

Guam

RISK & COMPLIANCE REPORT

DATE: January 2017

Executive Summary - Guam

Sanctions:	None
FAFT list of AML Deficient Countries	No
Higher Risk Areas:	Not on EU White list equivalent jurisdictions
Medium Risk Areas:	Compliance with FATF 40 + 9 Recommendations (no evaluation completed)

Major Investment Areas:

Agriculture - products:

fruits, copra, vegetables; eggs, pork, poultry, beef

Industries:

national defense, tourism, construction, transshipment services, concrete products, printing and publishing, food processing, textiles

Exports - commodities:

transshipments of refined petroleum products, construction materials, fish, food and beverage products

Imports - commodities:

petroleum and petroleum products, food, manufactured goods

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Section 1 - Background

Spain ceded Guam to the US in 1898. Captured by the Japanese in 1941, it was retaken by the US three years later. The military installation on the island is one of the most strategically important US bases in the Pacific.



Section 2 - Anti – Money Laundering / Terrorist Financing

FATF status

Guam is not on the FATF List of Countries that have been identified as having strategic AML deficiencies

Compliance with FATF Recommendations

Guam has not yet undertaken a Mutual Evaluation relating to the implementation of anti-money laundering and counter-terrorist financing standards.

EU White list of Equivalent Jurisdictions

Guam is not currently on the EU White list of Equivalent Jurisdictions

World Governance indicators

[To view historic Governance Indicators Ctrl + Click here and then select country](#)

Failed States Index

[To view Failed States Index Ctrl + Click here](#)

Offshore Financial Centre

Guam is not considered to be an Offshore Financial Centre

US State Dept Trafficking in Persons Report 2012:

The territory of Guam is a source and destination location for men, women, and children subjected to forced labor and sex trafficking. During the reporting period, there were no new reported human trafficking cases. With local and federal partners, the U.S. Attorney's Office held a two-day Pacific regional conference on trafficking in persons, which was the first of its kind. Since then, the U.S. Attorney's Office has sponsored additional human trafficking and immigration related training to community stakeholders. The first civil rights conference, which included human rights training, was also held in Guam. Sentencing and forfeiture proceedings are pending for a 69-year-old Guam bar owner who was convicted in the previous reporting period for conspiracy, sex trafficking, and coercion and enticement to travel for purposes related to prostitution, for a scheme to force young women and one minor girl into prostitution at his bar. Current Weaknesses in Government Legislation (2013 INCRS Comparative Tables):

International Sanctions

None Applicable

Bribery & Corruption

Index	Rating (100-Good / 0-Bad)
Transparency International Corruption Index	N/A
World Governance Indicator – Control of Corruption	87

Section 3 - Economy

The economy depends largely on US national defense spending, tourism, other services. Total US grants, wages and salaries, and procurement outlays amounted to approximately \$1.6 billion in 2010. Over the past 30 years, tourism has grown to become the largest income source following national defense.

Agriculture - products:

fruits, copra, vegetables; eggs, pork, poultry, beef

Industries:

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transshipments of refined petroleum products, construction materials, fish, food and beverage products

Imports - commodities:

petroleum and petroleum products, food, manufactured goods

Section 4 - Government

Chiefs of State and Cabinet Members:

For further information - <http://www.house.gov/representatives/>

Legal system:

Common law modeled on US system; US federal laws apply

International organization participation:

IOC, PIF (observer), SPC, UPU

Methodology and Sources

Section 1 - General Background Report and Map

(Source: [CIA World Factbook](#))

Section 2 - Anti – Money Laundering / Terrorist Financing

	Lower Risk	Medium Risk	Higher Risk
FATF List of Countries identified with strategic AML deficiencies	Not Listed	AML Deficient but Committed	High Risk
Compliance with FATF 40 + 9 recommendations	>69% Compliant or Fully Compliant	35 – 69% Compliant or Fully Compliant	<35% Compliant or Fully Compliant
US Dept of State Money Laundering assessment (INCSR)	Monitored	Concern	Primary Concern
INCSR - Weakness in Government Legislation	<2	2-4	5-20
US Sec of State supporter of / Safe Haven for International Terrorism	No	Safe Haven for Terrorism	State Supporter of Terrorism
EU White list equivalent jurisdictions	Yes		No
International Sanctions UN Sanctions / US Sanctions / EU Sanctions	None	Arab League / Other	UN , EU or US
Corruption Index (Transparency International) Control of corruption (WGI) Global Advice Network	>69%	35 – 69%	<35%
World government Indicators (Average)	>69%	35 – 69%	<35%
Failed States Index (Average)	>69%	35 – 69%	<35%
Offshore Finance Centre	No		Yes

Section 3 - Economy

General Information on the current economic climate in the country and information on imports, exports, main industries and trading partners.

(Source: [CIA World Factbook](#))

Section 4 - Foreign Investment

Information on the openness of foreign investment into the country and the foreign investment markets.

(Source: [US State Department](#))

Section 5 - Government

Names of Government Ministers and general information on political matters.

(Source: [CIA World Factbook](#) / <https://www.cia.gov/library/publications/world-leaders-1/index.html>)

Section 6 - Tax

Information on Tax Information Exchange Agreements entered into, Double Tax Agreements and Exchange Controls.

(Sources: [OECD Global Forum on Transparency and Exchange of Information for Tax Purposes](#) [PKF International](#))

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