



MONGOLBANK  
FINANCIAL INFORMATION UNIT

# ANNUAL REPORT 2024

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## GLOSSARY

AML/CFT	Anti-money laundering/ Combating the financing of terrorism
APG	Asia/Pacific Group on Money Laundering
CTR	Cash Transaction Report
CC	Cooperation Council
CPF	Counter Proliferation Financing
DNFBP	Designated Non-Financial Business and Profession
FATF	Financial Action Task Force
FIU	Financial Information Unit
FRC	Financial Regulatory Commission
FSTR	Foreign Settlement Transaction Report
NBFI	Non-Bank Financial Institution
NC	National Council
RE	Reporting Entity
STR	Suspicious Transaction Report
UN	United Nations

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**BATBAATAR.B**  
Head of Financial  
Information Unit

## FOREWORD

I am pleased to present the Financial Information Unit of Mongolia (FIU-Mongolia)'s Annual Report for the year 2024.

The year 2024 marked the commencement of several important initiatives aimed at enhancing Mongolia's anti-money laundering, countering the financing of terrorism and combating the proliferation of weapons of mass destruction (AML/CFT/CPF) system, in preparation for the upcoming round of mutual evaluation.

As the Asia/Pacific Group on Money Laundering (APG) has scheduled Mongolia's next mutual evaluation for 2028, the National Council decided to undertake the country's third National Risk Assessment this year. This assessment will focus on identifying risks associated with Mongolia's evolving predicate offences, systemic vulnerabilities, and the risk profiles across both the financial and non-financial sectors. The findings from this assessment will serve as a foundation for strategic planning, guiding timely and targeted actions.

In recent years, Mongolia has made substantial efforts in building the capacity of its human resources. As part of its international commitments to contribute assessors for mutual evaluations and reviewers for the International Co-operation Review Group (ICRG), Mongolia has successfully trained 15 professionals. Utilizing these experts, it was decided to undertake a self-assessment on the FATF's 11 Immediate Outcomes. This self-assessment aims to identify challenges in the effective implementation of AML/CFT measures and to inform future policy and planning priorities.

The FIU-Mongolia has fully mobilized its internal resources to coordinate these national-level initiatives and to ensure effective collaboration between the public and private sectors. Throughout 2024, we have also expanded both domestic and international cooperation, enhanced public awareness among competent authorities and reporting entities, and strengthened

the capacity of FIU-Mongolia staff to fulfill our core mandate as outlined in the Law on Combating Money Laundering and the Terrorism of Financing, receiving, analyzing, and disseminating suspicious transaction reports to law enforcement agencies.

Looking ahead, in preparation for Mongolia's next mutual evaluation, we remain committed to supporting efforts to provide information to all relevant stakeholders, fostering cooperation, and enhancing the detection, reporting, and analysis of suspicious transactions. This will, in turn, facilitate the effective investigation, prosecution, conviction, and asset recovery related to money laundering, its predicate offences, and the financing of terrorism.

We would like to express our sincere gratitude to all our partner organizations and stakeholders whose collaboration has been instrumental in strengthening Mongolia's AML/CFT/CPF framework in accordance with international standards, thereby contributing to the continued stability of our nation's financial system and economy.



# CHAPTER 1

## RECEIVING AND ANALYZING INFORMATION FROM REPORTING ENTITIES

### 1.1 RECEIVING INFORMATION

Reporting entities described in Article 4 of the Law on Combating Money Laundering and Terrorist Financing are obligated to submit suspicious transaction reports specified in Article 7 of the same law to FIU-Mongolia, as well as Cash Transaction Reports (CTRs), Foreign Settlement Transaction Reports (FSTRs) and Virtual Asset Transaction Reports (VATRs) equal to or exceeding 20 million MNT. The information received by the FIU-Mongolia during the period of 2022–2024 is shown in Table 1.

**Table 1.** The number of transactions submitted by reporting entities to FIU-Mongolia, 2022–2024

	2022	2023	2024
Suspicious transactions	2,626	1,799	2,823
Cash transactions	349,126	315,103	328,667
Foreign settlement transactions	230,402	284,301	382,266
Virtual asset transactions	1,783	7,447	15,141

Based on the statistics above, there was an increase in the number of cash transactions, foreign settlement transactions, and virtual asset transactions amounting to MNT 20 million or more, as well as the number of suspicious transactions reported by reporting entities to the FIU-Mongolia in 2024.

As of 2024, a total of 13 types of reporting entities, as specified in Article 4.1 of the Law on Combating Money Laundering and the Financing of Terrorism, are obligated to report designated transaction information to FIU-Mongolia. The breakdown of transaction reports submitted by these entities during the reporting year, categorized by sector, is as follows:

**Table 2.** The number of transactions submitted by reporting entities (by sector)

Total	Suspicious transactions		Cash transactions		Foreign settlement transactions	
	Number of transactions	Percentage	Number of transactions	Percentage	Number of transactions	Percentage
	<b>2,823</b>	<b>100%</b>	<b>328,667</b>	<b>100%</b>	<b>382,266</b>	<b>100%</b>
1 Banks	2,426	85.94%	303,516	92.35%	373,655	97.75%
2 Other financial institutions	303	10.73%	24,746	7.53%	8,600	2.25%
3 DNFBPs	74	2.62%	405	0.12%	11	0.00%
4 VASPs	20	0.71%	-	-	-	-

In the reporting year, transaction information received from reporting entities is categorized by sector for each type of transaction and compared with the data from 2023 (Tables 3, 4, and 5).

**Table 3.** The number of CTRs submitted by reporting entities in 2023–2024

	2023		2024		Changes from 2023 to 2024 (%)
	Number of transactions	Percentage	Number of transactions	Percentage	
Number of cash transactions	315,103	100%	328,667	100%	▲ 4.3%
Banks	305,546	96.97%	303,516	92.35%	▼ 0.66%
Other financial institutions	8,891	2.82%	24,746	7.53%	▲ 178.3%
DNFBPs	666	0.21%	405	0.12%	▼ 39.2%
VASPs	-	-	-	-	-

In 2024, the number of cash transactions amounting to MNT 20 million or more conducted by banks decreased by 0.66% compared to the previous year. Meanwhile, cash transactions conducted by other financial institutions increased by 178.3%, whereas the number of cash transactions reported by DNFBPs decreased by 39.2%.

Of the reported cash transactions of 20 million MNT and above, 23,952 transactions, or approximately 96.8%, were reported by non-bank financial institutions. The number of cash transactions reported by non-bank financial institutions increased by 178.3% in 2024. This significant growth was mainly driven by a 188.1% increase in cash transactions reported specifically by non-bank financial institutions compared to the previous year.

The Financial Regulatory Commission, which is the competent authority overseeing compliance with anti-money laundering and counter-terrorism financing laws in this sector, conducted on-site supervisions of non-bank financial institutions in 2023. Among the supervised institutions, 82% had conducted transactions over 20 million MNT, and 43% of these institutions were found to have failed to report such transactions. As a result, administrative penalties were imposed in accordance with the Law on Infringement.

This regulatory enforcement activity was a major factor contributing to the increase in the number of cash transactions reported by non-bank financial institutions during the reporting year.

Furthermore, the number of foreign settlement transactions amounting to MNT 20 million or more reported by reporting entities has steadily increased since 2021, a trend that continued from 2023 to 2024.

**Table 4.** The number of FSTRs submitted by reporting entities in 2023–2024

	2023		2024		Changes from 2023 to 2024 (%)
	Number of transactions	Percentage	Number of transactions	Percentage	
Number of foreign settlement transactions	284,301	100%	382,266	100%	▲ 34.46%
Banks	276,125	97.12%	373,655	97.75%	▲ 35.32%
Other financial institutions	8,168	2.87%	8,600	2.25%	▲ 5.29%
DNFBPs	8	0.003%	11	0.003%	▲ 37.5%
VASPs	-	-	-	-	-

In 2024, Mongolia engaged in trade with 163 countries, with a total foreign trade turnover reaching \$27.4 billion. This represents a \$3.0 billion (12.1%) increase from the previous year. Exports grew by \$596.5 million (3.9%) and imports increased by \$2.4 billion (25.5%), which likely contributed to an increase in the number of foreign payment transactions.

The suspicious transaction reports submitted by reporting entities from 2022 to 2024, categorized by sector and compared to previous years, are presented as follows:

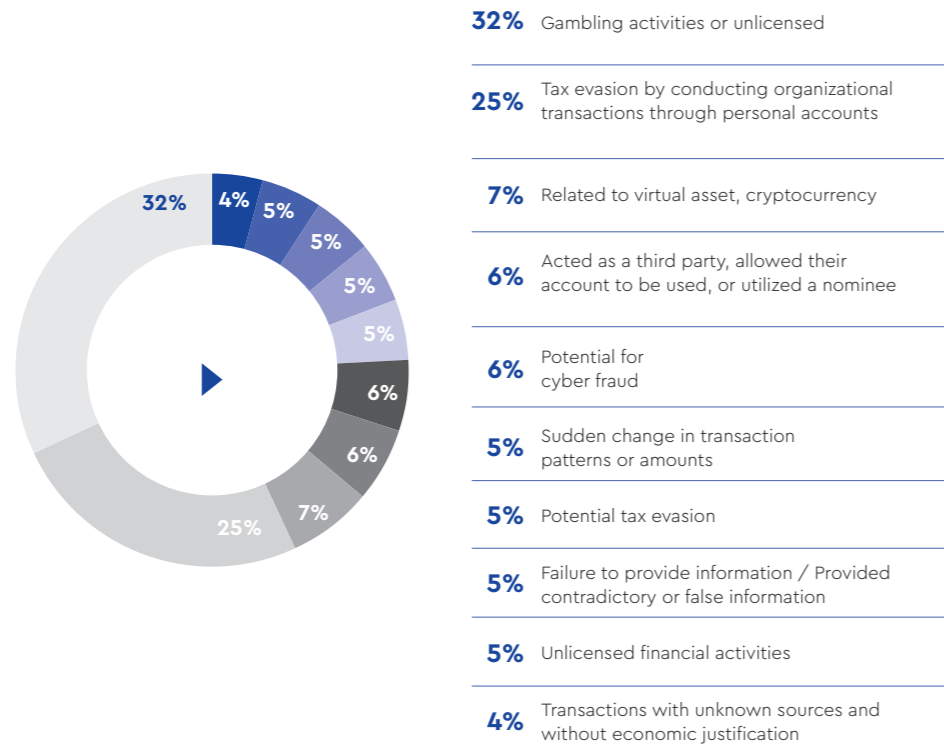
**Table 5.** The number of STRs submitted by reporting entities (by sector)

	2022	2023	2024	Changes from 2023 to 2024 (%)
Financial Institutions				
Banks	2,281	1,490	2,426	▲ 62.8%
	86.86%	82.82%	85.94%	
Non-Bank Financial Institutions	35	53	302	▲ 469.8%
	1.33%	2.95%	10.7%	
Insurance Companies and Insurance Licensed Entities	-	-	-	-
Investment Funds; Investment Management Companies	-	-	-	-
Licensed Securities Market Entities	-	53	1	▼ 98.1%
	-	2.95%	0.04%	
Saving and Credit Cooperatives	-	-	-	-
Designated Non-Financial Businesses and Professions				
Real Estate Agents	41	24	9	▼ 62.5%
	1.56%	1.33%	0.32%	
Dealers of Precious Metals and Precious Stones	-	-	-	-
Notaries	70	78	51	▼ 34.6%
	2.67%	4.34%	1.81%	
Lawyers	-	35	-	-
	-	1.95%	-	
Accounting and Financial Consulting Service Providers	5	10	14	▲ 40.0%
	0.19%	0.56%	0.5%	
Virtual Asset Service Providers				
Virtual Asset Service Providers	161	56	20	▼ 64.3%
	6.13%	3.11%	0.71%	
Бусад				
Other	33	-	-	-
	1.26%	-	-	
<b>TOTAL</b>	<b>2,626</b>	<b>1,799</b>	<b>2,823</b>	<b>▲ 56.9%</b>

In the reporting year, reporting entities submitted a total of 2,823 suspicious transaction reports, marking a 56.9% increase compared to 2023. This surge was primarily driven by a 62.8% increase in suspicious transactions reported by banks and an astounding 469.8% increase from non-bank financial institutions. In contrast, the number of suspicious transactions reported by non-financial businesses and professional service providers decreased compared to the previous year.

When classifying suspicious transactions reported by reporting entities according to the grounds for suspicion, the top 10 most frequently reported suspicion reasons are as follows (Figure 1). In the reporting year, 32% of all suspicious transaction reports submitted to FIU-Mongolia were related to illegal online gambling, and 25% were reported on the basis that corporate transactions might have been conducted through personal accounts to evade taxes.

**Figure 1.** Top 10 indicators of suspicion of STRs (2024)



In 2024, FIU-Mongolia consistently organized trainings for reporting entities, categorized by sector, with the aim of improving the quality of suspicious transaction reports, enhancing transaction monitoring, and strengthening the capacity of employees responsible for detecting and reporting suspicious transactions.

In 2024, FIU-Mongolia organized regular sector-specific training sessions for reporting entities to improve the quality of STRs, enhance transaction monitoring, and strengthen the capacity of staff responsible for detecting

and reporting suspicious transactions. For instance, on February 28, 2024, FIU-Mongolia held a training session specifically for employees from the compliance departments of commercial banks. The objective was to support and provide knowledge on detecting and reporting suspicious transactions. During the training, FIU-Mongolia delivered the following presentations and facilitated practical case-based group exercises to enhance the practical skills of compliance personnel:

- Strategic Analysis Report
- Typology Report on Laundering Illicit Funds through Mongolia's Financial System
- Typology Report on Politically Exposed Persons (PEPs)
- Typology Report on Money Laundering through Real Estate

In addition, training, meetings, and discussion sessions were organized for reporting entities across all other sectors throughout 2024.

In line with its legal mandate, FIU-Mongolia consistently works to support reporting entities in their efforts to detect and report suspicious transactions. This includes regularly providing general information on the quality of suspicious transaction reports, analysis performed, and common indicators, methods, and typologies of suspicious transactions. In 2024, FIU-Mongolia organized biannual meetings with the compliance units and employees of reporting entities to provide both quantitative and qualitative feedback on submitted reports and recommendations for further improvement, exchange views, and foster collaboration.

According to Article 15 of the Law on Combating Money Laundering and Terrorism Financing, FIU-Mongolia receives customs declarations from the customs authority for amounts of MNT 15 million or more, or the equivalent amount in foreign currency, bearer negotiable instruments, or electronic money carried in cash across the border of Mongolia (Table 6).

**Table 6.** Number of customs declarations

	2022	2023	2024
Number of customs declarations	30,151	15,090	9,147

In 2024, a total of 7,179.2 thousand passengers (duplicates included) crossed Mongolia's borders, marking an increase of 1,844.3 thousand (34.6%) compared to the previous year. The number of passengers entering Mongolia reached 3,576.6 thousand, a 34.8% increase from the previous year, while the number of passengers departing totaled 3,602.6 thousand, also rising by 34.3%.

Although the number of passengers crossing Mongolia's borders increased significantly in 2024 compared to the previous year<sup>1</sup>, the number of cash declarations at the border decreased by 39% from 2023. This trend indicates a growing preference among travelers for non-cash payment instruments and payment cards instead of cash.

<sup>1</sup> [https://www2.1212.mn/tables.aspx?\\_id=DT\\_NSO\\_1800\\_001V2&13999001\\_select\\_all=0&13999001SingleSelect=\\_T2\\_T1&HH1\\_select\\_all=0&HH1SingleSelect=\\_1&YearM\\_select\\_all=0&YearMSingleSelect=&YearQ\\_select\\_all=0&YearQSingleSelect=&Year\\_r\\_select\\_all=0&YearYSingleSelect=\\_2024\\_2023\\_2022\\_2021\\_2020&viewtype=li](https://www2.1212.mn/tables.aspx?_id=DT_NSO_1800_001V2&13999001_select_all=0&13999001SingleSelect=_T2_T1&HH1_select_all=0&HH1SingleSelect=_1&YearM_select_all=0&YearMSingleSelect=&YearQ_select_all=0&YearQSingleSelect=&Year_r_select_all=0&YearYSingleSelect=_2024_2023_2022_2021_2020&viewtype=li) nechart

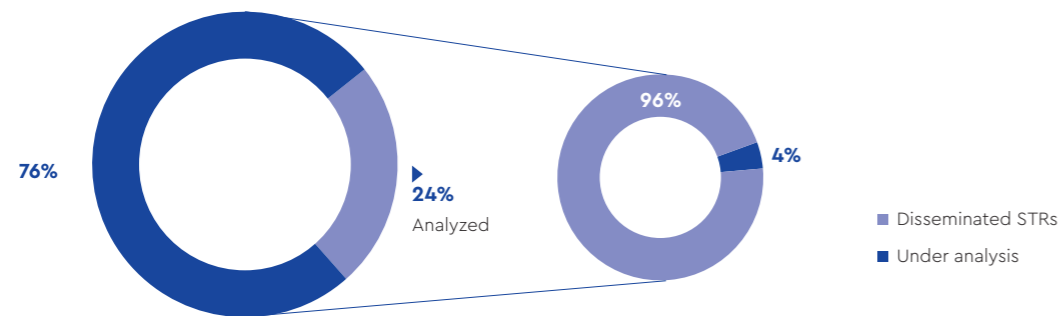
## 1.2 ANALYZING INFORMATION

One of the core functions of FIU-Mongolia, as mandated by the Law on Combating Money Laundering and Terrorist Financing, is to analyze suspicious transaction reports received from reporting entities.

In 2024, a total of 2,823 suspicious transactions were reported by reporting entities. FIU-Mongolia assessed the risks of these suspicious transactions and assigned the highest risk scores to 680 suspicious transactions for analysis.

By the end of the year, 654 suspicious transactions analyzed were disseminated to law enforcement agencies in accordance with laws and regulations, while analysis was still ongoing for the remaining 26 suspicious transactions (see Figure 2).

**Figure 2.** Number of STRs analyzed, and in the process of analysis (2024)



During the reporting year, FIU-Mongolia disseminated 654 suspicious transactions to law enforcement agencies, representing a 102% increase compared to 2022 and a 14.5% decrease compared to 2023 (see Figure 3).

In 2023, the Bank of Mongolia, the Communications Regulatory Commission, and the General Police Agency jointly implemented measures aimed at identifying and disrupting illegal activities related to the crime of organizing illegal gambling. As a result of this initiative, a higher number of suspicious transactions related to online gambling reported by reporting entities were analyzed and transferred to law enforcement authorities. This led to an increase in the number of dissemination in 2023 compared to the years 2022 and 2024.

**Figure 3.** Number of Suspicious Transactions Disseminated to Law Enforcement Agencies



In 2024, of the total number of suspicious transactions disseminated to law enforcement agencies, 27.7% were related to illegal online gambling, 17.6% involved suspected tax evasion through conducting corporate transactions via personal bank accounts, 15.2% were linked to suspicious transactions involving virtual assets, 7.7% were associated with cyber fraud, 7.8% involved suspected unlicensed financial activities, and 7.3% were disseminated based on suspected tax evasion. The remaining 16.7% were referred under 26 other grounds.

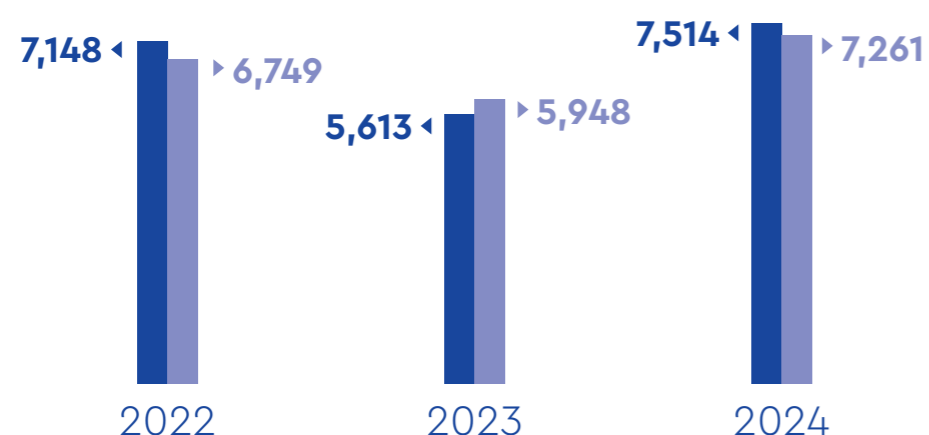


## 1.3 EXCHANGE OF INFORMATION

### 1.3.1 Cooperation and Information Exchange with Domestic Competent Authorities

FIU-Mongolia cooperates and exchanges information with domestic competent authorities in the prevention and combat of money laundering, terrorist financing, and the financing of the proliferation of weapons of mass destruction. In 2024, FIU-Mongolia received a total of 350 requests related to 7,514 entities from domestic law enforcement agencies and responded to 343 requests related to 7,261 entities (Figure 4).

Figure 4. Information Exchange with Domestic Competent Authorities



■ Number of Entities related to Requests Received by the FIU from Domestic Competent Authorities  
 ■ Number of Entities related to Responses Sent by the FIU based on Requests from Domestic Competent Authorities

In addition to cooperating and exchanging information with law enforcement agencies, FIU-Mongolia collaborates with other competent authorities, such as the General Authority for Social Insurance, the Mongolian Tax Administration, the General Authority for State Registration, and General Authority for Border Protection, to fulfill its functions specified in the law. Within this framework, during the reporting year, FIU-Mongolia sent 15 official request related to 69 entities to domestic competent authorities and received information accordingly.

FIU-Mongolia actively cooperates and exchanges information with law enforcement and other competent authorities to combat and prevent money laundering and terrorist financing. This includes providing support in the investigation and prosecution of such crimes in response to emerging threats. For instance, due to a recent increase in cyber-enabled fraud cases in Mongolia and the resulting negative social impacts and consequences, FIU-Mongolia closely collaborated with the General Police Agency and private sector entities from September 18 to October 4, 2024. This cooperation focused on the prompt exchange of information to detect and disrupt fraud crimes committed via the "Telegram" platform.

### BOX 1: "TELEGRAM" Measures Taken to Detect and Disrupt Fraud Offences made via

Unemployed or employed in public or private sector, with at least secondary education or higher

93.8%



Unemployed or employed in public or private sector, with at least secondary education or higher

70% approx



Between 25 and 44 years old

67%



Female



THE ABOVE-MENTIONED TYPES OF FRAUD CRIMES ARE COMMONLY COMMITTED THROUGH THE FOLLOWING METHODS:

1. Purchasing goods and increasing sales volume as instructed
2. Following a TikTok account and liking specified posts to boost views
3. Providing reviews for organizational activities or product advertisements
4. Depositing money into a given account with the promise of receiving increased returns
5. Preparing required documents for loan approval
6. Logging into a specified internet banking account and performing transactions as instructed

Therefore, it is crucial for every individual to be aware of these types of fraud methods and tactics in order to prevent themselves from becoming victims of online fraud.

619 criminal offences

The number of reported fraud offences related to the Telegram platform since July 2024

10 billion

The individuals under investigation have inflicted financial losses of over 10 billion MNT on the victims.

976 accounts

In the registered fraud cases committed using Telegram, a total of 976 bank accounts were involved in money transactions. The Police have determined that funds were transferred through international cryptocurrency exchanges and betting websites to offshore jurisdictions beyond regulatory oversight.



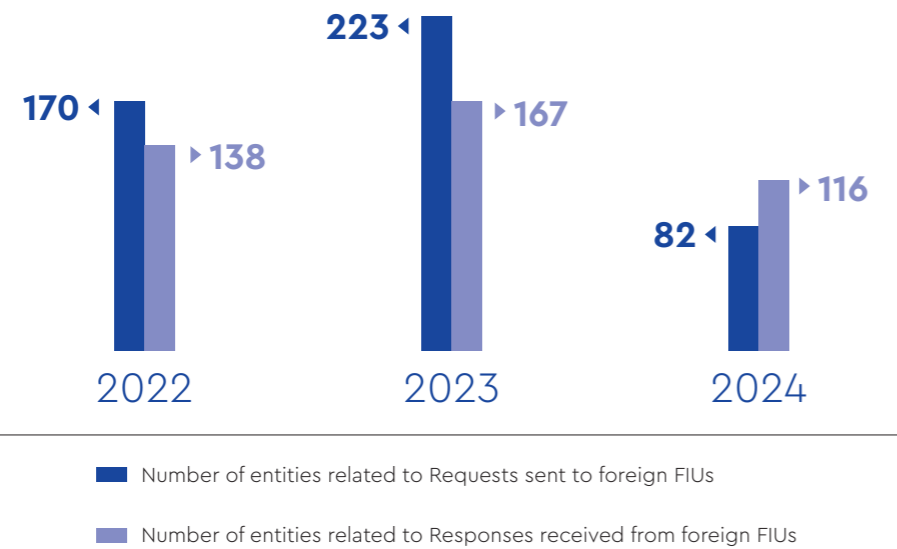
Therefore, it is of utmost importance for every citizen to be aware of this and prevent themselves from becoming victims of cyber fraud.

### 1.3.2 Cooperation and Information Exchange with Foreign Competent Authorities

In accordance with FATF Recommendation 29, Recommendation 40, and Article 21 of the Law on Combating Money Laundering and Terrorist Financing, FIU-Mongolia cooperates and exchanges information with foreign counterparts that carry out similar functions in the field of anti-money laundering and counter-terrorism financing.

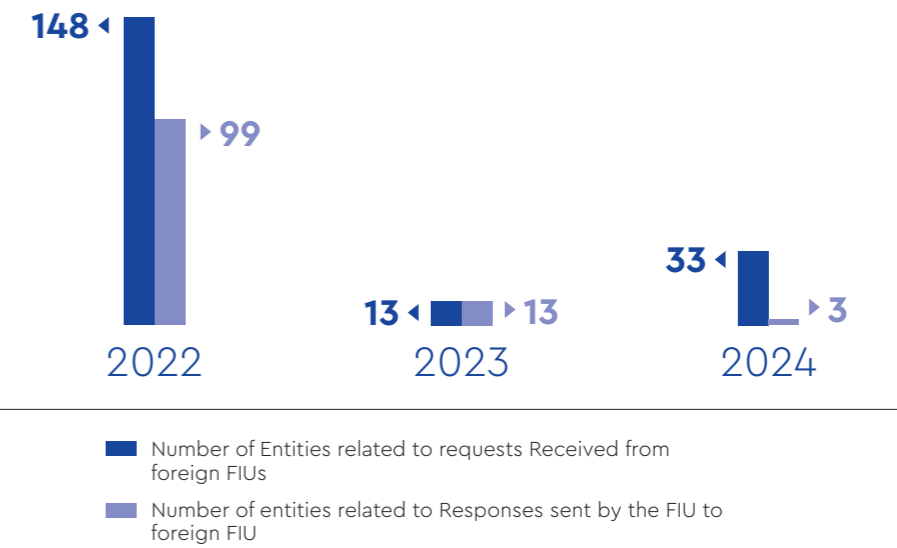
In 2024, within this framework, FIU-Mongolia sent 19 requests concerning 82 entities to foreign Financial Intelligence Units (FIUs) and received responses to 22 requests related to 116 entities, including those submitted in the previous year. During the reporting year, the highest number of requests were sent to the United States, Singapore, and Hong Kong.

Figure 5. Requests Sent to Foreign FIUs



In 2024, FIU-Mongolia received 9 requests related to 33 entities from foreign Financial Intelligence Units. The highest number of requests were submitted by Montenegro, Italy, and Japan.

Figure 6. Requests Received from Foreign FIUs



During the reporting year, foreign counterpart agencies transmitted 7 suspicious transactions for spontaneous dissemination to FIU-Mongolia. The number of spontaneous disseminations received over the past three years is presented in Table 7.

Table 7. Spontaneous Dissemination Received from Foreign FIUs

	2022	2023	2024
Number of Spontaneous Dissemination Recieved from Foreign FIUs	21	14	7

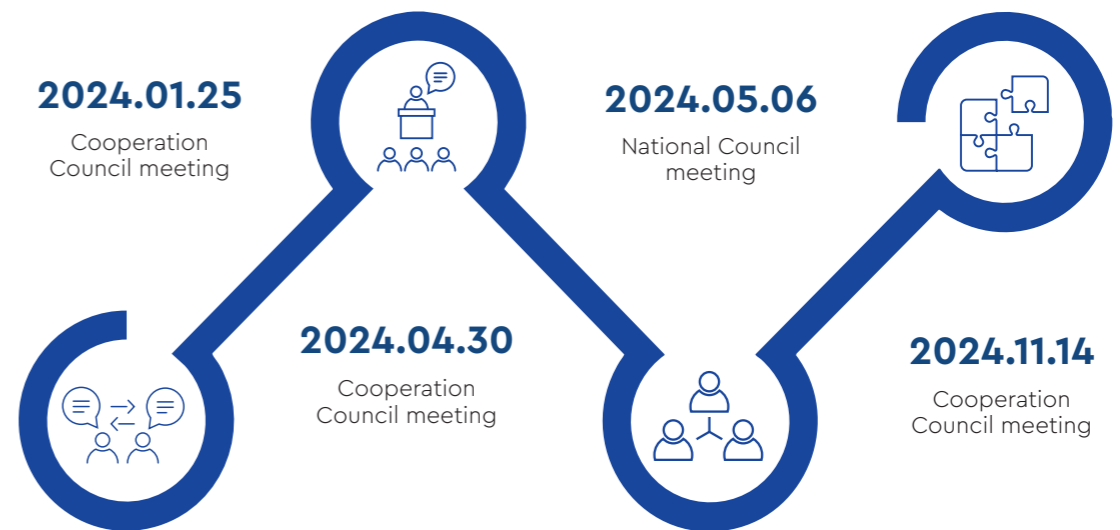
FIU-Mongolia collaborates not only with FIUs of Egmont Group member countries but also exchanges information and cooperates with FIUs of countries with which memoranda of understanding (MOUs) have been signed. As of the end of 2024, MOUs for cooperation in combating money laundering and terrorist financing have been established with FIUs of 23 countries.



## 2.1 DOMESTIC COOPERATION

Domestic public-private cooperation plays a vital role in strengthening the AML/CFT system. To enhance collaboration and facilitate effective decision-making at both policy and operational levels, the National Council and the Cooperation Council have been established. Representatives of 19 member state organizations of these councils consistently collaborate to enhance the AML/CFT system.

Figure 7. Meetings of National Council and Cooperation Council



# CHAPTER 2

## DOMESTIC AND INTERNATIONAL COOPERATION

With the inclusion of the Minister of Digital Development, Innovation, and Communications as a member in 2024, the National Council now comprises 17 representatives from 16 organizations





### 2.1.1 National Council

The National Council holds primary responsibility for formulating the national AML/CFT policy and strategy to be approved by competent authority, and ensuring its effective implementation through appropriate measures.

Figure 8. Composition of the National Council



### NATIONAL COUNCIL MEETING WAS ORGANIZED ON MAY 6TH OF 2024, AND THE FOLLOWING DECISIONS WERE MADE TO STRENGTHEN THE AML/ CFT FRAMEWORK OF MONGOLIA:

- Develop recommendations for conducting the National Risk Assessment and sectoral risk assessments, and communicate these recommendations to all member organizations of the National Council and the Cooperation Council through the FIU-Mongolia.
- Issue a recommendation from the National Council to establish a dedicated unit or structure responsible for the investigation of tax crimes, with the objective of enhancing the effectiveness of such investigations.
- Assign the Financial Regulatory Commission to study the risks of money laundering within the non-bank financial institution sector and to present its findings at the next meeting of the National Council.
- The Chair of the Council has tasked the Independent Authority Against Corruption with implementing public outreach and educational initiatives concerning the amended Law on Public and Private Interests and the Prevention of Conflict of Interest in Public Service.
- Amend the regulation governing the dissolution of legal entities in cases involving failure to submit tax reports by the General Authority for State Registration.
- Support the draft order to amend the "Implementation Plan of National Strategy for AML/CFT".



## 2.1.2 Cooperation Council

The Cooperation Council, which functions to issue recommendations on ensuring the implementation of legislation on combating money laundering and the financing of terrorism, as well as on information exchange and the prevention and mitigation of related risks, operates next to the FIU-Mongolia.

Figure 9. Composition of the Cooperation Council



The following six working groups operate under the Cooperation Council:

- |                       |                                  |             |                 |           |   |
|-----------------------|----------------------------------|-------------|-----------------|-----------|---|
| 01                    | 02                               | 03          | 04              | 05        | 06                                      |
| RESEARCH AND ANALYSIS | LEGAL AND REGULATORY IMPROVEMENT | SUPERVISION | LAW ENFORCEMENT | SANCTIONS | NON-PROFIT ORGANIZATION RISK PREVENTION |

## In 2024, the Cooperation Council held three meetings to discuss and address the following issues:

### 2024.01.25

- Submit Mongolia's 2024 Follow-up Report to the APG by February 1, 2024.
- Present Mongolia's request to exit the Enhanced Follow-Up of the APG to the National Council for consideration.
- Approve the 2024 action plan of the Cooperation Council.

### 2024.04.30

- Ensure the timely dissemination of information regarding international conferences and training events organized globally to the member organizations of the Cooperation Council through the FIU-Mongolia.
- Submit the proposed amendments and updates to the action plan for implementing the AML/CFT program to the National Council for approval.

### 2024.04.30

- Introduce the proposal to conduct the National Risk Assessment and address the need for AML/CFT legal and regulatory reforms at the National Council meeting.
- Establish a working group under the National Council to assess the effectiveness of the AML/CFT system in alignment with FATF 11 Immediate Outcomes.
- Consolidate proposals for amendments from member organizations to the Regulation on Cooperation Council operation.
- Present findings from the Financial Regulatory Commission's supervision, highlighting common sectoral deficiencies, at the next Cooperation Council meeting.



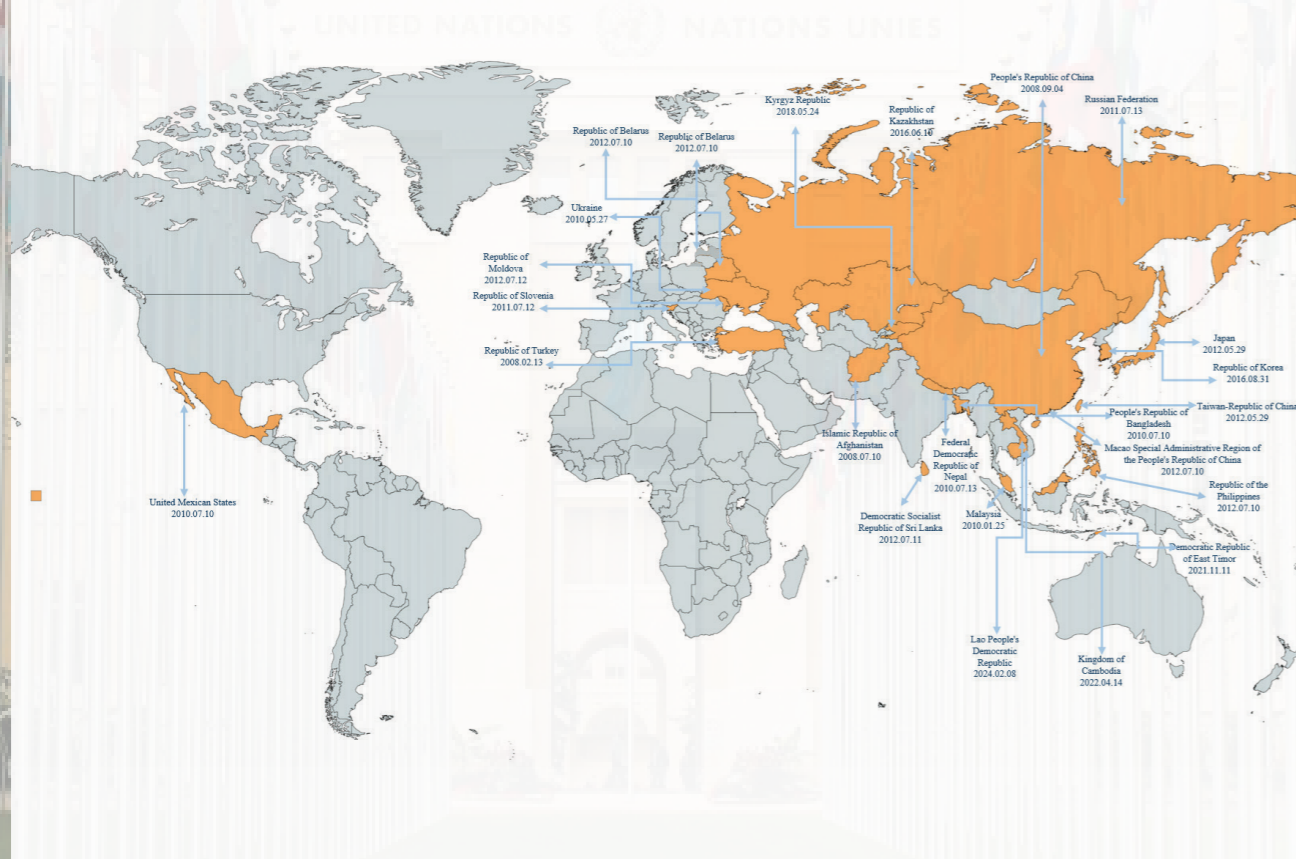
## 2.2 INTERNATIONAL COOPERATION

### 2.2.1 Memorandum of Understanding

By signing a bilateral Memorandum of Understanding (MOU) on combating money laundering and terrorism financing, the FIUs of both countries agree to exchange information relevant to the prevention of money laundering, terrorism financing, and the financing of the proliferation of weapons of mass destruction, in accordance with the legal frameworks of both countries. Under the terms of the MOU, the FIUs are empowered to collaborate effectively and promptly, providing mutual assistance and support.

As of 2024, the FIU-Mongolia has signed MOUs with the FIUs of 23 countries, facilitating the exchange of information aimed at combating money laundering, terrorism financing, and the financing of the proliferation of weapons of mass destruction (Figure 10).

Figure 10. Memorandum of Understanding with FIUs in other jurisdictions



### 2.2.2 International cooperation



#### Financial Action Task Force (FATF)

The Financial Action Task Force (FATF) is an independent intergovernmental body that develops and promotes policies to safeguard the global financial system against money laundering, terrorism financing, and the financing of the proliferation of weapons of mass destruction. Mongolia has been actively cooperating with the FATF, fulfilling its obligations to implement international standards and recommendations aimed at combating money laundering and terrorism financing.

In July 2024, a representative from Mongolia participated in the FATF's International Cooperation Review Group (ICRG) "Reviewer Training". This representative was subsequently selected as a reviewer within the ICRG and has been contributing to Nepal's mutual evaluation since September 2024. The FIU-Mongolia has consistently shared decisions from the FATF's plenary meetings in 2024, including updates on jurisdictions under increased monitoring ("grey list") and high-risk jurisdictions subject to a call for action ("black list"), with relevant authorities and via its official website.

#### Asia/Pacific Group on Money Laundering (APG)

Mongolia submits annual updates on technical compliance with the FATF 40 Recommendations to the APG. Notably, the Follow-Up Report 2024 was submitted on February 1, 2024, without a request for re-rating.

The FIU-Mongolia has actively engaged with the APG, participating in trainings, reviewing reports from other jurisdictions, providing comments, completing AML/CFT-related questionnaires, sharing best practices, typologies, real-world cases, and supplying any additional necessary information. In October 2024, representatives of the FIU-Mongolia and the Financial Regulatory Commission participated in the APG's Assessor Training held in Taiwan. Additionally, the FIU-Mongolia submitted a request for private sector representatives to attend the APG's Annual Typology Meeting, resulting in representatives from the Bank of Mongolia and commercial banks attending the meeting in Malaysia in December 2024. Following the event, new typologies and findings were shared with all commercial banks and law enforcement agencies during the Bank's Compliance Forum held in December 2024.

Mongolia shared its experiences at the APG's annual meeting regarding the regulation of the virtual asset sector and the upgraded ratings of FATF Recommendation 15. Furthermore, a Mongolian representative was selected to represent the APG in the FATF Virtual Assets Contact Group (VACG) in 2024 and continues to actively participate in the group. Mongolia's AML/CFT/CPF framework aligns with international standards, and other countries continue to benefit from Mongolia's experience, as highlighted at international events organized by the APG.



Asia/Pacific Group on Money Laundering



**Eurasian Group on Combating Money Laundering and Financing Terrorism**

Mongolia joined the Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG) in May 2012 as an observer. Since then, Mongolia has regularly cooperated with the member and observer countries of the EAG to improve the exchange of information and expand international cooperation in AML/CFT/CPF. Notably, the FIU-Mongolia prepared and submitted the Observer Report of the EAG in March and October 2024. Representatives of the FIU-Mongolia and the Financial Regulatory Commission participated in the 40th EAG Plenary meeting held in Kyrgyz Republic from June 4 to 9, 2024. During the meeting, Mongolia shared experiences regarding virtual asset regulation, risk assessment, and the upgraded ratings of FATF Recommendation 15 with countries from the Euro-Asia and Pacific regions and participated in international discussions.

**Egmont Group**

Mongolia became a member of the Egmont Group in 2009, a global network of FIUs from 177 jurisdictions that facilitates the exchange of information, knowledge, and cooperation among members to combat money laundering and terrorism financing. In line with FATF Recommendation 29 and the AML/CFT Law, the FIU-Mongolia exchanges information with foreign FIUs that are members of the Egmont Group, following the Principles for Information Exchange Between Financial Intelligence Units. Mongolia also collaborates with counterparts from 23 countries with whom it has signed Memorandums of Understanding.

The 30th Egmont Group Plenary Meeting, focused on the theme "The Next Generation FIU," was held in France from June 2 to 7, 2024. Representatives of FIU-Mongolia participated in this meeting, alongside over 400 representatives from Egmont Group member FIUs, international partners, and observers. The event provided an opportunity to share trends, best practices, and emerging challenges in the fight against money laundering and terrorism financing.



**International Monetary Fund**

The International Monetary Fund (IMF) has provided technical assistance to the General Department of Taxation to enhance its capacity to combat tax violations, crimes, and money laundering. This assistance also focuses on strengthening cooperation and assessing the legal environment. In October 2024, the FIU-Mongolia participated in bilateral meetings with the General Department of Taxation and the project team, exchanging information and engaging in related training. Additionally, the FIU-Mongolia introduced its activities to tax inspectors, investigators, and prosecutors.

**Asian Development Bank**

The Asian Development Bank (ADB) is providing technical assistance to the Financial Regulatory Commission to develop a fintech and supotech roadmap for Mongolia, aimed at supporting the growth of Mongolia's fintech sector and enhancing the capacity of regulators and financial institutions. As part of this assistance, representatives from the FIU-Mongolia, the Bank of Mongolia, and the Financial Regulatory Commission met with the project team to exchange information. The technical assistance will lead to the development of a roadmap for introducing supotech into the operations of financial regulatory bodies and the FIU-Mongolia.



**European Bank for Reconstruction and Development**

The European Bank for Reconstruction and Development (EBRD) organized a three-day training and discussion in Ulaanbaatar from October 29 to 31, on the theme "Combating Money Laundering and Terrorist Financing, Stopping Illicit Financial Flows, and Strengthening Cooperation Against Sanctions Evasion in Central Asia." The event was organized by the EBRD with financial support from the Government of Luxembourg, and representatives from relevant authorities of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan attended the event. During the training and discussions, representatives from Central Asian regulatory authorities, Financial Intelligence Units, law enforcement agencies, and other relevant regional organizations exchanged experiences and held discussions on combating money laundering and terrorist financing, stopping illicit financial flows, and strengthening cooperation to prevent sanctions evasion. They also explored ways to enhance public-private sector collaboration in the fight against financial crime.





**U.S. Department of the Treasury**

As part of a technical assistance project aimed at strengthening Mongolia's AML/CFT regime, advisors from the U.S. Department of the Treasury conducted training sessions and meetings on key topics for representatives of both public and private sector organizations, providing capacity-building support in 2024. Notably, in collaboration with U.S. Department of the Treasury advisors, the FIU-Mongolia organized training on the theme, "Challenges in Financial Crime Cases with Foreign Evidence and Its Use in Trial," for judges and prosecutors in April and May 2024. Additionally, training sessions were held for the Bank of Mongolia, the FIU-Mongolia, and professional associations, focusing on best practices related to money laundering crimes.

**U.S Legal Department of Justice**

The U.S. Department of Justice is providing technical assistance to Mongolia to strengthen national coordination in combating corruption, thereby enhancing information exchange in financial investigations and asset recovery, in line with FATF Recommendations. As part of this initiative, an Inter-Agency Asset Recovery Task Force was established in 2024. The task force consists of representatives from the FIU-Mongolia, the Ministry of Justice and Home Affairs, the Prosecutor General's Office, the Independent Authority Against Corruption, and the National Police Agency. The task force is working to enhance cooperation and improve coordination among domestic authorities.



**Financial Services Volunteer Corps**

In June 2024, the Financial Services Volunteer Corps organized an online training for Mongolia's commercial banks, held from June 18 to June 20. The training covered topics such as general information on U.S. sanctions, the risks associated with secondary sanctions, and key considerations for financial institutions.

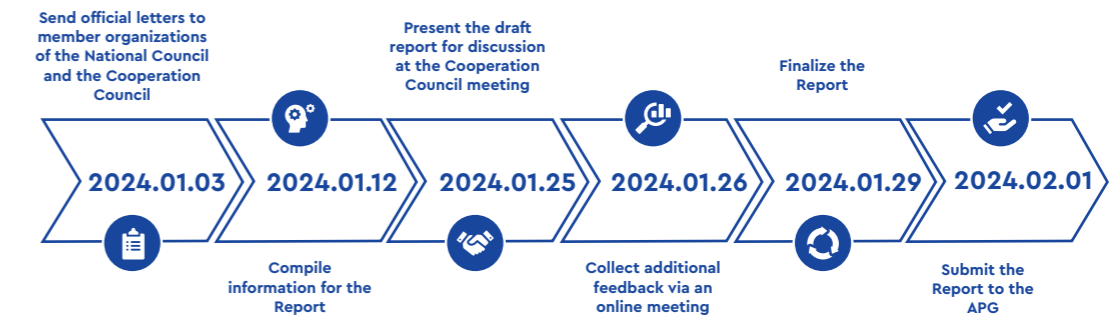


**CHAPTER 3**

**TECHNICAL COMPLIANCE RATINGS OF FATF 40 RECOMMENDATIONS**

Following its removal from the enhanced follow-up (expedited) process in 2019, Mongolia was subsequently placed under the enhanced follow-up. In accordance with the requirements of this process, Mongolia submits an annual Follow-Up Report to the Asia/Pacific Group on Money Laundering (APG).

**Figure 11.** Stages of FUR preparation

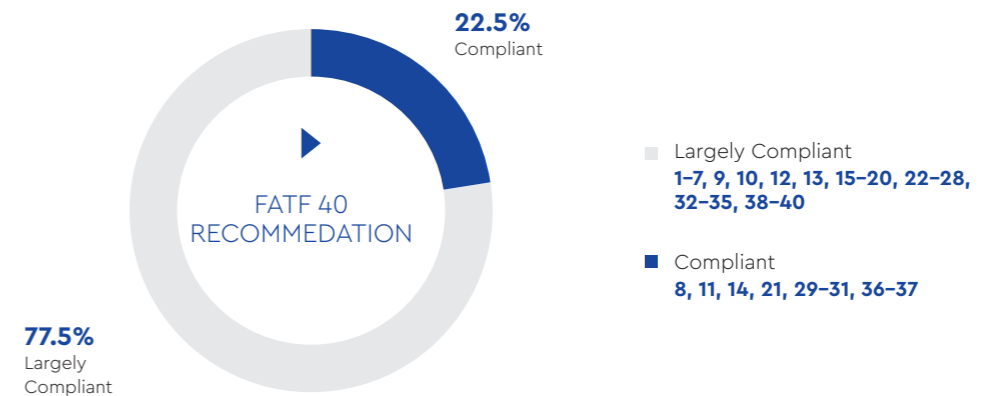


In preparation for the 2024 submission, the FIU-Mongolia sent an official letter to the member organizations of the Cooperation Council and the National Council, requesting the inclusion of key activities related to anti-money laundering, counter terrorism financing, and the financing of the proliferation of weapons of mass destruction for the reporting period. The information provided by these organizations was compiled and reviewed, and feedback was collected electronically.

The information provided by these organizations was compiled and reviewed, and feedback was collected electronically. The draft report was subsequently reviewed during a Cooperation Council meeting, and the final version of Mongolia's 2024 Follow-Up Report without a re-rating was submitted to the APG on February 1, 2024.

At the Mutual Evaluation Committee meeting of the APG, held virtually on April 4, 2024, reports from jurisdictions that did not request re-ratings were reviewed. It was decided that Mongolia's report would be endorsed out-of-session.

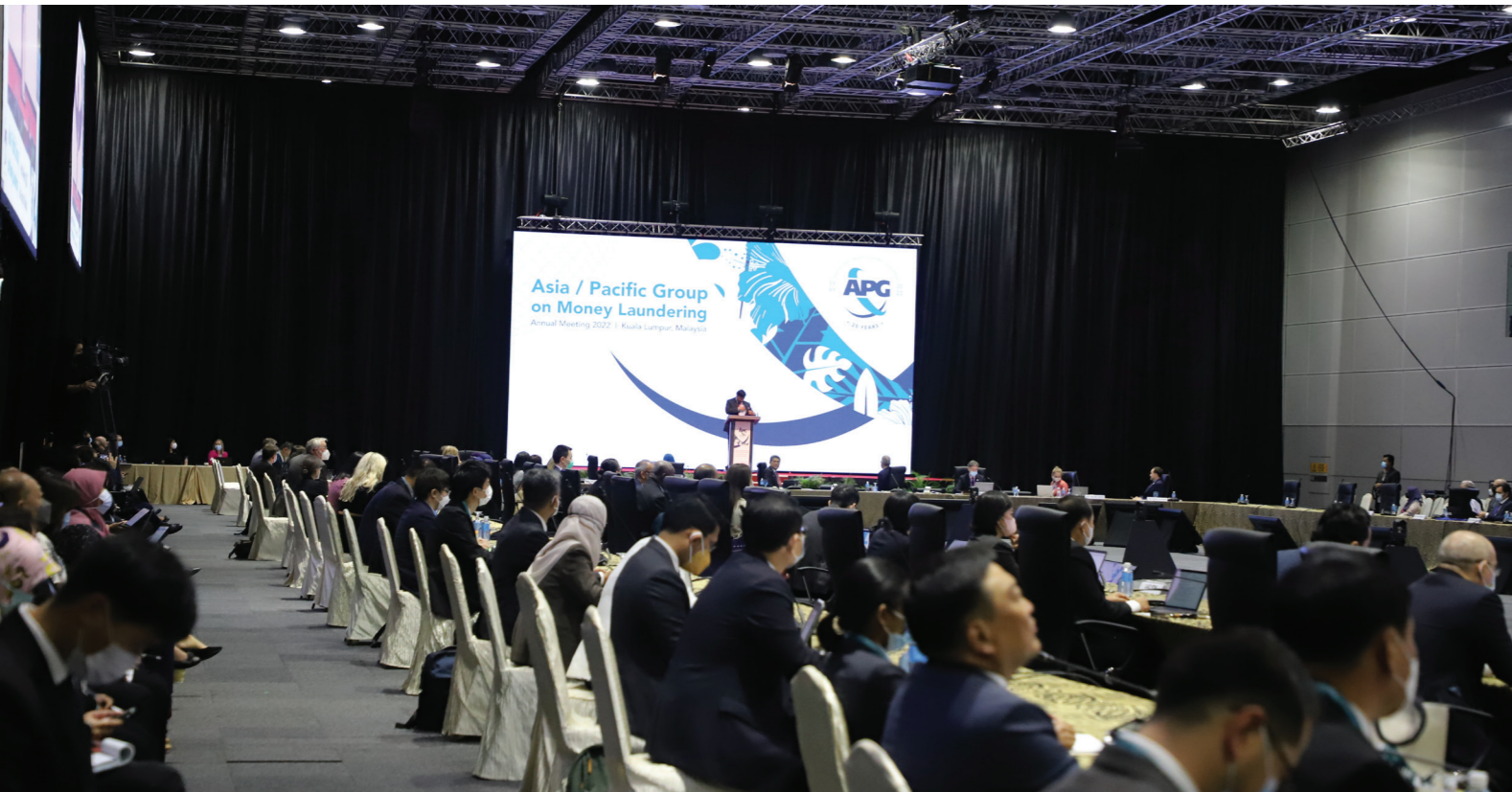
**Figure 12.** Evaluation of FATF 40 Recommendations of Mongolia



The 26th Annual Meeting of the APG was held in Abu Dhabi, United Arab Emirates, from September 21 to 27, 2024. Mongolia was represented by delegates from the Bank of Mongolia, the Financial Regulatory Commission, the General Intelligence Agency, the General Police Department, the Counter-Terrorism Council, and the Independent Authority Against Corruption.

At the opening of the meeting, the APG's Executive Secretary highlighted Mongolia's significant progress. He noted that "Mongolia is the fifth country to fully comply with the FATF 40 Recommendations and the second in the Asia-Pacific region to achieve this milestone." The Executive Secretary commended Mongolia's proactive approach to engaging with international standards on virtual assets, submitting annual Follow-Up Reports, and successfully defending and enhancing its evaluations.

During the Annual Meeting, as part of efforts to improve the technical compliance of Recommendation 15, Mongolia's virtual asset regulatory framework was highlighted as a good example, and the country's experiences were shared in this regard.



## CHAPTER 4

### CAPACITY BUILDING AND AWARENESS-RAISING ACTIVITIES





Strengthening the capacity of stakeholders involved in the AML/CFT system, as well as enhancing the knowledge and skills of responsible officers and officials, remains a priority. In this regard, throughout 2024, the FIU-Mongolia focused on both improving the expertise of its staff and regularly organizing training sessions and seminars in collaboration with international organizations.

#### 4.1 TRAINING AND SEMINARS ORGANIZED FOR COMPETENT AUTHORITIES

In 2024, FIU-Mongolia disseminated a total of 22 in-person and online trainings organized by international partners such as the FATF, the APG, and the World Bank, to the member organizations of the National Council and the Cooperation Council, and professional associations to ensure inclusive participation and collaborative engagement.



##### QUARTER 1

TRAINING SESSIONS

- FATF webinar: "Crowdfunding and terrorism financing"
- FATF online training: "Parallel financial crime investigations"
- IMF training: "Security and resilience of international and domestic payment and financial systems"



##### QUARTER 2

TRAINING SESSIONS

- IMF training: "Advanced investigative techniques for combating money laundering"
- U.S. Treasury advisors' training: "International case studies in combating money laundering and terrorism financing"
- Chainalysis & Civil Research and Development Foundation training: "The evolution of money laundering techniques"
- FATF online training: "Grand corruption"
- FATF online training:
  - "Investigating financial crimes"
  - "Evidentiary standards and best practices in money laundering cases"
  - "International money laundering investigations"
- Civil Research and Development Foundation training: "North Korea's use of cryptocurrency for money laundering"



##### QUARTER 3

TRAINING SESSIONS

- FATF international cooperation review group training: "Assessors training"
- FATF Law Enforcement Training: "FATF Standards"
- Organization for Security and Co-operation in Europe training: "Combating Money Laundering through Virtual Assets and Blockchain-Based Finance"
- Egmont Group training: "Using financial intelligence as evidence"
- United Nations Office on Drugs and Crime training: "Enhancing corruption investigations through interagency cooperation"
- Training on sanctions compliance



##### QUARTER 4

TRAINING SESSIONS

- APG Training: "Assessor training"
- IMF Training: "Enhancing cooperation, information sharing, and legal frameworks in combating tax crimes, financial crimes, and money laundering"
- World Bank & APG Joint Training: "Investigating virtual assets"
- FATF Standards training
- EBRD Training: "Strengthening AML/CFT cooperation in Central Asia"
- IMF Training: "Managing cyber risks in the financial sector"
- APG Annual Typologies Meeting

Additionally, the State General Prosecutor’s Office, in collaboration with the National Council, the Ministry of Justice and Home Affairs, the FIU-Mongolia, the Asia Foundation, and the Hanns Seidel Foundation Mongolia Office, organized an international academic conference titled: “Addressing the Issues and Solutions in the Investigation and Prosecution of Money Laundering Crimes” on September 25, 2024.

The conference brought together approximately 150 participants, including representatives from government and private sector organizations, international projects and programs, as well as researchers, academics, judges, prosecutors, and law enforcement agencies working in the field of AML/CFT.

During the event, the FIU-Mongolia delivered a presentation on the “Mongolian AML/CFT framework”, highlighting the current institutional framework, progress made, and remaining challenges in the national AML/CFT regime. (Figure 13)

## 4.2 TRAINING AND SEMINARS ORGANIZED FOR FIU EMPLOYEES

In 2024, the FIU-Mongolia staffs participated in training sessions and seminars organized by both domestic and international organizations, focusing on enhancing their skills in combating money laundering and terrorist financing. Additionally, training sessions were conducted for all employees of the FIU-Mongolia to provide insights into the key activities of certain state authorities involved in information exchange and their efforts in combating money laundering and terrorist financing. The initiative positively impacted the cooperation between the organizations and significantly contributed to improving the quality of information exchanged.

Figure 13. Batbaatar.B, Head of FIU-Mongolia, at the International Academic Conference



### Below is an overview of the training sessions and seminars attended by the employees of the FIU-Mongolia in 2024:

- The security and stability of international and domestic payment and financial systems”, organized by IMF Capacity Development Center for the Caucasus, Central Asia, and Mongolia;
- Enhancing Leadership and Communication Skills Using Emotional Intelligence”, organized by Dale Carnegie Training Institute of Mongolia;
- Online training on “Parallel financial crime investigations”, organized by the FATF;
- Online training on “Use of Dark Market Cryptocurrencies for Terrorism Financing”, organized by the International Criminal Police Organization;
- International case studies on AML/CFT”, organized by the Office of Technical Assistance, U.S. Department of the Treasury;
- Investigation and prosecution of corruption and wildlife trafficking crimes”, organized by the State General Prosecutor’s Office;
- Combating money laundering through virtual assets and blockchain-based financial crimes”, organized by the Organization for Security and Co-operation in Europe & Independent Authority Against Corruption;
- Strengthening anti-corruption investigations through interagency cooperation”, organized by the United Nations Office on Drugs and Crime and Independent Authority Against Corruption;
- Improving cooperation, information sharing, and legal frameworks for tackling tax evasion, financial crimes and money laundering”, organized by the IMF and General Department of Taxation;
- Assessor Training”, organized by the APG;
- Strengthening AML/CTF measures, combating illicit financial flows, and enhancing sanctions cooperation in Central Asia”, organized by the European Bank for Reconstruction and Development;



### 4.3 TRAINING AND SEMINARS ORGANIZED FOR REPORTING ENTITIES

In order to enhance awareness and understanding of the obligations and responsibilities of reporting entities under international standards and national AML/CFT laws and regulations, the FIU-Mongolia, in cooperation with other competent authorities, regularly organizes educational and awareness-raising activities.

As part of these efforts, a series of training sessions and seminars were conducted in 2024 to support reporting entities in strengthening their compliance with AML/CFT requirements. Details of the training and seminars organized for reporting entities during the reporting period are presented in Table 8.

FIU-Mongolia conducted a total of **14** training sessions, both independently and in collaboration with other organizations, engaging a total of **1,125** participants.

**Table 8.** Training, seminars and forums organized by the FIU-Mongolia, in collaboration with other organizations

Quarter	Topics of organized trainings
Quarter I	Supporting the detection and reporting of suspicious transactions
Quarter II	Improving the detection and reporting of suspicious transactions by Virtual asset service providers Roles and responsibilities of combating money laundering and terrorism financing "U.S. Sanctions" funded by the U.S. Department of State and the Financial Services Volunteer Corps Challenges and difficulties related to obtaining financial or electronic evidence from abroad, solutions and appropriate use of evidence obtained during trials Detection and reporting of suspicious transactions by money lending entities Detection and reporting of suspicious transactions by non-bank financial institutions and savings and credit unions Detection and reporting of suspicious transactions by insurers and insurance professional participants Detection and reporting of suspicious transactions for professional participants in the investment and securities industry Detection and reporting of suspicious transactions by real estate brokers and dealers of precious metals and precious stones Detection and reporting of suspicious transactions by lawyers and advocates Detection and reporting of suspicious transactions by notaries, accounting and financial advisory service providers
Quarter IV	Strengthening the capacity of reporting entities to combat money laundering and terrorism financing Bank Compliance Forum

### 4.4 OTHER ACTIVITIES



In 2024, the FIU-Mongolia developed and disseminated a series of educational and awareness-raising brochures on combating money laundering and terrorism financing, targeting reporting entities. These materials were made publicly available through the FIU-Mongolia's official website.

Additionally, in line with Article 5, Section 5.5 of the AML/CFT Law, which states that "customer due diligence may be carried out in a simplified manner based on risk assessment," the FIU-Mongolia developed and published recommendations to guide reporting entities on the effective implementation of simplified customer due diligence measures. These recommendations were also made accessible via the FIU-Mongolia's website to support practical compliance and risk-based application.

Additionally, the Cooperation Council on AML/CFT is composed of six sub-working groups. Among them, the Research and Analysis Working Group held a noteworthy meeting this year. In addition to representatives of regulatory authorities, the meeting was attended by approximately 45 participants representing 19 organizations. This included the Compliance Professional Council under the Mongolian Bankers Association, self-regulatory bodies such as the Mongolian Institute of Certified Public Accountants, the Mongolian Bar Association, the Mongolian Lawyers' Association, the Mongolian Chamber of Notaries, as well as representatives from academic institution.

**BOX 2: CDD MEASURE**

Simplified CDD Measures for Customer Assessed As Low Risk

”

The FATF, the global standard-setting body for combating money laundering, terrorism financing, and the financing of the proliferation of weapons of mass destruction, recognizes the importance of applying Customer Due Diligence (CDD) measures proportionate to the level of risk posed by a customer.



In this context, the FATF recommends the use of simplified CDD measures for customers assessed as low risk, while requiring enhanced due diligence for those identified as high risk. Simplified CDD is designed to support the implementation of the FATF's risk-based approach and to promote financial inclusion.

It is important to note that simplified CDD does not eliminate the requirement to conduct CDD, but rather represents the minimum level of verification that can be applied when establishing or maintaining a business relationship with low-risk clients.

Implementing simplified CDD enables effective allocation of compliance resources, increased efficiency in customer onboarding, enhanced focus on higher-risk relationships, and reduced operational costs for reporting entities.

Source: FIU-Mongolia

As part of the activities of the Research and Analysis Working Group under the Cooperation Council, the FIU-Mongolia organized the third annual "Research Conference on Combating Money Laundering and Terrorist Financing" for students. This year, over 40 research papers were submitted by students from eight universities across Mongolia, reflecting the growing scope and participation in the conference each year.

Additionally, the FIU-Mongolia organized a compliance forum for banks in cooperation with the Compliance Professional Council of the Mongolian Banking Association, as well as a compliance forum for non-bank reporting entities in collaboration with law enforcement agencies.

During the forum, representatives from relevant organizations delivered presentations on key topics, including international sanctions, cybercrime and its prevention, and customer due diligence in digital environments. The forum also featured discussions and exchanges of views on enhancing cooperation between regulatory authorities and reporting entities, addressing emerging trends in predicate offenses related to money laundering and terrorist financing, and identifying priority measures necessary to effectively combat such crimes.

Figure 14. Third International Scientific Conference



# CHAPTER 5

## INFORMATION SYSTEM



FIU-Mongolia, in accordance with the Law on Combating Money Laundering and Terrorist Financing, receives reports and information from banks, financial institutions, and other reporting entities; processes and analyzes the information. For these activities, FIU-Mongolia utilizes the GoAML software developed specifically by the United Nations Office on Drugs and Crime (UNODC) for combating money laundering and terrorist financing.

The GoAML software is a comprehensive system designed to enhance the quality of transaction and report submissions as stipulated by the Law on Combating Money Laundering and Terrorist Financing. It facilitates the registration of reporting entities submitting reports, enables the reporting, receiving, processing, and analysis of transactions and reports, and additional information within the legal framework, and fully supports the dissemination of information on suspicious transactions and attempted transactions to law enforcement agencies.

FIU-Mongolia reviews each transaction submitted by reporting entities individually and organizes the correction process by notifying the reporting entities of any errors identified during the report submission. The reports and other information provided by the reporting entities serve as a basis for detecting suspicious transactions related to money laundering, terrorist financing, and associated predicate offenses, which are then disseminated to the competent law enforcement authorities for investigation.

During the reporting year, FIU-Mongolia successfully upgraded to version 5.4 of the GoAML software developed by the United Nations Office on Drugs and Crime (UNODC) and is preparing for the transition to schema version 2.0 in the first half of 2025.

As part of this upgrade, meetings and training sessions were conducted for reporting entities to introduce the changes included in the new software version. Additionally, a pilot implementation of the updated GoAML system was carried out, allowing reporting entities to prepare for and test the new schema version in advance.

Furthermore, in order to use the GoAML software for information exchange between FIU-Mongolia and law enforcement agencies, the relevant legal and regulatory framework is being reviewed and tested. The next version of the software, version 5.5, is currently being studied and tested in a pilot environment, with development and modifications being assessed.



Pursuant to Order No. A-242 issued by the Governor of the Bank of Mongolia on October 18, 2024, the previous bank account numbering system for all individuals and businesses will be discontinued, and starting from April 1, 2025, the international unified IBAN (International Bank Account Number) system will be implemented. In connection with this, necessary changes and updates have been made to the GoAML software schema to accommodate the new numbering system.

Since the implementation of the GoAML software, a total of 1,092 reporting entities have been registered as of the end of 2024.

**Table 9.** Number of REs Registered in the GoAML System (as of the end of 2024)

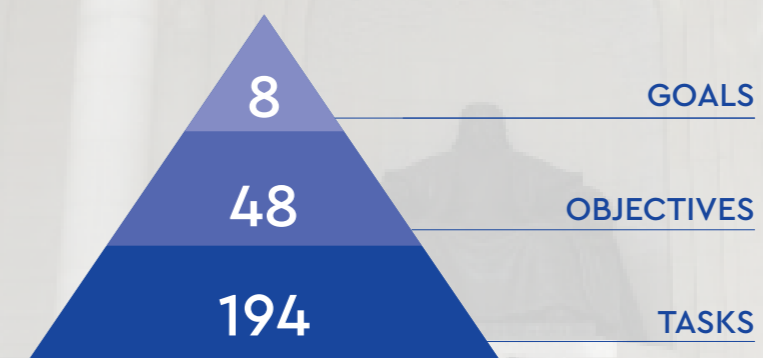
Type of Reporting Entities	Number
Bank	12
Non-Bank Financial Institutions	414
Virtual Asset Service Providers	12
Insurance Companies and Insurance Licensed Entities	32
Money Lending Service Providers	61
Notaries	235
Accounting and Financial Consulting Service Providers	52
Real Estate Agents	104
Dealers of Precious Metals and Precious Stones	21
Securities Market Entities	37
Savings and Credit Cooperatives	59
Investment Funds; Investment Management Company	31
Lawyers	22
<b>Total</b>	<b>1,092</b>

## CHAPTER 6

### IMPLEMENTATION OF NATIONAL STRATEGY

Pursuant to Article 24.2 of the Law on the Government of Mongolia and Article 22'1 of the Law on AML/CFT, the "Combating Money Laundering and Terrorism Financing Strategy" (hereinafter referred to as the Strategy) was approved by Resolution No. 265 of the Government of Mongolia in 2022 for nationwide implementation.

**Figure 15.** AML/CFT Program Structure

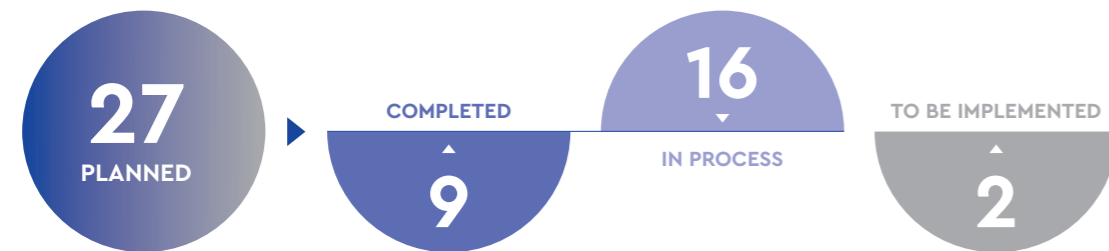


The Strategy was designed in accordance with the FATF 40 Recommendations, the 11 Immediate Outcomes, the results of Mongolia's National Risk Assessment, and recommendations from international organizations. In response to evolving risks, the Strategy's action plan was revised and updated under Order No. A/189 of 2024, issued by the Chair of the National Council (Minister of Justice and Home Affairs).

Out of the total 194 tasks outlined in the action plan, 27 tasks are scheduled for completion in 2024, 8 tasks are set to commence in 2024, and 30 tasks are designated as recurring or ongoing activities to be implemented annually.

Based on a consolidated review of the progress reports submitted by organizations, the status of the 27 tasks scheduled for completion in 2024 is as follows: 9 tasks have been completed, 16 tasks are currently in progress and 2 tasks have not yet started. Meanwhile, all 30 annually recurring or ongoing tasks are being carried out as planned.

Figure 16. Completion Status of Works Planned for 2024



► **Works completed in 2024 include:**

- Exploring the possibilities of conducting e-KYC and regulating it in compliance with international standards.
- Updating risk-based supervision procedures and criteria for assessing the risks of reporting entities.
- Implementing measures to improve the quality of beneficial ownership information at the General Authority for State Registration, and accelerating direct access to this information for authorized institutions.
- Amending the regulation on AML/CFT to include a requirement for reporting entities to conduct risk assessments related to the financing of the proliferation of weapons of mass destruction.
- Establishing a system to monitor the activities of non-profit organizations to combat TF, addressing identified violations and deficiencies.
- Developing a centralized database for the registration of legal professionals.
- Increasing information exchange between supervisors, law enforcement agencies, and other stakeholders regarding supervision results and typologies.
- Improving the information exchange system, ensuring data confidentiality and security, eliminating paper-based information exchange, establishing a feedback mechanism, and implementing international best practices in information sharing.
- Developing capacity-building training programs on AML/CFT for supervisory authorities, law enforcement agencies, the judiciary, prosecution offices, reporting entities, professional associations, and other relevant organizations.



**Table 10.** Statistics on AML/CFT Supervision (2022–2024)

Items	2022	2023	2024
Number of AML/CFT off-site supervisions	4901	8392	5611
Number of reporting entities covered by the AML/CFT off-site supervisions (in duplicate numbers)	4968	9102	6219
Number of AML/CFT on-site supervisions	99	231	238
Number of reporting entities covered by AML/CFT on-site supervisions (in duplicate numbers)	96	231	242
Number of administrative action notices issued to reporting entities	266	71	90
Number of violations during the supervision	427	505	617
Number of reporting entities sanctioned in accordance with the Infringement Law	3	19	5
Number of assets and income confiscation, fines imposed in accordance with the Infringement Law (MNT)	20,000,000	154,500,000	70,000,000

#### Supporting the activities of professional associations

AML/CFT supervision is conducted based on a risk-based approach, in line with FATF Recommendations. FIU-Mongolia continues to improve regulations and guidance on supervision. For example, FIU-Mongolia provided feedback on the drafting of AML/CFT on-site and off-site supervision regulations for the Association of Mongolian Advocates and the Mongolian Chamber of Notaries. As a result, the Regulation on AML/CFT Off-Site and On-Site Supervision of Notaries was approved by Resolution No. 21 of the Board of Directors of the Mongolian Chamber of Notaries on August 13, 2024.

Additionally, from September 23 to 27, 2024, on-site supervision of DNFBPs compliance was conducted in collaboration with the Mongolian Institute of Certified Public Accountants. As part of this inspection, an assessment was conducted on the implementation of the AML/CFT Law, including a review of internal documents, interviews, sampling, and the examination of archival records. Following the supervision, FIU-Mongolia issued a supervision report to all relevant reporting entities, outlining necessary remedial actions. Where applicable, rectification notices were issued to address identified compliance deficiencies, and FIU-Mongolia is actively monitoring the implementation of corrective measures.

## CHAPTER 7

### SUPERVISION

According to Article 18.1.7 of the AML/CFT Law, FIU-Mongolia is responsible for compiling and publishing consolidated statistics on the supervision of the law's implementation, conducting supervision, and requesting other authorized bodies to carry out supervision. In this regard, FIU-Mongolia consistently cooperates with regulatory bodies such as the Bank of Mongolia, the Financial Regulatory Commission, and professional associations to exchange supervision statistics and related information. The combined statistics of supervision conducted on all reporting entities and the actions taken from 2022 to 2024 are presented in the Table 10 below.