

Pak. to face monitoring by international review group

Pakistan, which has been put back on the "Grey List" for terror financing by the Financial Action Task Force (FATF) Plenary on Friday, will, under a "Compliance Document," now be required to furnish a fresh report to the International Co-operation Review Group (ICRG). Accordingly, the country will undergo a review at the next Plenary in June, when it would be presented a full action plan on how it is expected to crack down on terror groups banned by the UN Security Council.

The move was pushed by four nominating countries, the U.S., the U.K., Germany and France. In mid-January, they had written to the FATF stating that even though Pakistan had an anti-money laundering/anti-terror funding regime in place, effectiveness of the implementation was inadequate.

Some countries pointed out that Pakistan's actions had only come because of recent FATF pressure, and it would be counter-productive to let it off the hook just when the pressure was producing results.

Meanwhile, a rally by LeT chief Hafiz Saeed, and the Khyber Pukhtunkhwa state's decision to raise funding for Haqqani group-linked seminaries over the week didn't help Pakistan's case, said Western diplomats.

Earlier this week, Pakistan had claimed victory in the ongoing FATF meeting, as a preliminary discussion in the ICRG failed to build a consensus on putting it again on the watch list, after China, Turkey, Saudi Arabia and GCC countries objected to Pakistan's nomination. However, U.S. and Indian officials had called the claim "premature" and said a final decision was still to come.

Informed sources said that behind the scenes, the U.S. worked hard to bring Saudi Arabia around, Germany worked on the GCC, while India was able to speak to Russia. According to the sources, China may have been incentivised to help because it had become Vice-Chair of the FATF committee, and would like to play a responsible role at the international grouping.

At the end of the Plenary session, when the FATF Chair asked, there were no objections to the nomination of Pakistan, a move that could see it face financial strictures, and ratings downgrades by international banking and credit rating agencies until Islamabad carries out a full crackdown on terror groups. It was another tweet, this time from Pakistani Interior Minister Ahsan Iqbal who thanked Turkey for "standing with Pakistan as one" and didn't mention any others, that confirmed the final outcome.

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