

## **STATEMENT FROM GOVERNMENT OF BARBADOS RE EU BLACKLISTING**

The Government of Barbados considers the blacklisting of the country by the European Union over its regulatory regime to combat money laundering and terrorist financing to be both unjust and regrettable.

It is therefore calling upon the EU, particularly the officials of the Directorate-General for Fiscal Stability, Financial Services and Capital Markets (DG FISMA), to engage in meaningful dialogue with Barbados and other nations which are in similar positions prior to October 2020, with a view to their removal from this blacklist.

Recently, Barbados completed comprehensive reforms of the national AML/CFT framework, including significant legislative and policy amendments, a process that had been ongoing since June 2018. Consequently, Barbados and the Financial Action Task Force (FATF) agreed on an Action Plan, earlier this year, that placed it on a monitoring list, allowing the country time to demonstrate the effectiveness of the changes.

Barbados signalled its intention to the process and completion of the Plan by sending a letter of high-level political

commitment to the President of the FATF.

The EU would be aware of this as it is a partner to the region, and Barbados, through its participation in the work of the Caribbean Financial Action Task Force (CFATF) and the FATF.

We wish to emphasise that the FATF has not placed Barbados on its list of high-risk jurisdictions.

The recent action by the European Union to place Barbados on its blacklist at this time, despite the fact that the list will not be formally adopted until October 2020, therefore, is disappointing and not in keeping with the spirit of partnership that exists between Barbados and the EU.

Further, taking this action while the world is in the midst of an economic crisis due to the COVID-19 pandemic, is both insensitive and inconsiderate, particularly as Barbados was given no prior warning or opportunity for engagement

This unilateral action is made even more egregious by the apparent lack of transparency in the EU's process and methodology for listing under their AML rules. The EU purports to foster greater collaboration between the FATF and the

so-called “high-risk third countries”. However, its recent action is more likely to achieve the opposite, distracting “high-risk third countries” from pursuing FATF standards to defending themselves from the EU.

It should be noted that there has always been great collaboration between Barbados and the FATF.

Barbados will not be distracted. We remain focused on making significant strides towards strengthening our regulatory regime and will continue to provide the FATF with regular progress reports on the implementation of the Action Plan and our engagement with the Secretariat in Paris. We will continue the process of seeking ratings upgrades that will reflect a higher level of compliance with the FATF technical requirements.

As a partner of Barbados, the least that can be expected of the EU before it engages in actions that are likely to result in reputational and economic harm to the country, is the opportunity to have full, fair, free and frank exchanges towards an amicable resolution of the issue.

— **The Hon. Dale Marshall QC,  
MP,  
Attorney General**