europe

This region has seen a slight increase in its average risk score from 3.96 in 2023 to 4.09 this year. In part this is due to the addition of indicators of fraud in Domain 2. However the region's average score remains better than the global average. Its relative weakness in the area of financial transparency reflects not only vulnerabilities, but also the large share of financial centres handling significant global financial flows.





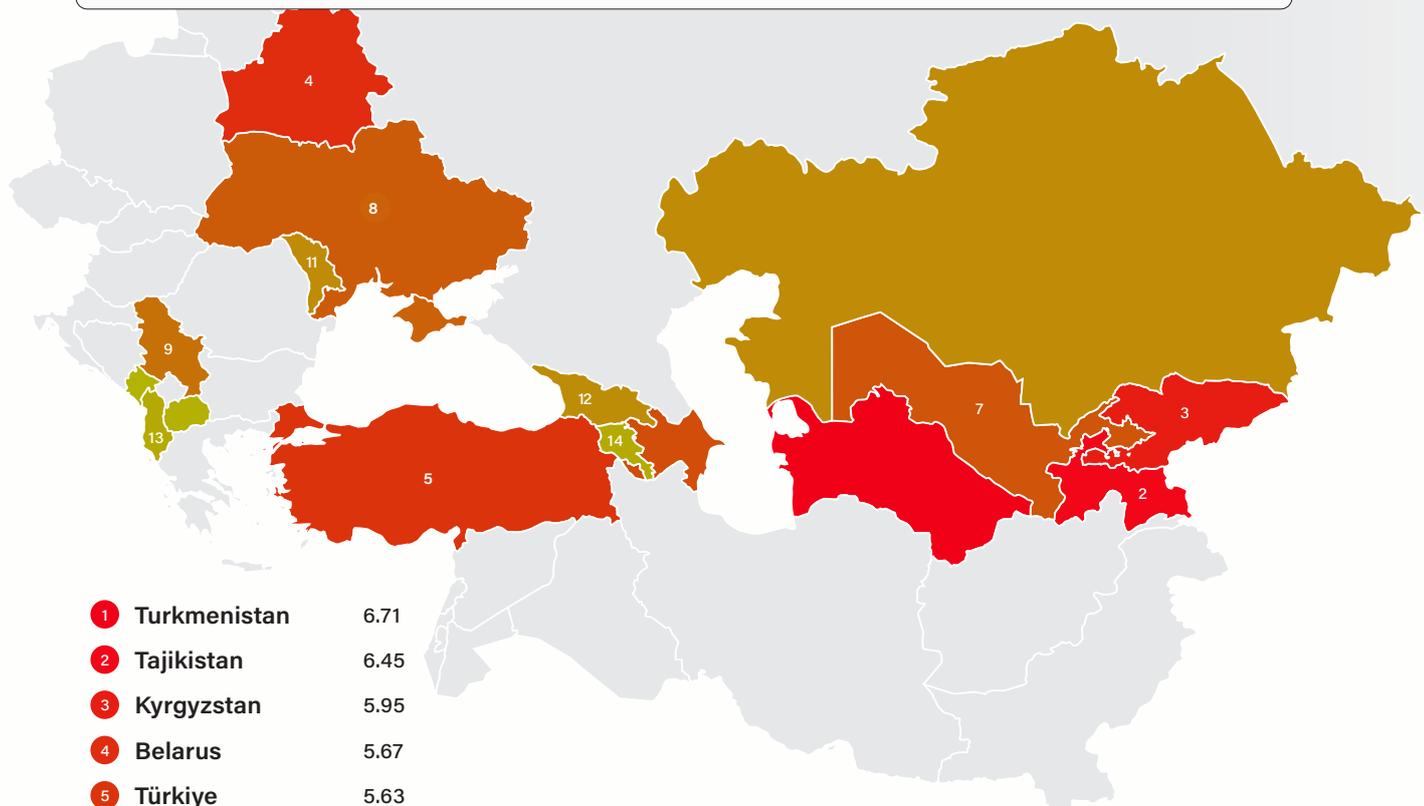
WEAKEST AREA
Financial transparency and standards

Quality of supervision of financial institutions and DNFBPs remains a weak area in terms of effectiveness.

Corruption risks are relatively low, but indicators of fraud have raised the risk level in Domain 2.

Eastern Europe and Central Asia

Azerbaijan and Montenegro were added to this year's Public Edition due to increased data availability. Political and legal risks in this region are significantly higher than the global average, reflecting issues of press freedom, political and civil liberties and judicial independence. Last year's weakest area – corruption – remains a major issue, even though the risk score in this domain has decreased slightly due to the methodological updates. Albania and Türkiye graduated from the FATF grey list.

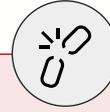


1	Turkmenistan	6.71
2	Tajikistan	6.45
3	Kyrgyzstan	5.95
4	Belarus	5.67
5	Türkiye	5.63
6	Azerbaijan	5.40
7	Uzbekistan	5.27
8	Ukraine	5.26
9	Serbia	4.82
10	Kazakhstan	4.65
11	Moldova	4.65
12	Georgia	4.64
13	Albania	4.35
14	Armenia	4.35
15	North Macedonia	4.24
16	Montenegro	4.23

High risk

Low risk





WEAKEST AREA
Political and legal risks

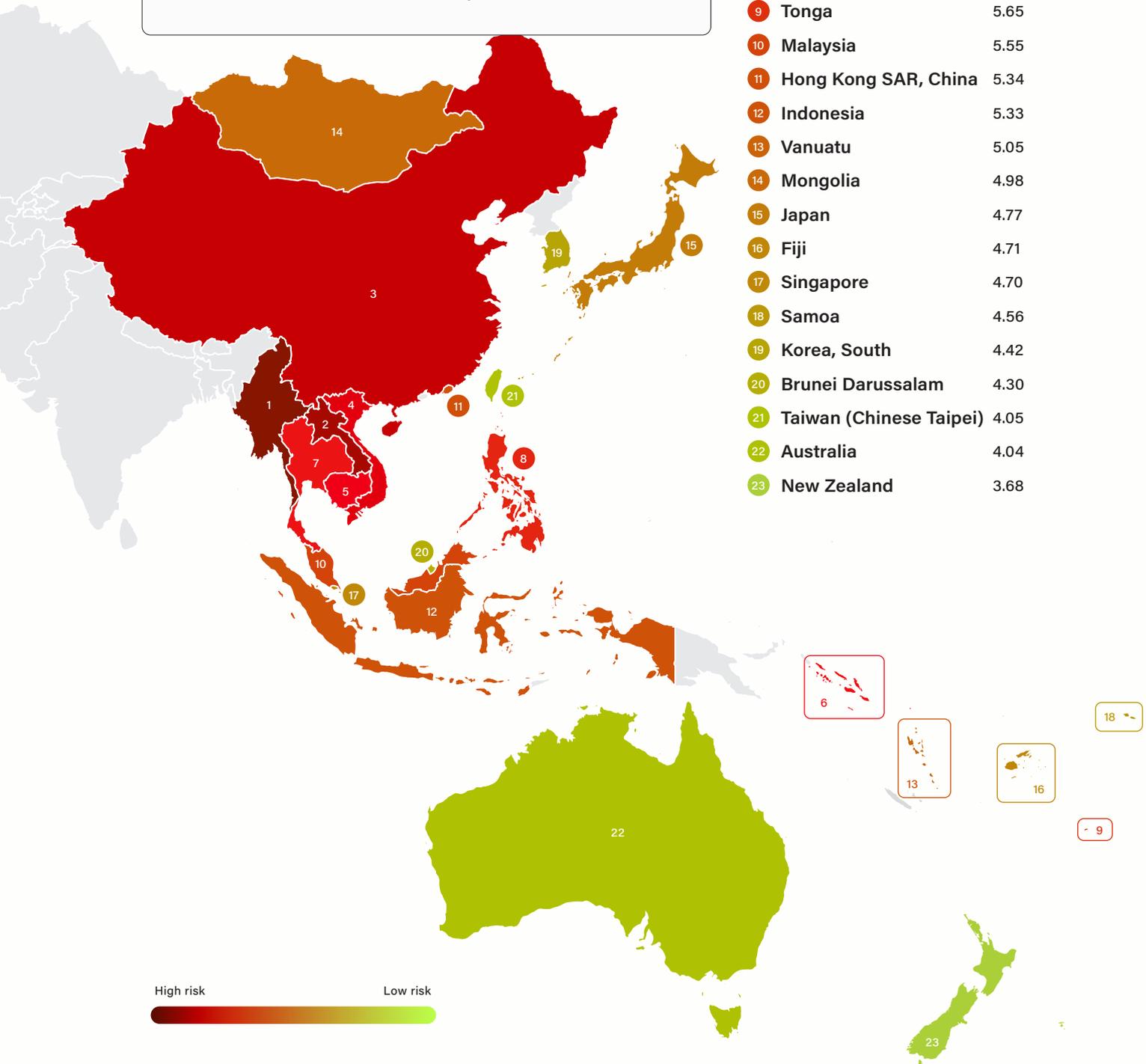
The investigation, prosecution and sanctioning of money laundering offences is the weakest area in terms of effectiveness.

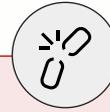
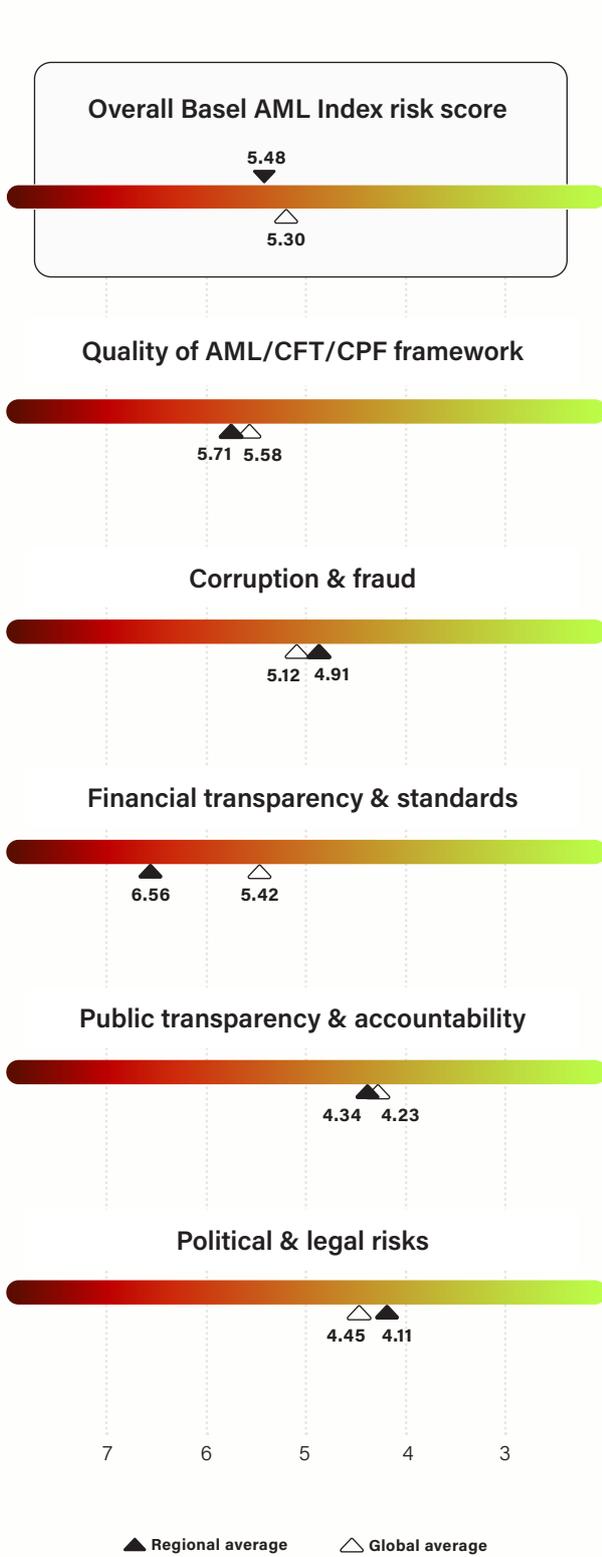
Russia remains excluded from the Basel AML Index Public Edition in 2024 based on the FATF's suspension of its membership.

East Asia and Pacific

There is significant variation in overall risk scores in this region, from New Zealand at 3.68 to Myanmar at 8.17 – the latter on the FATF’s black list of high-risk jurisdictions subject to a call for action. Issues of financial transparency are this region’s main weak spot, with more than half of jurisdictions having a high risk score in the Financial Secrecy Index. Two jurisdictions – Palau and Macao SAR, China – have been removed from this year’s Public Edition due to insufficient data availability.

1	Myanmar	8.17
2	Lao PDR	7.53
3	China	7.27
4	Vietnam	6.90
5	Cambodia	6.75
6	Solomon Islands	6.32
7	Thailand	6.16
8	Philippines	5.84
9	Tonga	5.65
10	Malaysia	5.55
11	Hong Kong SAR, China	5.34
12	Indonesia	5.33
13	Vanuatu	5.05
14	Mongolia	4.98
15	Japan	4.77
16	Fiji	4.71
17	Singapore	4.70
18	Samoa	4.56
19	Korea, South	4.42
20	Brunei Darussalam	4.30
21	Taiwan (Chinese Taipei)	4.05
22	Australia	4.04
23	New Zealand	3.68





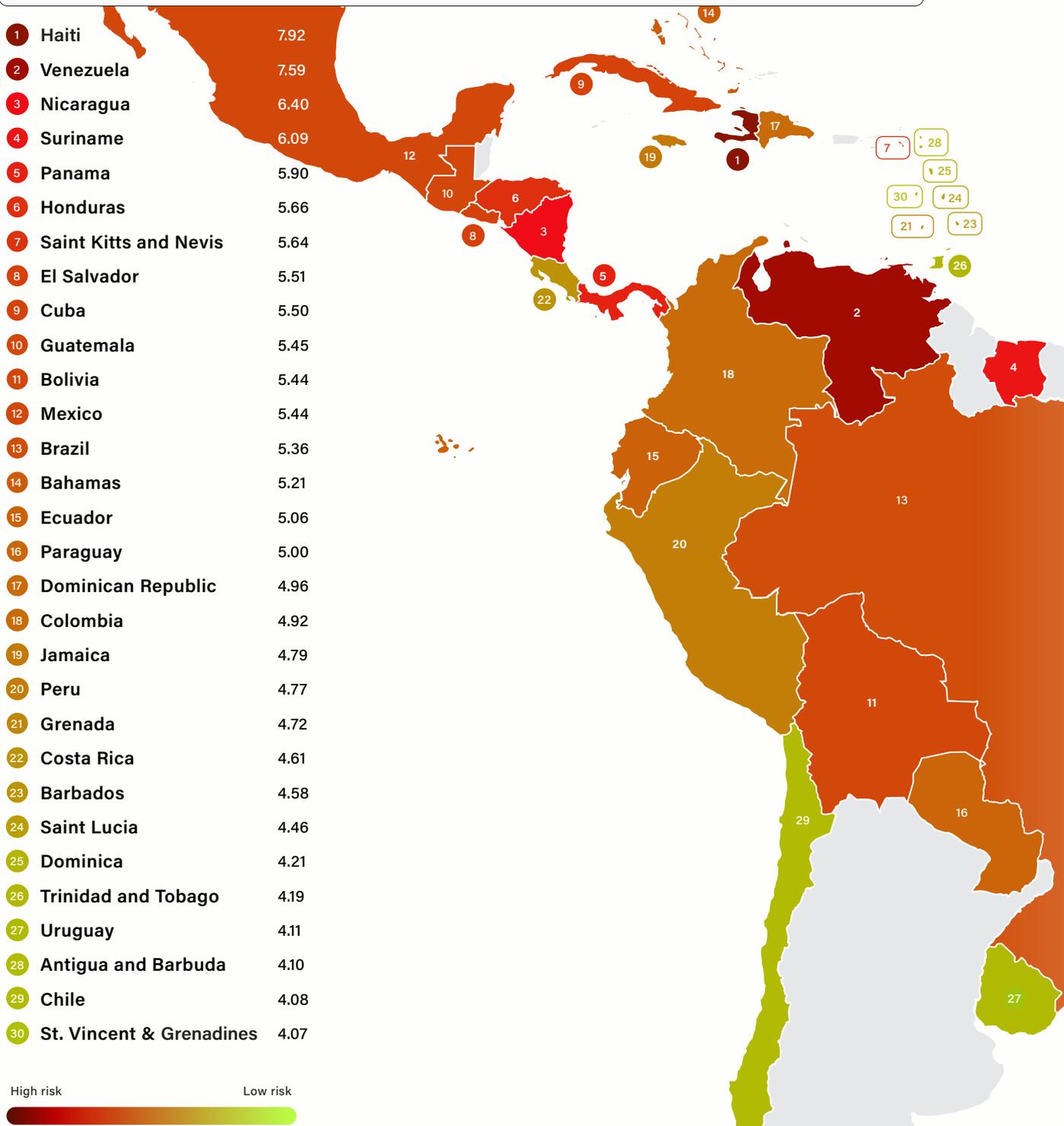
WEAKEST AREA
Financial transparency and standards

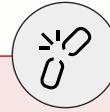
Low effectiveness scores for beneficial ownership transparency; the investigation, prosecution and sanctioning of money laundering offences; and the prevention of proliferation of weapons of mass destruction.

Almost half of the jurisdictions receive high risk scores for fraud and financial crimes.

Latin America and Caribbean

This region saw increased country coverage this year, with the addition of Bolivia, Brazil, El Salvador and St. Vincent and the Grenadines. In contrast, Aruba is no longer covered in the Public Edition. There are significant issues with environmental crime and drug trafficking in some jurisdictions. Financial transparency is less of an issue, since most jurisdictions are not large financial centres. Barbados, Jamaica and Panama have been removed from the FATF grey list.





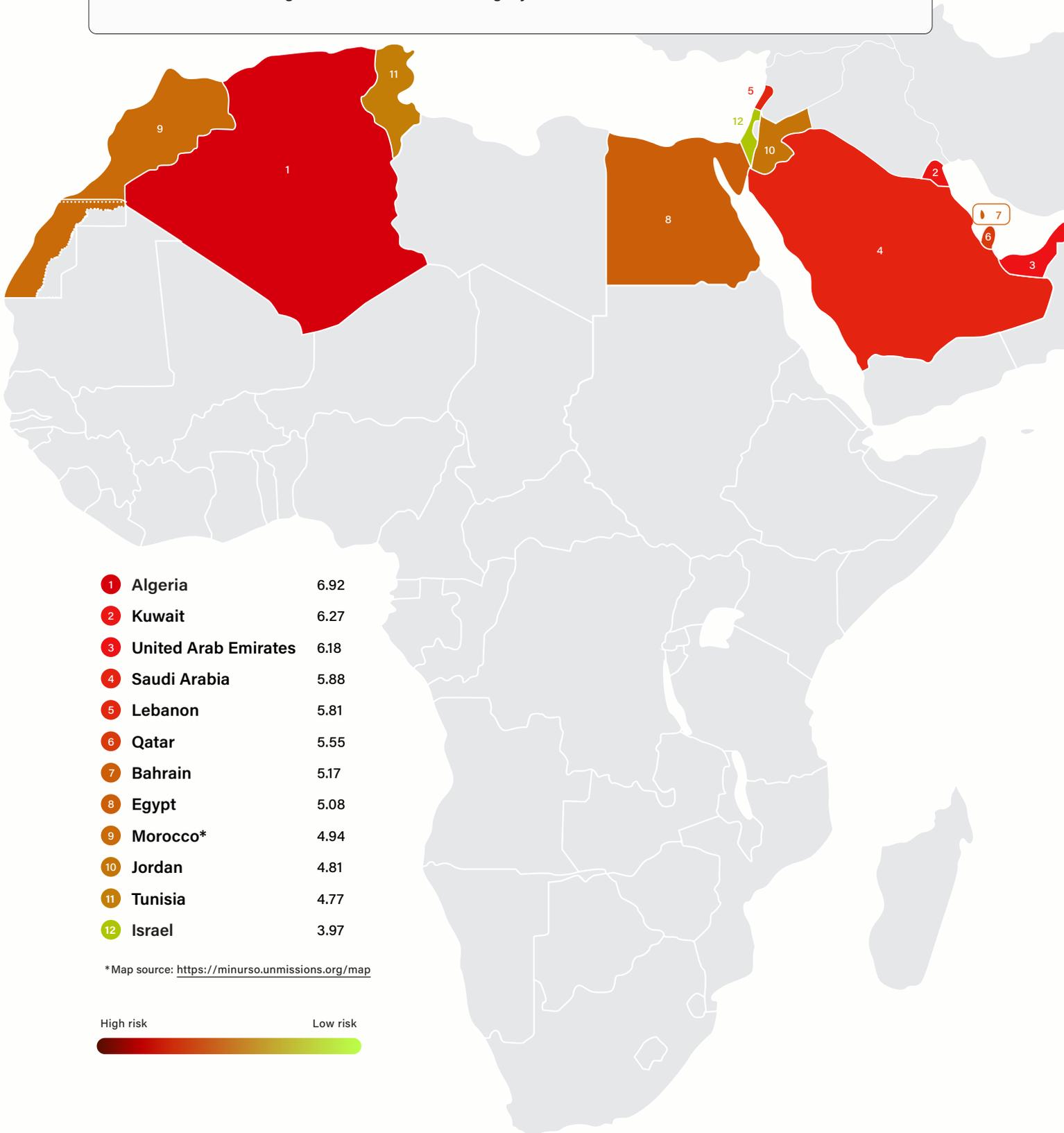
WEAKEST AREA
Quality of AML/CFT/CPF framework

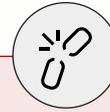
The investigation, prosecution and sanctioning of money laundering offences is the weakest area in terms of effectiveness.

The majority of countries remain on the U.S. list of major money laundering jurisdictions in relation to narcotics trafficking.

Middle East and North Africa

Kuwait and Lebanon were added to the Public Edition this year due to increased availability of data. The region’s overall Basel AML Index score increased slightly from 5.16 to 5.45, putting it just above the global average. While the quality of AML/CFT/CPF frameworks is above the global average, scores in all other four domains remain significantly below it. Jordan and the United Arab Emirates have graduated from the FATF grey list.





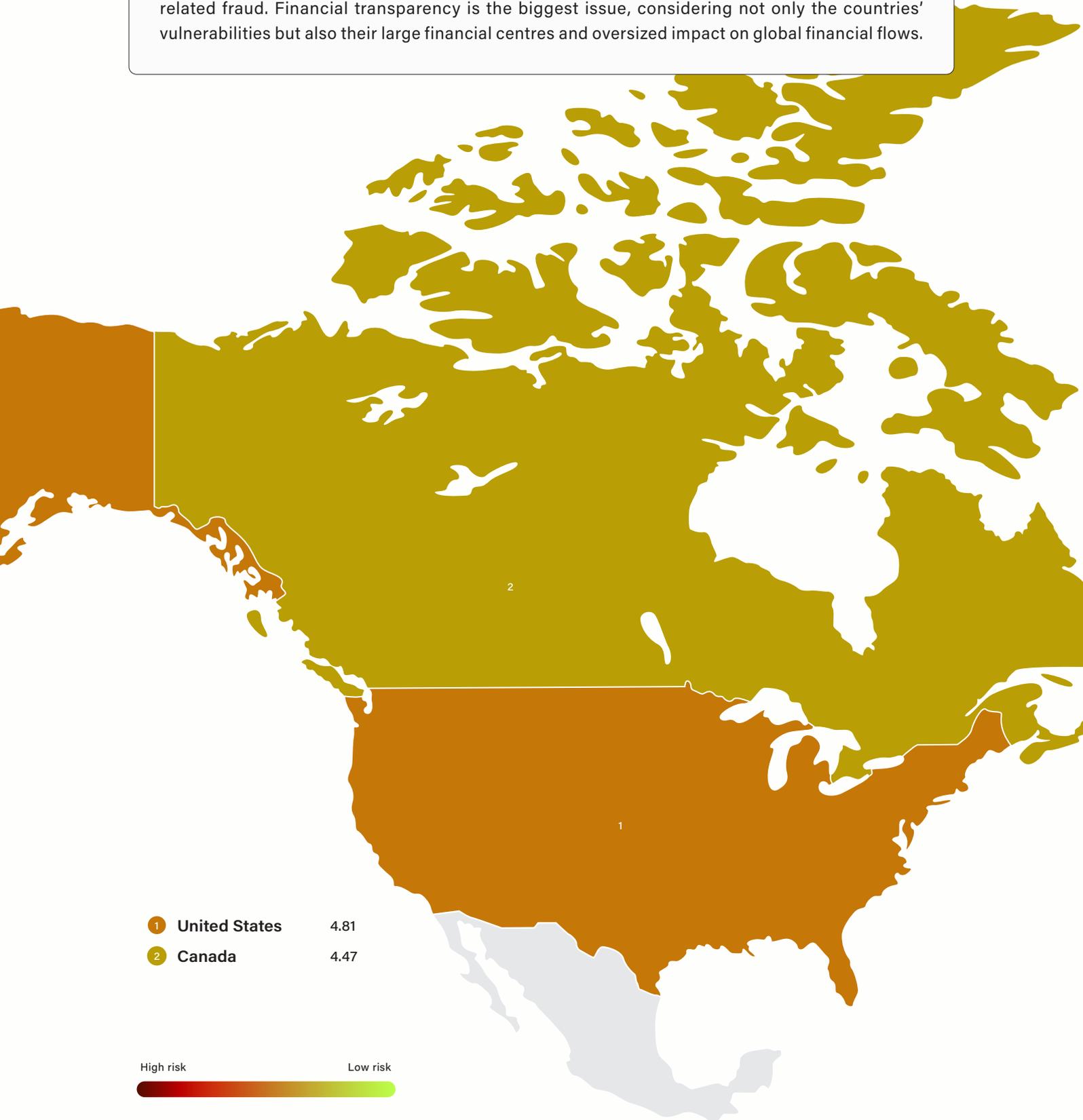
WEAKEST AREA
Financial transparency & standards

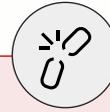
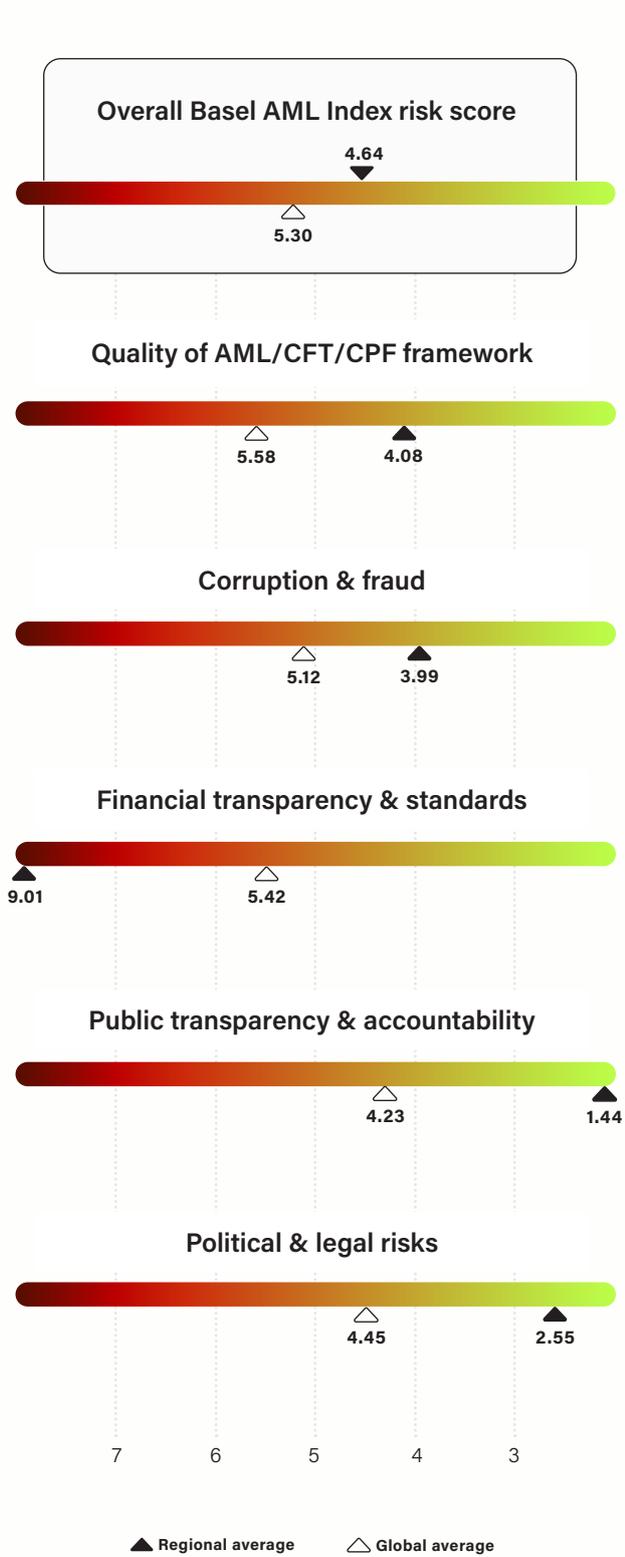
Weak effectiveness scores for the investigation, prosecution and sanctioning of money laundering offences, as well as the prevention of proliferation of weapons of mass destruction.

Slight decrease in political and legal risks since 2023.

North America

The overall Basel AML Index risk score for the U.S. and Canada increased slightly this year due to the methodological changes and addition of two new indicators measuring financial and cyber-related fraud. Financial transparency is the biggest issue, considering not only the countries' vulnerabilities but also their large financial centres and oversized impact on global financial flows.





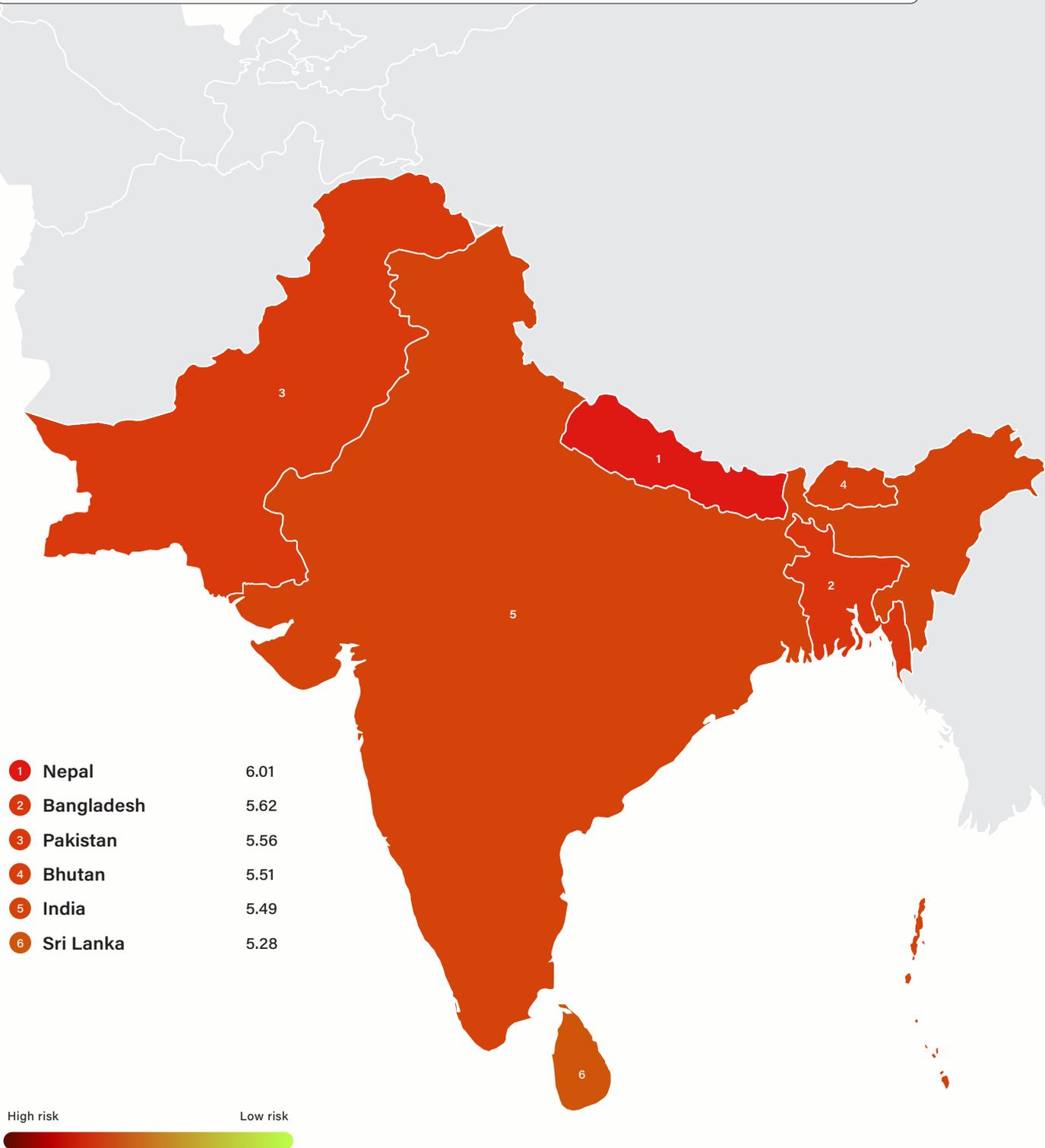
WEAKEST AREA
Financial transparency & standards

Effectiveness of measures for beneficial ownership transparency remains a critical concern.

Risk levels are significant for fraud and financial crimes (medium) and cyber-related crimes (high).

South Asia

India and Nepal were added to the Public Edition this year due to increased availability of data. Most countries in the region score similarly, with all except Sri Lanka above the global average. Average scores for all domains except public transparency & accountability remain below average.





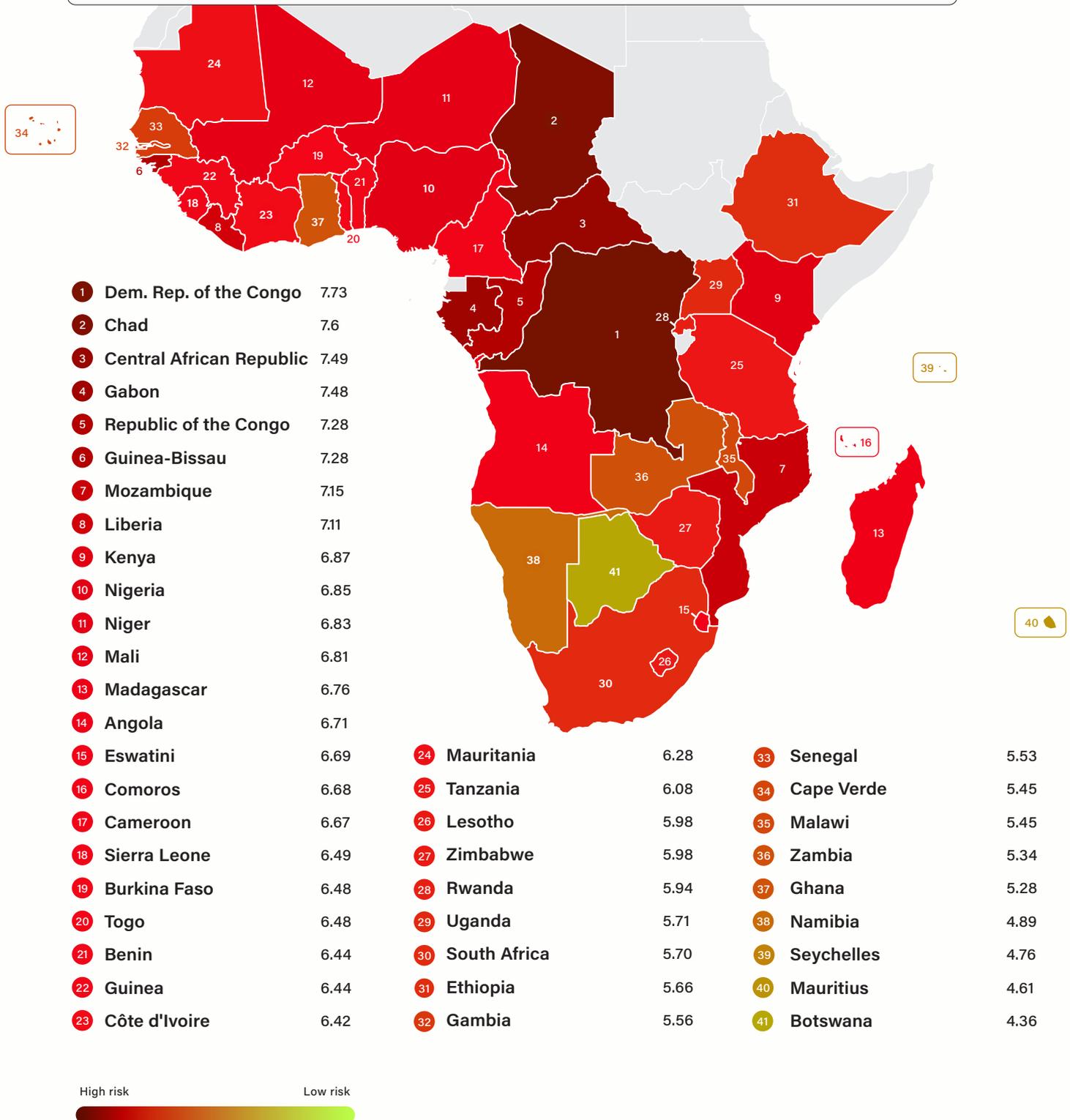
WEAKEST AREA
Financial transparency & standards

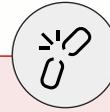
In terms of effectiveness, the weakest area is the application of preventive measures by financial institutions and DNFBPs.

Apart from deficiencies in the quality of AML/CFT/CPF frameworks, judicial independence is also a concern for the region.

Sub-Saharan Africa

Country coverage has increased significantly due to increased data availability from the Central African Republic, Comoros, Guinea, Lesotho and Rwanda. Overall the Basel AML Index risk score has decreased slightly to 6.28 from 6.54 last year. Scores in the new indicators of fraud are much lower than the global average, though corruption remains a problem.





WEAKEST AREA
Quality of AML / CFT framework

In terms of effectiveness, the weakest areas remain transparency of beneficial ownership and measures to prevent the proliferation of weapons of mass destruction.

Uganda and Senegal have been removed from the FATF grey list, but around a third of countries in the region remain on the list.

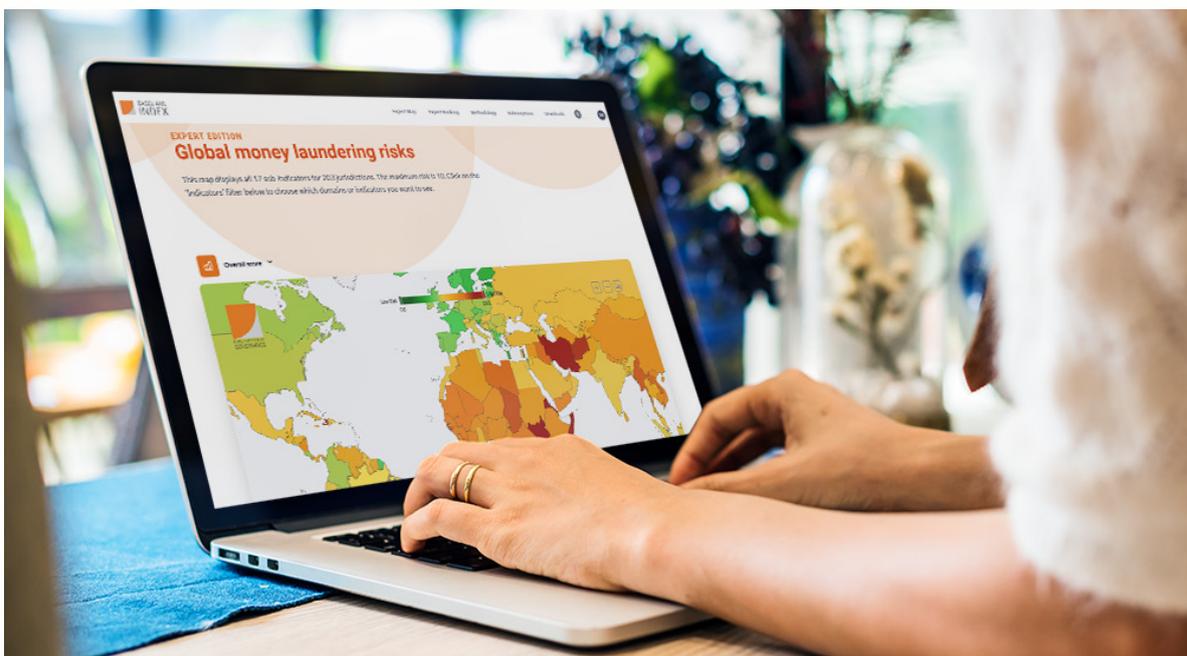
8 Expert Editions

This report relates to the **Public Edition** of the Basel AML Index, which this year covers 164 countries and jurisdictions. It is designed to provide a general snapshot of money laundering trends around the world.

For professional compliance or risk assessment purposes, as well as research, policy and journalism, we recommend using the [Basel AML Index Expert Edition](#). The Expert Edition is a comprehensive and interactive risk assessment tool that helps users to evaluate the risk of corruption, money laundering and related financial crimes in any jurisdiction. Unlike the Public Edition, it allows users to drill down into the reasons behind a country's risk score and explore where exactly that risk lies. The tool also highlights sanctions and other relevant lists, including those issued by the FATF, UN Security Council, US Office of Foreign Assets Control, the EU, UK and Australia.

The [Expert Edition Plus](#) subscription offers a detailed comparative analysis of the FATF Mutual Evaluation Reports, including a written report on the latest developments and the FATF dataset as an Excel or CSV download. This allows users to assess each FATF recommendation individually by focusing on specific compliance needs, for example due diligence or terrorist financing regulations. It also includes special reports on money laundering risks in Jersey, Guernsey, Isle of Man, Gibraltar and the Cayman Islands. Since 2023, the Expert Edition Plus highlights jurisdictions at risk of being placed on the FATF grey list, helping financial institutions to anticipate grey listing and prepare in advance.

The Basel AML Index Expert Edition and Expert Edition Plus are free for public, multilateral, non-profit, academic and media organisations as well as independent journalists.



Subscription options

	Public Edition	Expert Edition	Expert Edition Plus
Private companies & financial institutions	Free	CHF 2,000	CHF 4,000
Public, multilateral, non-profit, academic organisations and media	Free	Free	Free
Jurisdictions covered	164	203	203
Annual updates	✓	—	—
Quarterly updates	—	✓	✓
Customisable interface with 17 indicators and sanctions information	—	✓	✓
Jurisdiction profiles	—	✓	✓
Downloadable data set	—	✓	✓
API to integrate Expert Edition data into compliance systems	—	✓	✓
Up to 5 users	—	✓	✓
Complete FATF data set and analysis	—	—	✓
Special reports on Jersey, Guernsey, Isle of Man, Gibraltar and the Cayman Islands	—	—	✓
Identification of jurisdictions at risk of FATF grey listing	—	—	✓

[index.baselgovernance.org/
expert-edition](https://index.baselgovernance.org/expert-edition)



About and contact

The Basel AML Index is developed and maintained by the Basel Institute on Governance through its International Centre for Asset Recovery (ICAR). ICAR benefits from core funding from the Governments of Jersey, Liechtenstein, Norway, Switzerland and the UK.

The Basel Institute on Governance is an independent, non-profit centre of competence dedicated to promoting good governance and countering corruption for a more peaceful, just and sustainable world.

Headquartered in Basel, Switzerland, since 2003, it is an Associated Institute of the University of Basel and has offices and field experts across Latin America, Eastern Europe and Africa. Some 140 staff members work with public, private and academic partners worldwide to advance knowledge, practice and policy on anti-corruption, asset recovery and business integrity.

Experts at the Basel Institute work constantly to improve the accuracy of country-based money laundering risk ratings and facilitate their use for research, compliance and policy purposes.

For the online version of the Basel AML Index, including interactive ranking tables and information about the Expert Edition and Expert Edition Plus, see index.baselgovernance.org.

For feedback and technical queries or to request a custom service, such as an analysis of a specific jurisdiction or geographical region, please email index@baselgovernance.org.

Media enquiries: monica.guy@baselgovernance.org

Basel Institute on Governance
Steinenring 60
4051 Basel
Switzerland

+41 61 205 55 11

www.baselgovernance.org

