KCG

ISSUE 08 · 11 NOV 2026

The Compliance Bridge

A weekly briefing on the regulatory developments shaping compliance across Lebanon, the Gulf and beyond.

THIS WEEK'S DEVELOPMENTS

01 Lebanon's FATF Exit Still Hinges on Ten Unmet Benchmarks

Following FATF's 28–30 October 2026 plenary in Paris, at which Lebanon was neither added to nor removed from the grey list, Lebanese broadcaster LBCI reported on 3 November 2026 that ten specific action-plan benchmarks remain outstanding, spanning beneficial-ownership transparency, cross-border cash and precious-metals monitoring, terrorist-financing investigations, and the effective enforcement of targeted financial sanctions. FATF's next plenary, in February 2027, is the earliest point at which Lebanon's status could change.

Implication: *MLROs should treat the outstanding ten-point gap as the live checklist for correspondent-bank due diligence conversations over the coming quarter – demonstrable progress on beneficial ownership and sanctions enforcement is likely to carry the most weight with assessors ahead of February.*

Source: LBCI, reported 3 November 2026; Financial Action Task Force, Outcomes of the FATF Plenary, 28–30 October 2026

02 OFAC Sanctions Iran Shadow-Fleet Network Over False Flags

On 4 November 2026, the US Treasury's Office of Foreign Assets Control designated an India-based network – Suniel Kumar Sharma, Jaspreet Preeti Shahid and eight affiliated companies – for issuing fraudulent maritime flag registrations and certifications to vessels carrying Iranian petroleum, and separately designated Türkiye-based Fugo Ground Services Inc. for continuing to provide ground-handling services to US-designated Iranian airlines. OFAC paired the action, taken under its Operation Economic Outcast campaign, with an alert warning the maritime industry that reliance on falsely flagged vessels carries a substantial risk of sanctions exposure.

Implication: *Banks, insurers and trade-finance desks with Gulf shipping or correspondent exposure should treat an unverifiable or recently changed vessel flag as a standalone red flag warranting enhanced due diligence, not merely a documentation gap.*

Source: U.S. Department of the Treasury (OFAC), designations and shadow-fleet false-flag alert, 4 November 2026

03 FATF Sets Global Principles to Disrupt Scam-Compound Funds

On 5 November 2026, FATF published a report and new global principles on combating the illicit financial flows linked to scam compounds, describing them as among the fastest-growing forms of organized crime worldwide. The report identifies virtual-asset exchange, instant payment platforms and money-mule accounts as the principal laundering channels, finds that victim funds can leave an account within roughly two minutes of a scam being executed, and calls for cross-border cooperation within the first 24 to 72 hours after detection, when recovery is most achievable.

Implication: *Institutions operating in the UAE's and Bahrain's virtual-asset sectors, and any bank handling instant cross-border payments to or from Gulf-based customers, should benchmark fraud-detection response times against FATF's 24-to-72-hour recovery window rather than treating scam losses purely as a post-event reporting matter.*

Source: Financial Action Task Force, report and principles on illicit financial flows linked to scam compounds, 5 November 2026

LOOKING AHEAD Lebanon's draft Financial Stabilization and Depositor Recovery law remains under negotiation with the IMF, which continues to press for alignment with international creditor-hierarchy principles before the law advances.

iReveal KCG's iReveal app puts instant AML and sanctions-list screening in your pocket – check a name or entity against global watchlists in seconds, right from your phone. **Download iReveal free on the App Store or Google Play** and keep it one tap away before your next call.

KCG

When you call, a founder answers.

Reply to this newsletter to speak with us directly, or visit **khalifehconsulting.com**.

The Compliance Bridge is prepared weekly by Khalifeh Consulting Group for general informational purposes only. It does not constitute legal, regulatory or compliance advice, should not be relied upon as a substitute for independent professional advice, and its circulation does not create an advisory relationship between KCG and the reader. Regulatory developments summarized here reflect information available as of the date of publication and may change without notice. While prepared with care, KCG makes no warranty as to completeness or accuracy and accepts no liability for actions taken in reliance on this content.

© 2026 Khalifeh Consulting Group. All rights reserved.