Scorecard: Mexico

FATF Mutual Evaluation and Follow-Up Reports

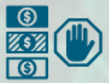
StratisAdvisory

RISK | STRATEGY | CYBER COMPLIANCE MANAGEMENT

What are the FATF 40 Recommendations?

The FATF Recommendations

outline and elaborate on a comprehensive and consistent framework for countries to implement as a means to combat money laundering (ML), terrorist financing (TF), as well as the financing of weapons of mass destruction. Due to the diversity and differences in the administrative, financial, legal and operational systems and measures of different countries, the FATF Recommendations serve as the international standard, which countries may adapt to their state of priorities and affairs.



AML/CFT Policies and Coordination

- **R1** Assessing risks and applying a risk-based approach
- **R2** National cooperation and coordination

Terrorist Financing and Financing of Proliferation

- **R5** Terrorist financing offence
- **R6** Targeted financial sanctions related to terrorism and terrorist financing
- **R7** Targeted financial sanctions related to proliferation
- **R8** Non-profit organisations (NPOs)

International Cooperation

- **R36** International instruments
- **R37** Mutual legal assistance
- **R38** Mutual legal assistance: freezing and confiscation
- **R39** Extradition
- **R40** Other forms of international cooperation

Transparency and BO of Legal Persons and Arrangements

- **R24** Transparency and beneficial ownership (BO) of legal persons
- **R25** Transparency and BO of legal arrangements

Money Laundering and Confiscation

- **R3** Money laundering offence
- **R4** Confiscation and provisional measures

Powers and Responsibilities of Competent Authorities and Other Institutional Measures

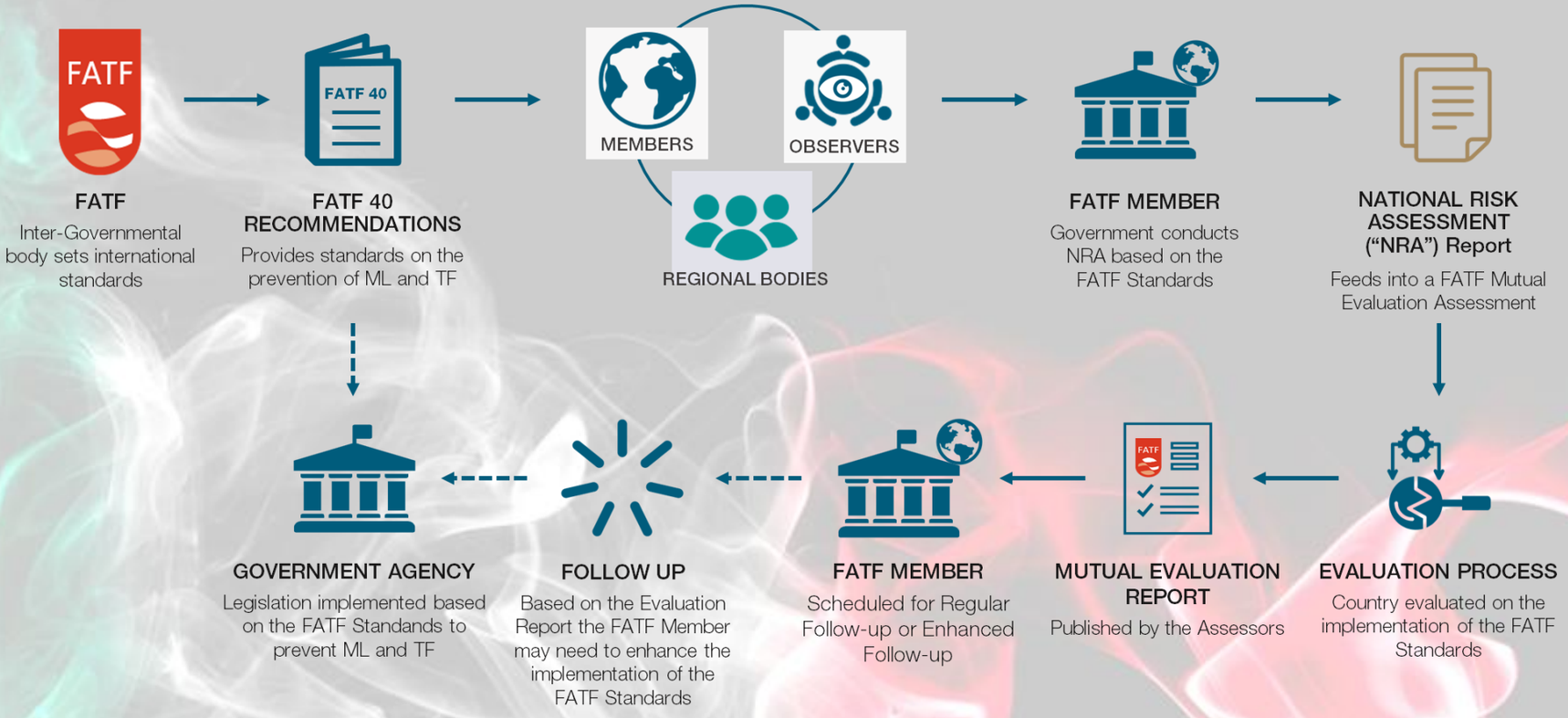
- **R26** Regulation and supervision of financial institutions
- **R27** Powers of supervisors
- **R28** Regulation and supervision of DNFBPs
- **R29** Financial intelligence units
- **R30** Responsibilities of law enforcement and investigative authorities
- **R31** Powers of law enforcement and investigative authorities
- **R32** Cash couriers
- **R33** Statistics
- **R34** Guidance and feedback
- **R35** Sanctions

Preventive Measures

- **R9** Financial institution secrecy laws
- **R10** Customer due diligence
- **R11** Record keeping
- **R12** Politically exposed persons (PEPs)
- **R13** Correspondent banking
- **R14** Money or value transfer services
- **R15** New technologies
- **R16** Wire transfers
- **R17** Reliance on third parties
- **R18** Internal controls and foreign branches and subsidiaries
- **R19** Higher-risk countries
- **R20** Reporting of suspicious transactions
- **R21** Tipping-off and confidentiality
- **R22** DNFBPs: Customer due diligence
- **R23** DNFBPs: Other measures

How FATF Sets International Standards

FATF set out the methodology to assess whether a country is compliant to FATF Recommendations or Standards, and if its AML/CFT system is working effectively, assessed through on-site visits, data analysis and the publication of Mutual Evaluation Reports (MERs), or Follow-Up Reports (FURs), where applicable. Done through peer reviews from members of other countries for objectivity, these evaluations are comprehensive country reports that present analysis, findings, as well as points for improvement, regarding a country's ML/TF systems.



FATF publishes a Global Assessment Calendar, which provides a preview of planned assessments by the FATF, its FATF-Style Regional Bodies (FSRBs), the International Monetary Fund (IMF) or the World Bank. The 4th and the most recent round of MERs were measured against the 2013 Assessment Methodology. FATF commenced its 5th round of mutual evaluations in 2024, using revised the Assessment Methodology adopted in 2022. Mexico is lined up for its 5th round of MER based on the schedule below:

COUNTRY	ASSESSMENT BODY	ME ROUND	PLANNED ONSITE SCHEDULE	PLANNED PLENARY DISCUSSION SCHEDULE
Mexico	FATF-GAFILAT	5th	Feb 2026	Oct 2026

Mexico 2018 FATF Mutual Evaluation Report

Key Findings

1. Mexico has a mature and well-developed AML/CFT framework, which has undergone significant improvements since its last evaluation in 2008. However, it still confronts significant risks in ML due to activities associated to organised crime, corruption, drug trafficking, extortion, and tax evasion.
2. There is good understanding of ML threats, adequately demonstrated by the financial sector, but generally lacking from designated non-financial business and professions (DNFBPs) and non-profit organisations (NPOs) due to lack of resources. There is a disparity in the recognition of corruption, and an overall shortfall in more complex techniques, such as the misuse of legal persons.
3. Financial investigations are low, and law enforcement and prosecution are not commensurate to ML/TF risks, as well as asset recovery.
4. Identification of beneficial owners (BOs) is limited across the board, and DNFBPs do not recognise their role to do so.

MUTUAL EVALUATION REPORT (MER) RATING | **DATE:** *January 2018*

Effectiveness

Immediate Outcomes	
Risk, Policy and Coordination	
International Cooperation	
Supervision	
Preventive Measures	
Legal Persons and Arrangements	
Financial intelligence	
ML Investigation and Prosecution	
Confiscation	
TF Investigation and Prosecution	
TF Preventive Measures and Financial Sanctions	
PF Financial Sanctions	

High — Substantial — Moderate — Low

Technical Compliance

FATF Recommendations							
R1		R11		R21		R31	
R2		R12		R22		R32	
R3		R13		R23		R33	
R4		R14		R24		R34	
R5		R15		R25		R35	
R6		R16		R26		R36	
R7		R17		R27		R37	
R8		R18		R28		R38	
R9		R19		R29		R39	
R10		R20		R30		R40	

Compliant — Largely Compliant — Partially Compliant — Non-Compliant — N/A

Mexico 2022 FATF Follow-Up Report and Technical Compliance Updates

Progress Updates

1. Since Mexico's 2021 FUR and the culmination of their 2020 NRA, improvements were already evident in the understanding of ML/TF risks coming from DNFBPs and NPOs.
2. Amendments were made to legislation since the 2018 MER, driving CDD improvements, which required obliged entities to collect certain information to prevent anonymous or fictitious accounts. Additionally, legislation changes led to improving identification of BOs and PEP screening, and also clarified requirements in the collection, retention and transmission of transactional information. These led to re-ratings to R8, 10, 12, 15, 16 and 17 in 2021.
3. Further improvements have been made, particularly in the case management and timely implementation and follow-up of mutual legal assistance (MLA), which previously impeded investigations, judicial proceedings and confiscations, which led to the re-rating of R37 and R38.

LATEST FOLLOW-UP REPORT | **DATE:** *May 2022*

Technical Compliance Re-Rating

Rating Updates Based on Subsequent Follow-Up Reports:

- R8 — Upgrade
- R10 — Upgrade
- R12 — Upgrade
- R15 — Upgrade
- R16 — Upgrade
- R17 — Upgrade
- R37 — Upgrade
- R38 — Upgrade

FATF Recommendations							
R1		R11		R21		R31	
R2		R12		R22		R32	
R3		R13		R23		R33	
R4		R14		R24		R34	
R5		R15		R25		R35	
R6		R16		R26		R36	
R7		R17		R27		R37	
R8		R18		R28		R38	
R9		R19		R29		R39	
R10		R20		R30		R40	

Compliant — Largely Compliant — Partially Compliant — Non-Compliant — N/A

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