

National AML/CFT/CPF Action Plan (FY2024–26)

April 17, 2024

Adopted at Inter-Ministerial Council for Anti-Money Laundering (AML),
Countering the Financing of Terrorism (CFT), and Countering Proliferation Financing (CPF) Policy

IO.1 Understanding of Risks and National AML/CFT/CPF Coordination				
	Outcome	Actions	Time Frame	Authorities in Charge
(1)	Reinforcement of the structure of Policy Council	Reinforce the structure of Inter-Ministerial Council for AML/CFT/CPF Policy (Policy Council) by such as expanding participating authorities to appropriately deal with the flow of illicit funds in ML getting complicated and diversified.	By the end of March 2025	National Police Agency (NPA), Ministry of Finance (MOF), Financial Services Agency (FSA), Ministry of Justice (MOJ), Ministry of Foreign Affairs (MOFA), other relevant authorities
(2)	Follow up and update of the National Policy	Follow up on the progress of the Strategic Policy towards Promoting AML/CFT/CPF (National Policy) and National AML/CFT/CPF Action Plan (AP) at the Policy Council and update the National Policy as necessary.	Continued Implementation	NPA, MOF, FSA, MOJ, MOFA, other relevant authorities
		Identify and continuously monitor appropriate statistical data, considering the FATF standards, to accurately assess the progress of AML/CFT/CPF.	By the end of March 2025	NPA, MOF, FSA, MOJ, MOFA, other relevant authorities
		Hear opinions from private-sector experts and industry associations and incorporate these opinions into the consideration of next National Policy to strengthen the measures of AML/CFT/CPF through close cooperation among relevant authorities and industry associations.	By the end of March 2027	NPA, MOF, FSA, MOJ, MOFA, other relevant authorities
(3)	Timely update of risk assessments based on changes in domestic and international circumstances	Review risk assessments in a timely manner based on changes in domestic and international circumstances, and update National Risk Assessment-Follow-up Report annually, and National Risk Assessment of PF on a regular basis.	Continued Implementation	NPA, MOF, FSA, MOJ, MOFA, other relevant authorities
		Improve relevant authorities' awareness of risks through arrangement of opportunities to exchange opinions on a regular basis based on National Risk Assessment-Follow-up Report and National Risk Assessment of PF.	Continued Implementation	NPA, MOF, FSA, MOJ, MOFA, other relevant authorities

IO.2 International Cooperation				
	Outcome	Actions	Time Frame	Authorities in Charge
(1)	Strengthening coordination with international organizations	Contribute to international AML/CFT/CPF by supporting the activities of FATF and APG and strengthen coordination with international organizations such as Interpol and Egmont Group.	Continued Implementation	NPA, MOF, MOFA
(2)	Effective and timely implementation of mutual legal assistance and extradition	Provide training on mutual legal assistance and extradition for public prosecutors and police officers engaged in international cases to deepen their understanding of these procedures and encourage their active use.	Continued Implementation	MOJ, NPA
(3)	Promoting information exchange with foreign counterparts other than IO2 (2)	Further enhance the information exchange framework among FIUs and activate their information exchange to ensure that the information exchange between JAFIC and foreign FIUs will be more extensive and effective.	Continued Implementation	NPA, MOFA
		Promote appropriate responses to the account freezing requested by foreign authorities.	Continued Implementation	NPA, MOFA
		Continue and further develop, as necessary, information exchange on AML/CFT/CPF with foreign counterparts by supervisory authorities and others.	Continued Implementation	FSA, other supervisory authorities for FIs, VASPs and DNFBPs
IO.3 Supervision and Preventive Measures for FIs and VASPs in relation to AML/CFT				
	Outcome	Actions	Time Frame	Authorities in Charge
(1)	Promoting initiatives based on RBA by FIs and VASPs	Further develop the risk understanding among Financial Institutions (FIs) and Virtual Asset Service Providers (VASPs) and encourage to take effective risk-based approach (RBA) based on risk assessment, including by thoroughly sharing the importance of AML/CFT. In addition, update the Inspection and Supervision Guidelines for AML/CFT as necessary.	Continued Implementation	FSA, other financial supervisory authorities
		Promote efforts by FIs and VASPs to assess customers risks based on ongoing customer due diligence (CDD), while promoting public understanding through coordination between the public and private sectors including utilization of the Government's public relations platforms.	Continued Implementation	FSA, other financial supervisory authorities
(2)	Supervisory authorities' practice of inspection	Promote coordination among supervisory authorities, such as sharing of know-how and joint training on AML/CFT, as well as deliver optimal-	Continued Implementation	FSA, other financial supervisory authorities

	and supervision of FIs and VASPs based on RBA	combined inspection and supervision based on RBA. Ensure that FIs and VASPs, which are to provide new financial products and services utilizing technologies such as block-chain and virtual asset, take necessary risk mitigation measures.		
		In addition, implement effective and dissuasive sanctions to improve the remediation efforts of FIs and VASPs.	Continued Implementation	FSA, other financial supervisory authorities
(3)	Enhancement and streamlining of information sharing system for transaction monitoring and strengthening of transaction screening and monitoring by FIs and VASPs	Ensure sound operation of information sharing system for AML/CFT among financial sector through inspection and supervision on Funds Transfer Transaction Analysis Service Providers. Strengthen the competency of the transaction screening and monitoring through inspection and supervision.	Continued Implementation	FSA, other financial supervisory authorities
IO.4 Supervision and Preventive Measures for DNFBPs in relation to AML/CFT				
	Outcome	Actions	Time Frame	Authorities in Charge
(1)	Enhancing DNFBPs' understanding on risks and promoting measures based on RBA	Enhance Designated Non-Financial Businesses and Professions (DNFBPs)' understanding on AML/CFT risks and encourage them to take appropriate measures based on RBA, including by disseminating the guidelines for AML/CFT. Update the guidelines and develop FAQs as necessary. In addition, clarify the deadline for implementation of the guidelines for AML/CFT.	By the end of March 2027	DNFBPs supervisors, NPA, MOF
		Ensure the effectiveness of the DNFBPs' verification at the time of transaction and ongoing CDD through strengthening transaction screening and monitoring and promoting public understanding by utilizing government publicity.	By the end of March 2027	NPA, MOF, DNFBPs supervisors
(2)	Strengthening inspection and supervision of DNFBPs by supervisory authorities based on RBA	Strengthen risk-based inspection and supervision by supervisory authorities through sharing monitoring methods, reference cases, and best practices at the Policy Council.	By the end of March 2025	NPA, MOF, DNFBPs supervisors
		Arrange opportunities to exchange opinions on a regular basis between industry associations and government authorities. Develop and implement training programs with relevant authorities to improve the capability of personnel in charge, including local government	By the end of March 2025	NPA, MOF, DNFBPs supervisors

		staff.		
		Develop monitoring policies to implement risk-based inspection and supervision by supervisory authorities.	By the end of March 2026	DNFBPs supervisors, NPA, MOF
(3)	Promoting and strengthening the STRs System and increasing the quality and numbers of STRs	Enhance the effectiveness of suspicious transaction reports (STRs) by updating the red flag indicators as necessary. Promote and strengthen the STRs System and increase the quality and numbers of STRs through deepening the understanding of DNFBPs by such as sharing the red flag indicators and conducting outreach.	By the end of March 2027	NPA, MOF, DNFBPs supervisors
IO.5 Prevention of Misuse of Legal Persons and Arrangements				
	Outcome	Actions	Time Frame	Authorities in Charge
(1)	Improving and increasing effectiveness of the system regarding BO information of legal persons	Take necessary measures to enable stock companies to identify their own beneficial ownership (BO) by utilizing the BO list of other stock companies which are shareholders of them, while promoting the consideration to improve the system concerning BO information of legal persons. Inform the importance to identify their BO information to legal persons including stock companies. Continue to actively promote the use of the BO list system to enhance its effectiveness. Take necessary measures to improve the convenience of the BO list system including to consider direct confirmation by FIs, and to ensure the utilization of BO list system in conjunction with the commercial registration system.	By the end of March 2027	MOJ, MOF, NPA, Ministry of Economy, Trade and Industry (METI), other supervisory authorities for FIs, VASPs and DNFBPs, other competent authorities responsible for legislation that governs their establishment
(2)	Strengthening access by the authorities to BO information of legal persons	Take measures to ensure that the BO information held by specified entities is adequate, accurate, and up-to-date. Consider and introduce a mechanism to ensure efficient access to such information by the authorities. Further expedite responses to inquiries by authorities into the BO information held by notaries through the certification of articles of incorporation.	By the end of March 2027	FSA, NPA, MOF, MOJ, supervisory authorities for FIs, VASPs and DNFBPs
(3)	Risk assessment for legal persons and trusts	Assess the risk of ML/TF/PF abuse by foreign-created legal persons and civil or foreign trusts in Japan and consider necessary risk mitigation measures.	By the end of March 2026	NPA, MOF, FSA, MOJ
IO.6 Utilization of Specific Financial Information				
	Outcome	Actions	Time Frame	Authorities in Charge

(1)	Upgrading the analysis of STRs	Actively utilize ICT/AI technology in the JAFIC's analysis of STRs to improve the effectiveness and efficiency of the analysis.	Continued Implementation	NPA
(2)	Enhancing coordination with relevant organizations	Enhance JAFIC's provision of information and arrange opportunities to exchange opinions on a regular basis, and strengthen coordination with relevant organizations.	Continued Implementation	NPA, supervisory authorities for FIs, VASPs and DNFBPs
IO.7 ML Investigation, Prosecution, and Sanctions				
	Outcome	Actions	Time Frame	Authorities in Charge
(1)	Investigation and prosecution of ML cases based on risks	Make efforts to enhance understanding on risk of predicate offenses identified as high-risk, in order to, among others, promote investigation and prosecution of serious and complex ML (including cases where the predicate offense was committed in a foreign country). Work on investigation and prosecution of predicate offenses identified as high-risk, through coordination among relevant authorities, based on the framework of the task force in addition to various notices and training programs.	Continued Implementation	MOJ, NPA
		Consider and take necessary measures to promote digitalization in the investigation and prosecution of ML crimes.	Continued Implementation	MOJ, NPA
(2)	Ensuring effective, balanced and deterrent sentencing	Work to ensure appropriate sentences for ML crimes based on various notices and training programs.	Continued Implementation	MOJ
IO.8 Confiscation of Proceeds of Crime				
	Outcome	Actions	Time Frame	Authorities in Charge
(1)	Enforcement of investigation and confiscation	Conduct asset tracing investigations, provisional measures, and confiscation of criminal property and property of corresponding value in high risk areas, in order to appropriately conduct seizure and confiscation of criminal property, property of corresponding value, and instrumentalities of criminal offenses.	Continued Implementation	MOJ, NPA
		Continue to seize cash and BNI related to ML at the border, to share information on cross-border cash movement with NPA, and enforcement at the border in cooperation with the private sector. Work on strengthening the inspection capability at the border by new enforcement methods such as the introduction of Cash/Currency Detector Dogs.	Continued Implementation	MOF, NPA
(2)	Appropriate requests for	Send prompt and reliable requests for consideration of account freezing,	Continued	NPA, FSA

	consideration of account freezing	regarding savings accounts and virtual asset trading accounts.	Implementation	
(3)	Responding to the revised R4 and R38 regarding the asset recovery	Based on the revised R4 and R38 and related methodology regarding the asset recovery, conduct research on asset recovery systems in foreign countries and discuss the necessity of domestic responses and take measures as necessary.	By the end of March 2027	MOJ, NPA, MOF, FSA
IO.9 TF Investigation, Prosecution, and Sanctions				
	Outcome	Actions	Time Frame	Authorities in Charge
(1)	Investigation and prosecution of the crime of provision of TF	Consider and take necessary measures to promote digitalization in the investigation and prosecution of the crime of provision of TF.	Continued Implementation	MOJ, NPA
		Strengthen the enforcement of investigation and prosecution, including development of the system, based on the task force framework and various notices in cooperation with relevant authorities to further investigate and prosecute serious and complex TF cases. In addition, consider new initiatives based on changes in the situation of domestic and international TF, as required.	Continued Implementation	MOJ, NPA, other relevant authorities
IO.10 Freezing Terrorist Funds and Preventing Abuse of NPO Sector				
	Outcome	Actions	Time Frame	Authorities in Charge
(1)	Strengthening coordination among relevant authorities	Strengthen the framework for coordination with relevant authorities and specified business operators (FIs, VASPs and DNFBPs) by promptly notifying them of information on sanctioned persons and entities, and sharing best practices, in order to enhance cooperation in the implementation of asset freezing measures without delay.	By the end of March 2026	MOFA, MOF, METI, NPA, supervisory authorities for FIs, VASPs and DNFBPs
(2)	Enhancing specified business operators' understanding on freezing of terrorist funds	Enhance risk understanding by notifying specified business operators (FIs, VASPs and DNFBPs) of the matters to be addressed and specific measures under the Foreign Exchange and Foreign Trade Act (FEFTA) and the Terrorist etc. Assets Freezing Act (TAFA).	By the end of March 2026	supervisory authorities for FIs, VASPs and DNFBPs, MOF, NPA
(3)	Strengthening inspection and supervision of Foreign exchange transactions service providers in relation to the freezing of terrorist funds	Strengthen risk-based inspection and supervision on Foreign exchange transactions service providers to enhance their TF risk control framework and programs for risk-based measures and to detect circumvention and evasion of financial sanctions.	By the end of March 2026	MOF

(4)	Preventing abuse of NPOs	Continue targeted outreach and monitoring to prevent abuse of NPOs for TF purposes.	Continued Implementation	Cabinet Office, Ministry of Education, Culture, Sports, Science and Technology (MEXT), Ministry of Health, Labor and Welfare (MHLW), MOFA, NPA, MOF
		Discuss and take the necessary actions within the government based on the revision of R8 and its Methodology on the NPO.	By the end of March 2026	Cabinet Office, MEXT, MHLW, MOFA, NPA, MOF
IO.11 Countermeasures to PF of Weapons of Mass Destruction				
	Outcome	Actions	Time Frame	Authorities in Charge
(1)	Strengthening coordination among relevant authorities	Strengthen the framework for coordination among relevant authorities and specified business operators (FIs, VASPs and DNFBPs) by promptly notifying them of information on sanctioned persons and entities, and sharing best practices, in order to enhance coordination in the implementation of asset freezing measures without delay.	By the end of March 2026	MOFA, MOF, MEXT, NPA, supervisory authorities for FIs, VASPs and DNFBPs
(2)	Enhancing understanding of businesses regarding PF	Enhance risk understanding by notifying specified business operators (FIs, VASPs and DNFBPs) of the matters to be addressed and specific measures under FEFTA and TAFA.	By the end of March 2026	supervisory authorities for FIs, VASPs and DNFBPs, MOF, NPA
(3)	Strengthening inspection and supervision of Foreign exchange transactions service providers related to PF	Strengthen risk-based inspection and supervision on Foreign exchange transactions service providers to enhance their PF risk control frameworks and programs for risk-based measures and to detect circumvention and evasion of financial sanctions.	By the end of March 2026	MOF