



ECONOMIC AND FINANCIAL CRIMES COMMISSION

SPECIAL CONTROL UNIT AGAINST MONEY LAUNDERING

Head Office: No. 15 Fomella Street, Off Adetokunbo Ademola Crescent Wuse II, Abuja

Tel: 0809 6492 000 Email: info@scuml.org

EFCC/SCUML/HQ/04/VOL.1/081

7th January, 2026

Circular to All DNFBPs, Self-Regulatory Bodies (SRBs) and Trade Associations

MANDATORY APPLICATION OF ENHANCED DUE DILIGENCE (EDD) MEASURES IN RELATION TO MYANMAR

Background

The Financial Action Task Force (FATF) has identified Myanmar as a jurisdiction **subject to a call on FATF members and other jurisdictions to apply enhanced due diligence (EDD) measures proportionate to the risks arising from the jurisdiction.**

Myanmar committed in February 2020 to address strategic deficiencies in its AML/CFT framework. However, its action plan expired in September 2021, and due to continued insufficient progress, the FATF, in October 2022, called for the application of enhanced due diligence measures. The FATF has further indicated that **if no significant progress is made by February 2026, countermeasures may be considered.**

Myanmar remains under increased monitoring due to persistent deficiencies, particularly in:

- Use of financial intelligence by law enforcement authorities,
- Investigation and prosecution of money laundering in line with risk,
- Investigation of transnational ML cases with international cooperation, and
- Freezing, seizing, and confiscation of proceeds of crime.

It also applies to **Self-Regulatory Bodies (SRBs)** and **Trade/Professional Associations** responsible for oversight, guidance, and compliance monitoring of their members.

1. Mandatory Enhanced Due Diligence Measures

All DNFBPs shall apply enhanced due diligence measures to:

- **Myanmar nationals**, whether resident or non-resident; and
- **Legal persons and legal arrangements** incorporated in, owned, controlled by, or otherwise linked to Myanmar; and
- **Transactions, business relationships, or activities** involving Myanmar, directly or indirectly.

Enhanced Due Diligence measures shall include, at a minimum:

1. Enhanced Customer Due Diligence

- Obtaining additional information on the customer and beneficial owner(s);
- Establishing the source of funds and source of wealth;
- Understanding the purpose and intended nature of the business relationship.

2. Enhanced Ongoing Monitoring

- Increased frequency and depth of transaction monitoring;
- Scrutiny of complex, unusually large, or unusual transactions;
- Timely identification and review of deviations from expected activity.

3. Senior Management Approval

- Obtaining senior management approval before establishing or continuing business relationships linked to Myanmar.

4. Suspicious Transaction Reporting

- Prompt filing of Suspicious Transaction Reports (STRs) where transactions or activities appear unusual, suspicious, or inconsistent with the customer profile.

2. Prohibition of Countermeasures

DNFBPs are reminded that the **FATF currently calls for enhanced due diligence and not countermeasures** in respect of Myanmar. Accordingly:

- DNFBPs shall **not apply blanket prohibitions, de-risking, or termination of relationships solely on the basis of Myanmar linkage**, unless otherwise required by law or based on documented risk assessment.

3. Humanitarian Assistance and NPO Activities

In applying enhanced due diligence, DNFBNs, SRBs, and Trade Associations **must ensure that legitimate financial flows are not unduly disrupted**, particularly:

- Humanitarian assistance;
- Legitimate Non-Profit Organisation (NPO) activities; and
- Personal remittances.

Special care should be taken **not to discourage or delay legitimate earthquake relief and humanitarian efforts in Myanmar**, in line with FATF guidance. Risk mitigation measures should be **proportionate and risk-based**, and not result in undue scrutiny of legitimate civil society activities.

5. Responsibilities of SRBs and Trade Associations

Self-Regulatory Bodies and Trade Associations are required to:

- Disseminate this circular promptly to all members;
- Update sector-specific AML/CFT guidance to reflect Myanmar-related risks;
- Incorporate Myanmar EDD compliance into inspections, monitoring, and disciplinary frameworks;
- Provide targeted awareness and capacity-building to members on FATF high-risk jurisdictions.

6. Supervisory Compliance

Compliance with this circular will be:

- Assessed during routine and risk-based AML/CFT inspections;
- Considered in enforcement actions for breaches of AML/CFT obligations.

Myanmar will remain subject to enhanced due diligence requirements until the FATF confirms full completion of its action plan.



Harry Erin, fsi

08.01.25

Director, Special Control Unit against Money Laundering (SCUML)
Economic and Financial Crimes Commission (EFCC)