



Isle of Man

# COUNTERING FINANCIAL CRIME

An all-Island approach



Slido Code: MM2025



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George Pearmain  
External Advisor to IOM  
Government



Ashley Whyte  
Head of AML/CFT  
Supervision, IOMFSA

# Understanding MONEYVAL

- MONEYVAL is a FATF-style regional body under the Council of Europe.
- It evaluates countries' compliance with international AML/CFT standards.



The evaluation focuses on:



**Technical  
Compliance**

(laws, regulations, frameworks)



**Effectiveness**

(how well measures  
work in practice)



# MONEYVAL 2026 – Timeline for the Isle of Man



# The Evaluation Process



Submission of detailed questionnaires on:

Technical compliance with FATF's 40 Recommendations.

Effectiveness across 11 **Immediate Outcomes (IOs)**.



Onsite interviews with:

Government authorities

Regulators

Private sector representatives



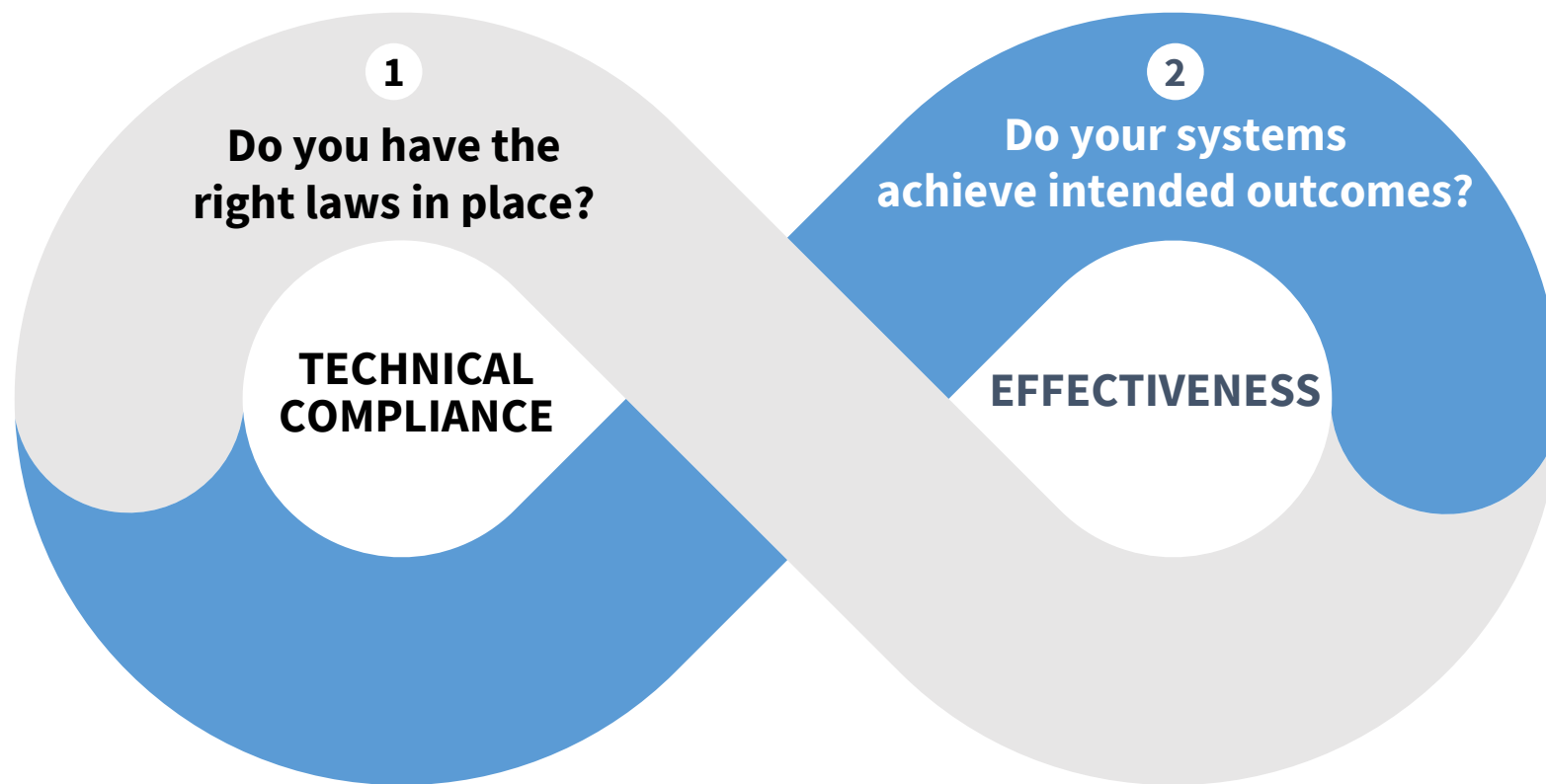
Drafting of the **Mutual Evaluation Report (MER)**.



Ratings assigned for each FATF Recommendation and IO.



# Two Key Questions



# Measuring Technical Compliance



# Measuring Effectiveness (1/2)

## Immediate Outcomes: The “So What?” Questions

1

Do you understand your ML/TF risks and coordinate policy?

2

Does international cooperation deliver results?

3

Do supervisors appropriately supervise financial institutions/VASPs and financial institutions/VASPs effectively implement AML/CFT measures?

4

Do supervisors appropriately supervise DNFBPs and DNFBPs effectively implement AML/CFT measures?

5

Can you obtain adequate, accurate and up to date beneficial ownership information when needed?



# Measuring Effectiveness (2/2)

## Immediate Outcomes: The “So What?” Questions

- 6 Is financial intelligence used for ML and TF investigations?
- 7 Are ML offenses investigated, prosecuted, and sanctioned effectively?
- 8 Are proceeds of crime confiscated effectively?
- 9 Are TF offenses investigated, prosecuted, and sanctioned effectively?
- 10 Are TF preventive measures and financial sanctions implemented effectively?
- 11 Are PF financial sanction implemented effectively?

# Updates to Standards Since 2022

The Isle of Man will be assessed against the updated FATF 5<sup>th</sup> Round Methodology, which includes revisions to:

- Risk-based approach requirements (R.1)
- Beneficial ownership standards (R.24, R.25)
- Asset recovery provisions (R.4, R.30, R.31, R.38)
- NPO sector measures (R.8)
- Enhanced focus on structural elements and financial inclusion

# Updates to Immediate Outcomes Since 2022

- IO.2 (International Cooperation) - enhanced focus on asset recovery cooperation
- IO.5 (Legal Persons & Arrangements) - updated beneficial ownership transparency requirements – greater alignment with EU AMLDs
- IO.8 (Asset Recovery) - comprehensive revision reflecting new asset recovery standards (greater alignment with Council of Europe Warsaw Convention)
- IO.10 (TF Prevention & Financial Sanctions) - clarified NPO risk-based measures
- IO.3 & IO.4 (Supervision) – split between FIs and VASPs on one hand and DNFBPs on other and additional assessment guidance and examples, e.g. on use of FinTech and RegTech
- Note the enhanced focus on structural elements, financial inclusion, and proportionality of measures



# Preparing for MONEYVAL – What You Can Do



Understand the National Risk Assessment (NRA) and align your work accordingly.



Review documentation: Ensure policies, procedures, and records are current and reflect real-world practices.



Engage senior management: Be ready to explain your AML/CFT approach clearly.



Stay informed: Monitor IOMFSA updates and attend outreach sessions.



Promote a culture of compliance: Regular training and awareness across teams.



# Country Training – MONEYVAL Preparation



**Date:** 26-27 November 2025

**Morning Session (26th):** Open to industry participants

## Content Overview:

- FATF Methodology
- Rules of Procedure
- Evaluation Timeline

**Facilitators:** Two members of MONEYVAL Secretariat



**Industry Q&A Opportunity:** Attendees will have the chance to ask questions and engage directly with the Secretariat





# National Risk Assessment



# Countering financial crime

- Combatting financial crime is a constant, year-round commitment – not a box-ticking exercise
- Power of good compliance and regulation underlined by the real-life outcomes of our work
- Demonstrating effectiveness of our frameworks requires a united national response
- Good quality data required to showcase Island's compliance with international standards

# National Risk Assessment - NRA

- Identification, understanding and evaluating risks – underpins our regime
- Actions to feed into National Action Plan
- Financial Crime Strategy - “All-Island approach to countering financial crime” Informs the control framework e.g. AML/CFT Code
- Core requirement of FATF IO1 and R1 – cascading effect

# Topical and Sectoral Assessments

## Topical Risk Assessments

- Money Laundering
- Financing of Proliferation
- Financing of Terrorism
- Legal Persons and Arrangements

## Virtual Assets

- ML/FT/FP

## Sectoral Risk Assessments

- Financial Institutions
- DNFBPs
- NPOs

## National Risk Appetite Statement

- E-gaming statement
- Full statement after NRA publication



# Legal Persons and Arrangements

- IFC – legal persons and arrangements present risks
- Data request essential
- Analysis of range of factors
  - Scale
  - Assets – values and locations
  - Complexity of structures
  - Activities
  - PEP connections
  - Jurisdictions

# Next Steps

- Publication –
  - TF already published
  - ML / PF / TF NPO / LPA all to follow throughout rest of 2025 / early 2026
  - Stand alone – Banking / Insurance / TCSP / VASP / E-Gaming
- Outreach sessions & summary sheets for industry
- Revised sector Guidance and sector reports

# How can industry help?

- Provide data requested through Strix
- Conduct your risk assessments – BRA / CRA / TRA and keep up to date with published NRA and supporting assessments
- Ensure the right procedures and controls are in place derived from findings of your BRA
- Engage with Outreach being provided
- Ensure compliance function is resourced and supported



# Working together for our Island

- It is important for politicians, regulators and businesses to be on the same page
- We want to collaborate with industry to create a productive working environment
- Authority aims to be as approachable and responsive as possible
- Let's move forward together to ensure the Island continues to flourish as a global business centre

# Panel Session



Ashley Whyte  
Head of AML/CFT  
Supervision, IOMFSA



Matt Touzel  
Head of Enforcement and  
Intelligence, IOMFSA



Jilly Christian  
Head of AML/CFT Policy  
Office, Cabinet Office



George Pearmain  
External Advisor to IOM  
Government