Media release
Basel, 27 July 2016

Fighting money laundering remains weak in most countries according to Basel AML Index 2016

– More countries improved their rating since last year in the Basel AML Index, but the effectiveness in fighting money laundering remains weak –

The Basel Institute on Governance today releases its 2016 Basel Anti-Money Laundering (AML) Index, which is an annual ranking assessing 149 countries regarding money laundering/terrorism financing risks. This is the fifth annual release of the Basel AML Index, the only research-based risk rating of countries in this field by an independent non-profit institution.

The 2016 Results and Findings

- **The top 10 countries of highest risk are Iran, Afghanistan, Tajikistan, Guinea-Bissau, Mali, Cambodia, Mozambique, Uganda, Swaziland and Myanmar.**
- **Finland is the lowest risk country, followed by Lithuania and Estonia.**
- **The greatest improvements since 2015 have been made by Kuwait, Ecuador Seychelles and Albania.**
- **The countries that decreased their scores in 2016 most prominently are Vanuatu, Chile, Sri Lanka, Slovenia, China, Estonia, Serbia and Turkey.**
- **OECD countries including those with large financial centres such as Luxembourg (5.89), Japan (5.76), Switzerland (5.46), Italy (5.36), Germany (5.33), US (5.17), France (5.03) and UK (4.77) have not demonstrated much progress to improve their rating.**

The 2016 Basel AML Index finds that 59 out of 149 assessed countries have increased their money laundering risk scores since last year. 79 countries improved their ratings but the global average score of money laundering/terrorism financing risk slightly deteriorated (World average score was 5.82 in 2015 and is 5.85 in 2016 on a scale of 0=low risk to 10=high risk).

Although a majority of countries legally comply with current AML/countering terrorism financing (CTF) standards, they fall short in the effective implementation and enforcement of these laws. This is reflected in the Basel AML Index that includes data from the new FATF evaluation methodology focusing on the effective implementation of countries' AML/CTF framework.

Effectively combating money laundering and the financing of terrorism require a high degree of transparency and efficient law enforcement. The Panama Papers demonstrated that again. The 2016 Basel AML Index scores illustrate, however, that high-income countries including large financial centres have not been able to demonstrate significant progress in these areas. Low-income countries, particularly in the Sub-Saharan region, keep struggling with improving their AML/CTF framework as a whole and suffer from structural vulnerabilities. This explains their relatively high presence in the top third of high-risk countries in the Basel AML index.

Regional Findings and Highlights

East Asia and Pacific
In East Asia and the Pacific, Cambodia, Myanmar, Laos, Vanuatu, China, Marshall Islands and Vietnam are on the top of the higher risk countries. South Korea and Timor-Leste recorded the largest improvements, whereas Vanuatu's ranking deteriorated most.

Eurasia and Central Asia
Tajikistan, Ukraine, Turkey, Russia and Kyrgyzstan are ranked as highest risk in this region, in which Turkey had the biggest deterioration this year.

Europe
Among the European countries, the highest risk countries are Luxembourg, Serbia, Greece, Switzerland, Italy, Germany, Moldova and Bosnia-Herzegovina. The rankings for Slovenia, Estonia, Serbia and Finland have deteriorated significantly within this region.

Latin America & Caribbean
In Latin America and the Caribbean region, Paraguay, Haiti, Bolivia, Panama, Argentina, the Dominican Republic and Venezuela are considered as higher risk countries. Ecuador, Costa Rica, Honduras and Paraguay were the top improvers within the region.

Middle East and North Africa
Besides Iran, Lebanon and Algeria are considered as highest risk within the MENA region according to this year's results.

North America
Canada has switched positions with the US, and is now considered lower risk as compared with last year's ranking.

South Asia
Among the six South Asia countries, Afghanistan, Nepal and Sri Lanka stand out with particular high risk scores in the Basel AML Index. Sri Lanka has seen its ranking deteriorate most in this group compared to the previous year.

Sub-Saharan Africa
The Sub-Saharan African region has the poorest scores worldwide with Uganda, Guinea-Bissau, Mozambique, Mali, Sudan, Kenya, Guinea, Liberia, Sao Tome and Principe and Zambia being the top 10 highest risk countries in the region.

More information about the Basel AML Index along with a report detailing the findings and methodology is available at: index.baselgovernance.org

The 2016 Basel AML Index report can be also accessed via this link:
https://index.baselgovernance.org/sites/index/documents/Basel_AML_Index_Report_2016.pdf

To download the Basel AML Index data in Excel visit:
https://index.baselgovernance.org/ranking

About the Basel AML Index

The current Basel AML Index edition covers 149 countries and assigns each country a score on a scale from 0 (low risk) to 10 (high risk). High-risk scores in the Basel AML Index generally indicate weak AML/CTF standards, low institutional capacities and a lack of transparency in the financial and public sector. The Basel AML Index does not assess the amount of illicit financial money or transactions but is designed to assess the risk of money laundering, i.e. to indicate the vulnerability of a country to money laundering and terrorism financing based on publicly available indicators. The Basel AML Index is a composite Index, meaning the overall score is a weighted average of 14 indicators from various publicly available sources such as the Financial Action Task Force (FATF), Transparency International, the World Bank and the World Economic Forum.

About the Basel Institute on Governance

The Basel Institute on Governance is an independent not-for-profit competence centre specialised in corruption prevention and public governance, corporate governance and compliance, anti-money laundering, criminal law enforcement and the recovery of stolen assets.

Based in Switzerland, the Basel Institute's multidisciplinary and international team works around the world with public and private organisations towards its mission of tangibly improving the quality of governance globally, in line with relevant international standards and good practices.

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Annex: 2016 Basel AML Index scores and ranking

#	Country	Score	#	Country	Score	#	Country	Score
1	Iran	8.61	51	Algeria	6.50	101	Uzbekistan	5.10
2	Afghanistan	8.51	52	Guyana	6.48	102	Albania	5.04
3	Tajikistan	8.19	53	Cote D'ivoire	6.42	103	France	5.03
4	Uganda	8.01	54	Bangladesh	6.40	104	Austria	5.02
5	Guinea-Bissau	7.99	55	Philippines	6.31	105	Canada	5.00
6	Cambodia	7.89	56	Brazil	6.23	106	Australia	4.99
7	Mozambique	7.89	57	Indonesia	6.23	107	Netherlands	4.99
8	Mali	7.86	58	Russia	6.22	108	Macedonia	4.98
9	Sudan	7.85	59	Ghana	6.22	109	Spain	4.94
10	Myanmar	7.71	60	Kyrgyzstan	6.21	110	Korea, South	4.92
11	Kenya	7.71	61	Mongolia	6.11	111	Singapore	4.91
12	Nepal	7.57	62	Papua New Guinea	6.11	112	Latvia	4.91
13	Guinea	7.55	63	Honduras	6.04	113	Qatar	4.90
14	Paraguay	7.44	64	Seychelles	6.00	114	Israel	4.89
15	Liberia	7.41	65	United Arab Emirates	5.98	115	Jordan	4.88
16	Laos	7.40	66	Guatemala	5.97	116	Slovakia	4.88
17	Sao Tome And Principe	7.33	67	Botswana	5.95	117	South Africa	4.86
18	Zambia	7.32	68	Costa Rica	5.93	118	Azerbaijan	4.84
19	Haiti	7.32	69	Trinidad And Tobago	5.92	119	Montenegro	4.82
20	Bolivia	7.29	70	Luxembourg	5.89	120	Chile	4.80
21	Lesotho	7.24	71	Kazakhstan	5.88	121	United Kingdom	4.77
22	Burkina Faso	7.21	72	Timor-Leste (east Timor)	5.87	122	Egypt	4.74
23	Sri Lanka	7.16	73	Nicaragua	5.84	123	Georgia	4.71
24	Sierra Leone	7.12	74	Mauritius	5.82	124	El Salvador	4.69
25	Panama	7.09	75	Serbia	5.82	125	Czech Republic	4.66
26	Ethiopia	7.09	76	Japan	5.76	126	Belgium	4.65
27	Tanzania	7.08	77	Malawi	5.76	127	Norway	4.63
28	Lebanon	7.02	78	India	5.69	128	Armenia	4.63
29	Vanuatu	7.01	79	Mexico	5.60	129	Tunisia	4.62
30	Niger	6.98	80	Morocco	5.59	130	Colombia	4.55
31	Zimbabwe	6.98	81	St. Vincent And The Grenadines	5.59	131	Ireland	4.54
32	Nigeria	6.97	82	Bahrain	5.59	132	Malta	4.49
33	Mauritania	6.82	83	Kuwait	5.54	133	Iceland	4.47
34	Argentina	6.74	84	Greece	5.53	134	Romania	4.46
35	Cape Verde	6.74	85	Hong Kong Sar, China	5.51	135	Poland	4.40
36	Dominican Republic	6.74	86	Ecuador	5.48	136	Dominica	4.40
37	Angola	6.71	87	Malaysia	5.46	137	Sweden	4.32
38	Rwanda	6.70	88	Switzerland	5.46	138	Peru	4.31
39	China	6.70	89	Senegal	5.37	139	Portugal	4.21
40	Yemen	6.69	90	Italy	5.36	140	Jamaica	4.16
41	Marshall Islands	6.67	91	Saudi Arabia	5.34	141	Croatia	4.15
42	Gambia	6.67	92	Germany	5.33	142	Hungary	4.15
43	Vietnam	6.67	93	Moldova	5.24	143	Denmark	4.08
44	Namibia	6.64	94	Bosnia-Herzegovina	5.18	144	Slovenia	4.06
45	Pakistan	6.62	95	Grenada	5.18	145	New Zealand	3.86
46	Ukraine	6.57	96	St. Lucia	5.17	146	Bulgaria	3.83
47	Turkey	6.55	97	United States	5.17	147	Estonia	3.82
48	Venezuela	6.53	98	Uruguay	5.15	148	Lithuania	3.62
49	Thailand	6.52	99	Taiwan, China	5.12	149	Finland	3.05
50	Benin	6.52	100	Cyprus	5.12			

Table 1: Results 2016: The scores range from (0) low risk to 10 (high risk) and provide and overall score of countries' money laundering/terrorism financing risk.