

‘Golden opportunity’ to approve FATF been lost: *Expert*

Task Force caught up in political distortions

INTERVIEW

“The FATF file is currently under review in the commissions of the Expediency Council, and certain aspects have been approved by the relevant commissions. However, regarding what decision the council will make, I must clarify that I am not a spokesperson for the council; I support both conventions and defend them.” This is part of the statements made by Mohammad Reza Bahonar, a member of Iran’s Expediency Council and Secretary General of the Islamic Engineers Society, during a press conference about the review of the Palermo and CFT conventions in the council.

The Financial Action Task Force (FATF) file is currently under review in Iran’s Expediency Council. The task force comprises four conventions, all of which were approved by Iran’s Parliament, but two are on hold in the Expediency Council [a legislative body with supervisory powers over all branches of government].

This raises the question once again: will the impasse surrounding the FATF-related bills finally be resolved after 15 years? In this context, Heshmatollah Falahatpisheh, a political analyst and Chairman of the National Security and Foreign Policy Commission of the Parliament, stated: “Many opportunities have been lost. If Iran had not previously entered the blacklist, the possibility of FATF becoming a center for sanctions against Iran would not have existed. However, Iran is now on the blacklist, and the banks of Iran’s allied countries cannot engage with us. This was an opportunity that the hardliners took away from the national interests of the country.” Below is the full conversation with Falahatpisheh:



HESHMATOLLAH
FALAHATPISHEH

Recently, Mohammad Reza Bahonar stated that some clauses of the FATF-related bills have been approved in the joint commission of the Expediency Council. What is your prediction regarding the fate of these bills, and will they be approved during this term?

FALAHATPISHEH: The most important thing that needs to be done concerning FATF is to prepare a comprehensive report in line with national interests. Unfortunately, FATF has become entangled in political games in Iran, as exemplified by a recent program on state television—one of the few programs that claims to be free. In this program, two members of Parliament discussed the pros and cons of FATF, but many truths about FATF were not clarified.

The supporting representative had incomplete information in some cases, while the opposing voice failed to present the core facts. The opposing representative claimed that the preconditions set by Iran in the two conventions, Palermo and CFT, have not been accepted by FATF.

However, this claim is incorrect, as Palermo and CFT have not been enacted into law in Iran, meaning that Iranian officials have not presented their conditions to FATF. In reality, these two conventions have been under discussion in the council for six years. Furthermore, the opposing representative claimed that if we approve it and they do not accept our conditions, the country will face difficulties. One of the preconditions mentioned in CFT is that if FATF does not accept Iran’s conditions, the government is not entitled to membership. Unfortunately, FATF has fallen victim to political distortions in Iran.

The losses incurred in the past cannot be compensated for. During the four years of the Biden administration, Iran’s economic relations were relatively good, and many of the constraints that existed before, as they do now under Trump, were absent. However, due to Iran’s placement on the FATF blacklist, significant damage has been inflicted on the interests of the people and the government. This situation, arising from global banks’ reluctance to work with Iran, has benefited

middlemen, and the heads of the [governmental] branches have belatedly acknowledged that 30% of Iran’s currency value has been lost due to non-membership in FATF and sanctions.

This acknowledgment came too late. Had Palermo and CFT been approved at the time when FATF was passed in the 10th Parliament and Iran was on the grey list, there would have been a chance for Iran to be removed from that list. However, when Palermo and CFT were not approved by the Expediency Council, we saw Iran’s enemies, such as the reactionary countries of that time and Israel, gain positions in the FATF executive body. Under pressure from them, during a time when China was chairing FATF, Iran was placed on the blacklist.

Now, with the implementation of maximum pressure policies, even if Iran approves these two

conventions, the past damages will not be rectified, and the path will be tougher than before.

So, you do not have hope for the approval of FATF?

Numerous opportunities have been squandered. If Iran had not previously entered the blacklist, the possibility of FATF becoming a center for sanctions against Iran would not have existed. However, Iran is now on the blacklist, and the banks of Iran’s allied countries cannot engage with us. This was an opportunity in the country’s national interest that hardliners wasted.

Even if Iran approves these two conventions, due to the isolationist policies of the Trump administration and China’s dealings regarding Iran, it would mark the beginning of a rocky road. Therefore, the golden opportunity has been lost. Unfortunately, hardliners

have accustomed the country to making decisions from the depths of despair, and we only make decisions when we find ourselves in dire straits. We have seen this during wartime, during the JCPOA negotiations, and in various instances, which poses a threat to the country’s foreign policy.

Recently, various analyses have emerged concerning FATF. Some argue that if these two conventions are not approved, it will no longer be possible to circumvent the sanctions, while others believe that FATF lacks effectiveness without the lifting of the sanctions. What is your opinion on these analyses?

I believe that if FATF had been approved during the 10th Parliament, Iran would have had the necessary negotiating power to secure its preconditions.

At that time, European countries were aligned with Iran, and Israel did not hold a significant position or influence within FATF. However, now we find ourselves in a belated situation regarding FATF, with the United States pursuing a maximum pressure policy. Israel has gained a role, and European countries have adopted a tough stance against us.

Under these circumstances, if FATF is approved with the previous preconditions, I am convinced that serious obstacles will emerge for Iran in cooperating with this organization and in getting off the blacklist. The US, Europe, and other players will encounter challenges regarding these preconditions with Iran.

The interview was conducted in Farsi by the Khabaronline news agency.



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