

NATIONAL RISK ASSESSMENT

(Summary)

ANTI-MONEY LAUNDERING AND COMBATING THE FINANCING OF TERRORISM

1 JULY 2025

Table of Contents

Introduction 2
1. Assessment of Money Laundering (ML) Risks 3
1.1. High Risks of ML 3
1.2. Medium High Level ML Risks 4
1.3. Medium ML Risks 5
1.4. Medium Low ML Risks 6
2. Assessment of TF Risks 6
2.1. High Level TF Risks 7
2.2. Medium-Low Level TF Risks 8
3. Assessment of Sectoral Vulnerabilities 9
3.1. Methods and Approaches Used in Risk Analysis of Financial Institutions 9
3.2. Methods and Approaches Used in Risk Analysis of Non-Financial Institutions 10
3.3. Interpretation of the Results of Sectoral Vulnerability Analysis 10
3.3.1. High Risk Sectors 11
3.3.2. Medium-High Risk Sectors 12
3.3.3. Medium Risk Sectors 13
3.3.4. Medium-Low Risk Sectors 15
3.3.5. Low Risk Sectors 16
4. Risks Associated with Non-Governmental Organizations (NPOs) 16
4.1. Associations 16
4.2. Foundations 17
Conclusion 17

Introduction

The technical compliance criteria No. 1 and the effectiveness criteria No. 1 that are among global AML/CFT standards strengthened by FATF by being updated in 2012 are about countries' identifying, analysing, understanding and assessing their ML/TF risks and taking measures against such risks. The final objective of this process is that countries complete their National Risk Assessment (NRA) studies which will enlighten their way of making and implementing AML/CFT policies. Relevant FATF criteria emphasize the importance of keeping NRAs up-to-date in order for completely and correctly assessing the risks that are dynamic. Moreover, determining a central authority working for this objective is obligatory for countries.

Pursuant to Article 231/1(a) of the Presidential Decree No.1 on the Organisation of the Presidency, making contributions to processes of preparation and development of plans, programs, policies and strategies, and ensuring coordination between institutions and organisations including risk assessment studies at national level for the purpose of prevention of laundering proceeds of crime and financing of terrorism are among duties and powers of MASAK. This is also dealt with by the "The Strategy Document 2021-2025 For Increasing Effectiveness In *Anti-Money Laundering And Counter Terrorist Financing And Confiscation Practices In Türkiye*" put into effect with the Presidential Circular No. 2021/16. The Strategic Objective No.2 in the National Strategy Document is to update the National Risk Assessment by Threat and Vulnerability Working Groups established based on the mentioned document. The Circular assigned MASAK as the coordinator of this objective.

The National Risk Assessment Report was written in accordance with the methodology drawn up by these working groups and updated throughout the process. The analyses were done by also using numerical methods on ML/TF threats and vulnerabilities defined under the scope of ML/TF risk analyses. Having been drawn up majorly depending on the data of 2021-2024, the NRA Report reached the final version on 21-22 May 2025 following Threat and Vulnerability Working Groups meetings. The NRA Report was approved by the Minister of Treasury and Finance on 27th June 2025.

1. Assessment of Money Laundering (ML) Risks

Within the scope of the analysis of ML risks, firstly, the significant predicate offences (top 10 crime groups) that are considered as money laundering threats were identified, the frequency of these crimes was evaluated, the effect of these crimes as predicate offences of ML offence was revealed, the results obtained were matched with the findings of the vulnerability analysis specific to each crime; in this way, inherent ML risks were calculated first. Subsequently, the positive impact of the measures classified as mitigating measures was assessed, and the residual risk values were reached. KA risks were thus quantified and grouped. Within this framework, observations related to a total of 40 criteria/scenarios were evaluated, and the results of the ML risk analysis were obtained.

ML Risk analyses results are summarised in Table 1 below.

Table 1: ML Risk Scores

No	ML Threats	Risk Level
1	Fraud	High
2	Illegal Betting and Gambling	Medium- High
3	Drug Trafficking	Medium- High
4	Theft and robbery	Medium- High
5	Smuggling	Medium
6	Forgery	Medium
7	Corruption crimes	Medium
8	Tax Evasion	Medium
9	Migrant Smuggling, Human Trafficking	Medium
10	Usury	Medium -Low

Summarised assessments about mentioned ML risk elements are given below.

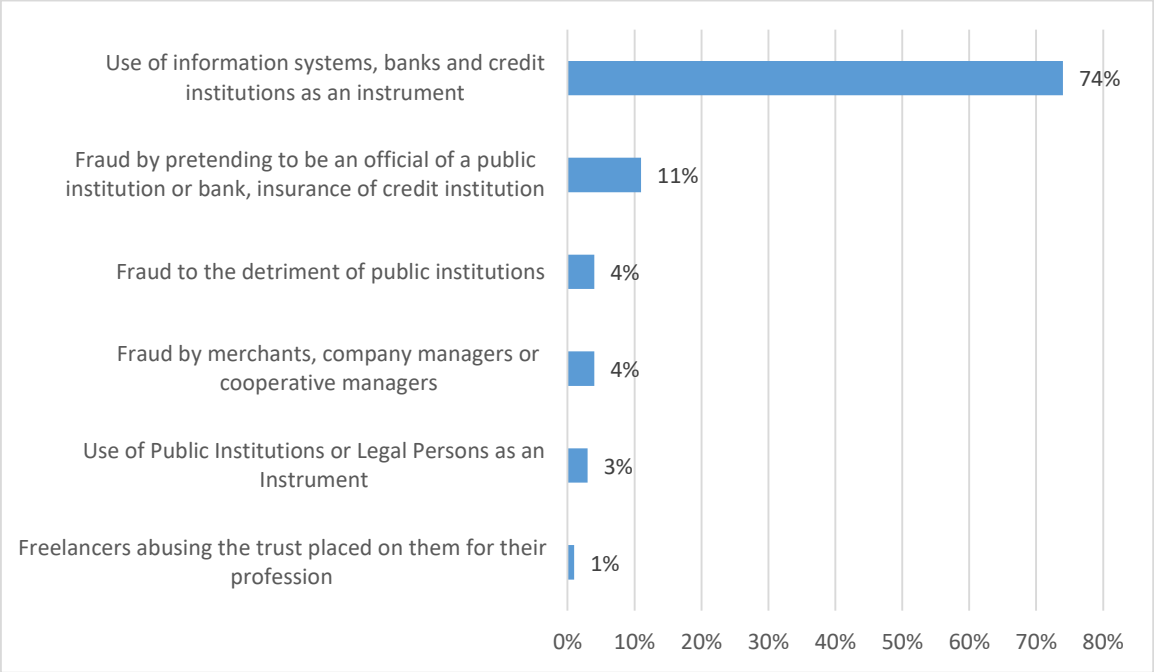
1.1. High Risks of ML

Fraud offence is the most prominent offence group in actual money laundering investigations and convictions due to this offence. In particular, it has been observed that 'aggravated fraud' regulated under Article 158 of TCL is an offence of which proceeds are more easily laundered. In the period after the Covid-19 pandemic, it has been seen that fraud crimes have a significant share as the predicate offence of money laundering in our country as in the whole world.

Besides, it is understood that new types of fraud emerge because of technological developments and it is remarkable that there are cases of fraud in which information systems and bank and credit institutions are used as instruments for laundering proceeds and where crypto asset transactions are abused.

It is understood that the frequency of money laundering cases involving this crime has increased compared to the previous NRA period, but that the effects of the risk have been mitigated thanks to organisational measures applied in a manner consistent with the risk in the fight against the laundering of fraud proceeds. Coordinated efforts performed in line with the National Strategy Document have also yielded successful results in the investigation and prosecution of money laundering activities where the predicate offence is fraud.

Figure 1: Most Frequent Types of Aggravated Fraud pursuant to Article 158 of TCL (2021-2024)



1.2. Medium High Level ML Risks

Illegal betting and gambling (providing place and opportunity for gambling) are among crimes that are sources of significant amounts of illegal proceeds. The majority of these crimes are committed online through illegal betting/gambling web sites. Third-party accounts may be used to launder the proceeds obtained from this offence, and it has recently become apparent that virtual POS transactions can also be misused for money laundering purposes.

Production and trafficking of drugs are crimes providing high amounts of illegal proceeds for criminal organisations. Besides, proceeds of this crime are also financing sources of terrorist organisations. Türkiye is a transit and destination country both in terms of its location on the "Balkan Route", which is an extremely important route for the smuggling of products such as heroin, opium derivatives and methamphetamine produced in Asia and transferred to Europe, and in terms of the smuggling of synthetic drugs and chemicals used in the production of these

substances produced in Europe and shipped to Asia. While there has been an increase in money laundering through banking and cryptocurrency transactions in recent times, traditional real estate purchase activities can also be used to launder proceeds from this crime.

Theft and Robbery are especially prominent as theft crimes are the most common crimes committed against property in Türkiye. However, unlike fraud crimes, these crimes are largely committed by individuals or a small number of perpetrators in our country. In recent years, partly due to the establishment of specialised courts, there has been an increase in money laundering cases where the predicate offence is theft or robbery. It has been observed that money laundering activities are increasingly carried out through the acquisition of assets for the purpose of conversion or concealment, primarily within the framework of traditional methods.

1.3. Medium ML Risks

Smuggling is an offence committed by organisations and providing high amount proceeds in Türkiye. Both our geo-strategic geographical position as a bridge between Asia and Europe and the topographical characteristics of our borders (mountainous conditions that are difficult to control, etc.) cause smugglers to use our country as a transit country. Smuggling activities can also be a source of financing for terrorism, particularly PKK/KCK-PYD/YPG and DAESH elements.

Forgery crimes are regulated under the heading of "Offences against Public Confidence" in TCL. Forgery is a type of crime that serves as a predicate of many types of other offences such as fraud, tax evasion etc. Thus, it poses a lower level of threat in terms of laundering offence. Proceeds from this crime can be laundered through the abuse of many sectors in various methods including purchasing assets, fund transfers and abuse of legal persons. Especially use of false documents is a prominent method to acquire criminal proceeds.

Corruption crimes are defined as the misuse of public power for the purpose of obtaining personal benefits, leading to the misuse of public resources and the emergence of public damage. Corruption may also be seen in the private sector. Offences regulated in TCL comprising bid rigging (Article 235), fraud during the discharge of contractual obligation (Article 236), embezzlement (Article 247), malversation (Article 250) , bribery (Article 252), bribery to foreigners (Article 252/9), influence peddling (Article 255) and misuse of public duty (Article 257); the offence of wrongful acquisition of property regulated in Law No. 3628 on Declaration of Assets, Anti-Bribery and Anti-Corruption (Article 13); and the offence of embezzlement regulated in Banking Law No. 5411 (Article 160) are covered in this report as corruption offences.

Tax evasion is committed by cheating in, concealing, falsifying, using misleading documents for the content of records and books that are required to be kept, retained and submitted pursuant to Article 359 of the Tax Procedure Law, and destroying these documents, issuing false documents, making invoices printed by unauthorized persons and using such invoices and interfering with payment recording devices. Within the framework of tax crimes, the increase in assets in line with the non-payment or partial payment of tax debts that should be paid constitutes the proceeds of crime.

As to ***migrant smuggling and human trafficking crimes***, the geographical and strategic location of our country and the fact that it has a developing and dynamic economy have made our country both a transit and a target country in terms of migrant smuggling. In addition, it is seen that the crime of human trafficking is also committed by international criminal networks in our country, mostly in connection with forced prostitution, forced labour, begging, organ and tissue trafficking.

1.4. Medium Low ML Risks

Usury is the lending of money to another person for the purpose of making a profit. High-value mortgages in the form of movable or immovable property are taken from the victims and the victims are put under obligation in exchange for promissory notes, with exorbitant interest applied on the borrowed value. It is understood that there has been a relative decline in recent years in the commitment of usury crimes. Therefore, its level of impact is categorised as medium low.

2. Assessment of TF Risks

Within the scope of the analysis of TF risks, firstly, the organizations considered as terrorism threats were identified, their activities were evaluated, the impact of these organizations within the scope of TF crime was revealed, the results obtained were matched with the findings of the vulnerability analysis specific to terrorist organizations; in this way, inherent TF risks were calculated first. Then, the positive impact induced by Mitigating Measures were assessed and TF risks were quantified and grouped accordingly. In this framework, observations on a total of 40 criteria/scenarios were evaluated and the results of the TF risk analysis were obtained.

TF Risk Analysis results are summarized in the table below.

Table 2: TF Risk Analysis Results

No	TF Threats	Risk Level
1	Fetullahist Terrorist Organisation	High
2	PKK/KCK-PYD/YPG	High
3	Terrorist Organisations Abusing Religion	High
4	Leftist Terrorist Organisations	Medium-Low

In line with this assessment, Fetullahist Terrorist Organisation was defined to pose the highest TF risk. It is followed with little differences by PKK and its fractions and terrorist organisations that abuse religion listed by UNSC. They were assessed to have high risk according to results

of analyses. Since they become subjects of judicial and administrative processes less than others, leftist terrorist organisations were categorised to have medium risk (medium-low).

Summarised assessments about mentioned TF risk elements are given below.

2.1. High Level TF Risks

FETÖ is a terrorist organisation aiming, since its establishment, at taking over all constitutional institutions of the Republic of Türkiye by using its financial and political force within the framework of its organisational interest and ideology, and by using its students trained in line with its illegal objectives and principles in its education institutions operated in Türkiye and abroad with the help of financing collected under the name of "Himmet (benevolence)" through abuse of religious beliefs of society. In order to achieve their treacherous objectives, FETO perpetrated a military coup attempt on 15.07.2016 through its discreet structure within the State. It has been the most severe terrorist attack in the history of the Republic of Türkiye.

Although the organisation has significantly lost its domestic power after the systematic fight against the organisation, it continues to be a significant threat to our country, especially through its members abroad and those in Türkiye who have not been deciphered yet. FETO focused on financing activities for the purpose of motivating its members in Türkiye. In this framework, it is observed that the terrorist organisation has recently used foreign currency transactions, money and value transfer activities, the use of crypto assets, and fund raising methods through social media platforms.

PKK/KCK together with its extension in Syria, PYD/YPG, is an ethnic separatist terrorist organisation established with a final aim of founding an independent Kurdish state with Marxist-Leninist principles in the region covering the Eastern and South-eastern part of Türkiye, Northern part of Iraq, Northeast of Syria and Northwest of Iran. The terrorist organisation maintains its logistical existence especially in Northern Iraq. As a result of more than 90 thousand terrorist acts carried out so far, the terrorist organisation has caused more than 40 thousand people to lose their lives.

Financing sources of PKK/KCK-PYD/YPG can be classified in three main groups:

- Illegal financing sources: They collect commission cuts from smugglers of any kind (drugs, arms, goods, fuel, migrants, etc.) especially in Türkiye; steer the production and trafficking of drugs, and extort money from natural and legal persons naming it so-called taxation.
- *Income Sources with Legal Appearance:* The terrorist organisation also abuses non-profit organisations to collect donations, obtains income and financial support from commercial enterprises operated by the organisation's supporters, gains profit from cultural activities and product sales revenues. The terrorist organisation abuses the banking sector and payment institutions sector in donation activities run through social media and for the purpose of financing the relatives of their imprisoned members. They also provide financing for the needs of its mountain cadres such as food, clothing, shelter, etc. under the name of donation or sale of goods, especially from small-scale businesses operating in the retail trade sector.
- *Foreign Support:* It is known that the organisation receives financial support especially from European countries.

In the category of ***Terrorist Organisations That Abuse Religion*** TF risks of terrorist organisations Al-Qaida and DAESH, and their factions which are mentioned in UNSC Resolutions 1267(1999), 1989(2011) and 2253(2015) are assessed. Also, risks associated with FTFs (Foreign Terrorist Fighters) mentioned in different UNSC Resolutions including 2170(2014), 2178(2014) are dealt with in this category.

In Türkiye, these organisations obtain financing through less organised methods such as collection of zakat, aid, donation, etc. Moreover, although its effectiveness has declined, DAESH continues using the social media for crowdfunding, and provide financing through crypto assets, money and value transfers and non-face-to-face transactions. In this context, banking, payment services and cryptoasset transactions may be abused for TF purposes, and non-licenced money and value transfer service providers may also be used for the same purpose.

2.2. Medium-Low Level TF Risks

Leftist terrorist organisations aim to destroy the current constitutional order in Türkiye by means of an armed civil insurrection, and to replace with a socialist order based on Marxist-Leninist and Maoist principles. These terrorist groups have caused the lives of many civilians and security officers since 1980s, just as the case with PKK/KCK-PYD/YPG has been.

When the current financing activities of the leftist organisations, especially those of DHKP-C, are examined, it is seen that their assets in European countries have a very important place in the structure of these organisations and that they obtain a large part of their financing from the funds they collect under the names of cultural activities, product sales revenues, donations, extortion, etc. in Europe. In this context, it is seen that the organisation can obtain financing especially through foreign currency transactions, non-face-to-face transactions, cash courier activities and crypto-asset transactions.

Accordingly, these organisations carry out intensive activities in Europe for income generation, recruitment, supply of weapons, ammunition and logistics, and propaganda. In addition, it is known that these organisations, like the PKK/KCK-PYD/YPG, generate income from activities such as smuggling and extortion, robbery, theft, forgery, etc.

3. Assessment of Sectoral Vulnerabilities

The Law No. 5549 on Prevention of Laundering Proceeds of Crime and the Financing of Terrorism defines some groups of businesses and professions as obliged parties and establishes some obligations for the obliged parties for the purpose of preventing laundering proceeds of crime and financing of terrorism.

Working Sub-Groups were established under the name of "Risk Analysis Working Groups" to assess sectoral risk levels of obliged parties. In the Risk Analysis Working Groups, representatives from relevant public institutions, as well as representatives from professional unions specific to the obliged party's sector or, depending on the situation, professional associations, also involved actively. Eventually, 8 Risk Analysis Working Groups were established related to 8 obliged party groups that are Banking, Cryptoasset Service Providers, Insurance, Capital Market, Financing, Savings Financing, Factoring, Asset Management, Financial Leasing, Payment and Electronic Money Institutions, Exchange Offices, Sectors of Precious Metals and Stones, Real Estate and Trading of vehicles. The analysis concerning sectors not represented in the risk analysis working group was largely conducted within the scope of sectoral supervision and suspicious transaction reporting statistics, product and service diversity, the sector's level of compliance with obligations, and the occurrence of actual cases. The methodological approach to the subject is summarised below.

3.1. Methods and Approaches Used in Risk Analysis of Financial Institutions

The method described below has been used in the risk analysis of obliged sectors in the context of risk analysis working group activities or data collected separately in relation to the sector:

- **In the first stage**, obliged parties' "**customer risks**", "**service/product/transaction risks**", "**geographical/country risks**", "**distribution channel risks**" and "**structural risks**" were defined, their impacts and probabilities were detected and inherent risk scores were calculated.
- **In the second stage,** mitigating measures taken by obliged parties to address inherent risks and the methods used to apply them were determined.
- **In the third stage,** the influence of mitigating measures used to lessen inherent risks was examined.
- **In the fourth stage,** other risk elements that were not included in the first three stages but that are important in terms of risk analysis were analysed. This covered such criteria as results of supervisions conducted in previous years, suspicious transaction reports, sizes of companies, their levels of institutionalisation.

In the risk analysis for the Crypto Asset Service Provider (CASP) sector, in addition to the findings of the Risk Analysis Working Group, the risk assessment studies conducted by

MASAK for the sector, the first of which was carried out in 2022 and updated in 2024, were utilised, and stable cryptocurrency transactions were also included in the analysis[1].

3.2. Methods and Approaches Used in Risk Analysis of Non-Financial Institutions

Since non-financial business and professional groups are very diverse, the methods used to analyse each obliged group may have differed at this stage. Within the framework of the activities of the Risk Analysis Working Group established under the Vulnerability Working Group, joint assessments have been made regarding the real estate, jewellery and dealers of vehicles sectors.

Risk analyses of accounts and certified public accountants, notaries, lawyers, cargo transportation and games of chance, electronic commerce intermediary service provider sectors were performed by MASAK with the support of related stakeholders. In this context, the product and service range in the sector, the legal framework and supervision practices in the sector, past studies and experiences, and professional expertise were taken into consideration.

3.3. Interpretation of the Results of Sectoral Vulnerability Analysis

As a result of the sectoral vulnerability analysis findings, a risk assessment comprising 15 criteria was conducted for financial and non-financial business and profession groups to ensure that risk scores for all sectors could be obtained comparatively within a framework of common criteria. In this context, risk findings were quantified taking into account the following criteria:

- Sector size,
- Product and service diversity,
- Compliance audits,
- Identified violations,
- Assessments of audit effectiveness,
- Suspicious transaction reports submitted by the sector and received about the sector,
- Frequency of actual ML/TF cases observed in the sector,
- Training activities,
- the assessments of the Risk Analysis Sub-Working Group gathered within the scope of the Vulnerability Working Group

Then, the following ranking of risky sectors for 23 sectors was obtained. The Regulation on Measures for the Prevention of Money Laundering and Terrorist Financing (RoM) was amended on 25 December 2024 to include Electronic Commerce Intermediary Service Providers (ECISPs) among the obliged parties. As there were no comparable historical observation values for this sector, its risk assessment was conducted separately. This risk

[1] With the amendment made in Article 3(f) of RoM, Crypto Asset Service Providers are defined as financial institutions.

assessment was conducted within the framework of suspicious transaction reports related to the sector, partnership structures and analysis of actual cases, and it was concluded that the sector has a minimum 'medium-low' level of risk.

Table 3: Sectorial Risk Levels

No	Sectors	Level
1	Banks	High
2	CASPs	High
3	Payment, e-Money	Medium -High
4	Jewellers	Medium - High
5	Exchange Offices	Medium - High
6	Real Estate	Medium - High
7	Car Dealers	Medium
8	Intermediary Institutions	Medium
9	Factoring	Medium
10	Accountants	Medium
11	Precious Metal Intermediaries	Medium-Low
12	Insurance	Medium-Low
13	Cargo	Medium-Low
14	Financing Companies	Medium-Low
15	Lawyers	Medium-Low
16	Portfolio Management	Medium-Low
17	Lottery and Betting	Medium-Low
18	Independent Audit	Medium-Low
19	Financial Leasing	Medium-Low
20	Investment Partnerships	Low
21	Asset Management	Low
22	Savings Finance	Low
23	Notaries	Low

3.3.1. High Risk Sectors

The Banking Sector has been subjected to risk assessment within the framework of its size of assets in the financial sector, the variety of the transactions it intermediates and the frequency of its occurrence in ML/TF cases. The risk perception related to banking system stems from the inherent risk of the sector, and the sector's high level of compliance with preventive measures and its high level of awareness mitigate this risk. Nevertheless, the findings obtained in the threat analysis increase the risk of the sector as there are a many ML/TF cases in which the sector has been abused. The risk of the sector is more significant on ML side. On TF side, it is understood that the sector has been subject to abuse within the context of donations and non-face-to-face transactions. Taking all this into account, the risk of the sector is assessed **high.**

Banking activities that pose more risk include all kinds of payments, money transfers and correspondent relations, credit card and prepaid card transactions, cash (demand) transactions in TL and foreign currency, cheque and promissory note collections, non-face-to-face transactions, personal loans extended for usury purposes and POS transactions.

Crypto Asset Service Providers have a rising risk level resulting from its recent rapid growth, the relatively recent completion of regulatory work on licensing and entry requirements despite these entities being designated among obliged parties, the ongoing transitional period[2], and their occurrence frequency in ML/TF cases in the recent period. This risk seems more predominant particularly in fraud and illegal betting offences on ML side. Besides, an increase is observed in the abuse of crypto assets for laundering proceeds of drugs. On the TF side, recent findings indicate that almost all terrorist organisations use crypto assets. It is assessed that stablecoins may be more vulnerable to TF abuse. The prominent risk is the use of the sector for concealment or transfer of assets.

As a result, considering the sector's overall level of compliance with capital markets legislation and AML/CFT preventive measures, supervision findings, the enforcement dates of relevant regulations, and the occurrence frequency in ML/TF cases, the sector has been assessed as **high-risk**.

3.3.2. Medium-High Risk Sectors

Payment and electronic money institutions are regulated and supervised by the CBRT pursuant to the 'Law No. 6493 on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions', which entered into force in 2013. The sector is obliged to establish a compliance programme pursuant to the amendment made on 26.02.2021 to the Regulation on Program of Compliance with Obligations of Prevention of Laundering Proceeds of Crime and Financing of Terrorism (RoC). Within this framework, legislative compliance has been completed.

It is evaluated that money transfer and electronic money activities are of high risk due to product and service diversity in the sector, the risks arising from virtual POS activities are relatively high, and risks arising from bill payment and mobile payment activities are relatively low. In this framework, the risk of the sector is assessed as **medium-high.**

The **jewellery** sector is regulated by the Regulation on Jewellery Trade published in the Official Gazette No. 31454 of 14.04.2021. The regulation and supervision of the sector is undertaken by the Ministry of Trade. Jewellers are listed among obliged parties under Law No. 5549. Jewellers are required to carry out training, oversight, and monitoring and control activities to identify, monitor and mitigate risks, under Article 32/A added to RoC in 2021, and to

[2] "With the amendment made to the RoC on 25.12.2024, Crypto Asset Service Providers (CASPs) were obliged to establish a compliance program. On the same date, an amendment to the RoM entered into force, introducing requirements regarding the information to be included in crypto asset transfer messages. Regulatory work related to licensing activities in the sector has been carried out under the coordination of the Capital Markets Board (CMB). The regulation concerning the registration of CASPs was enacted through an amendment to the Capital Markets Law, published in the Official Gazette on 02.07.2024. The secondary legislation governing the implementation of these amendments was introduced through CMB Communiqués published in the Official Gazette on 13.03.2025."

implement enhanced measures in high-risk situations under RoM. A large number of supervisions have also been carried out in the sector recently.

That being said, taking into account that cash transactions are quite frequent in the sector, the sector has inherently high ML risk especially in relation with the offences of drug trafficking, migrant smuggling and human trafficking, and theft, and there are findings that terrorist organisations, especially those exploiting religious beliefs, abuse the sector for informal money and value transfers or asset conversion, the risk of the sector is assessed as **medium-high**.

Exchange offices are regulated and supervised under Law No. 1567 on the Protection of the Value of Turkish Currency and its secondary legislation, and Law No. 5549 on the Prevention of Laundering Proceeds of Crime. With the amendment made in RoC in 2021, Group A exchange offices, which can open branches and engage in activities other than foreign exchange trading, have become required to establish a compliance programme.

High volume transactions and the exchange of currencies of many countries stand out as prominent risk factors for exchange offices. The sector can also be abused in the context of informal money and fund transfers. This risk is particularly significant in cases of smuggling-related laundering and TF cases. In this framework, the risk of the sector is assessed as **medium-high**.

Real estate agencies are regulated by the Regulation on Real Estate Trade published in the Official Gazette No. 30442 of 05.06.2018. In this scope, a licence is required to be obtained from the Ministry of Trade to operate in the sector. The sector is also subject to obligations related to preventive measures within the framework of Law No. 5549. Real estate agents are required to carry out training, oversight, and monitoring and control activities to identify, monitor and mitigate risks, under Article 32/A added to RoC in 2021, and to implement enhanced measures in high-risk situations under RoM. A large number of supervisions have also been carried out in the sector recently.

More than 1 million houses have been sold annually in Türkiye in recent years and this increases the risk of the sector, especially in the context of almost all predicate offences related to ML. Money laundering through real estate purchases stands out as one of the conventional methods of laundering observed in Türkiye. Besides, the sector allows high volume and proxy transactions. That being said, a limited portion of property transfers in Türkiye are carried out through real estate agents. The Electronic Listing Verification System (EİDS), established under the Ministry of Trade, and the requirement that property listings on online platforms can only be posted by licensed real estate agents, reduce the risk. Abuse of the sector for TF is much rarer. Considering all these factors together, the risk of the sector is assessed as **medium-high.**

3.3.3. Medium Risk Sectors

Intermediation in trade of land motor vehicles (car dealership) is considered to have risk especially in the context of ML cases. The sector is regulated and supervised by the Ministry of Trade. The payments for the purchase of vehicles have been made mostly through a system called Secure Payment since 2020 with the protocol signed between the Ministry of Trade and

notaries, and thus, notaries and banks, which are both obliged parties, can carry out additional controls in this regard.

Similar to real estate trade, it is not required to use intermediaries in vehicle transfers. Laundering through purchase and sale of automobiles is significant especially in cases related to theft, robbery, and forgery. Automobile trading, as a conventional method of money laundering, is encountered in the laundering of proceeds derived from all predicate crimes. On the other hand, there have not been any TF cases involving purchase and sale of vehicles. In this framework, the risk of the sector is assessed as **medium**.

Intermediary institutions operate under the oversight and supervision of the Capital Markets Board pursuant to Capital Market Law No. 6362. The sector is also among obliged parties in the context of preventive measures within the framework of Law No. 5549 and is under the obligation to prepare a compliance programme.

High liquidity of the products offered by the sector, transactions that are complex and difficult to understand, products that allow high volume transactions and high amounts transactions in one go, and non-resident natural or legal persons being able to conduct high volume trading transactions increase the risk of the sector. On the other hand, the sector conducts conformity tests for customers, classifies the customers as general and professional, defines customer-specific transaction limits, and records all orders related to transactions and all this factors reduce the risk of the sector. There have been few cases where intermediary institutions have been abused for ML/TF purposes. Nevertheless, the sector is assessed as **medium risk** due to its high inherent risk.

Factoring sector is regulated and supervised by the BRSA within the framework of the Law No. 6361 on Financial Leasing, Factoring, Financing and Savings Finance Companies. The sector is among obliged parties in terms of preventive measures within the framework of Law No. 5549 and has been placed under the obligation to prepare a compliance programme as a result of the legislative amendment made in 2021.

Financing an unreal receivable with a fake/sham invoice or payment instrument is among the main ML/TF risks observed in the sector. In addition, conducting foreign factoring transactions without correspondents and intermediating the transactions of companies with no active trade are other risky areas. However, there are not many cases where the sector have been abused for ML/TF purposes. The risk of the sector is assessed as **medium** due to its inherent risk.

Accountants and certified public accountants are regulated by TÜRMOB (the Union of Chambers of Certified Public Accountants) within the framework of Law No. 3568. Independent accountants, certified public accountants, sworn-in certified public accountants, and independent audit institutions have obligations within the framework of Law No. 5549. Sector is obliged to carry out training, oversight, and monitoring and control activities to identify, monitor and mitigate risks under Article 32/A added to the RoC in 2021, and to apply enhanced measures in high-risk situations under RoM. The sector is exposed to ML/TF risks, particularly in the context of legal persons being exploited for trade-based money laundering, and accordingly, the sector's risk level is assessed as **medium**.

3.3.4. Medium-Low Risk Sectors

Regarding **precious metals intermediary institutions sector**, no cases of ML/TF were identified during the analysis period. However, considering the risk transmission between this sector and the exchange offices sector, and based on observations regarding the sector's compliance level, the risk level of the sector is assessed as **medium-low**.

In the risk analysis of **insurance, private pension and reinsurance companies**, the risks of the three main insurance branches (life insurance, non-life insurance and pension) and their sub-branches were assessed within the scope of structural risks, country risk, sales channel risk, sales method risk, customer risk and transaction risk. In this framework, it is understood that life and non-life insurance sectors have limited risk and the private pension sector has low risk, and there has been a small number of cases where the sector was abused for ML and violation of targeted financial sanctions. Accordingly, the risk level of the sector is assessed as **medium-low**.

Regarding **shipping (cargo) sector**, the Turkish Post (PTT Corporate), as the national public operator, and many private sector companies of various scales provide shipping, courier and logistics services in Türkiye. The sector is listed among obliged parties within the framework of Law No. 5549, and has the obligation to exclusively appoint a compliance officer. It has been observed that the sector has recently been partially subject to smuggling, drug trafficking and terrorism financing cases, and therefore, the sector's risk level is assessed as **medium-low**.

In the **financing and financial leasing sector**, payments and collections are made through banks, for a specific good or service and against invoices. This is considered as a risk mitigating factor for the sector. There has been no recent case of abuse of the sector for the purpose of ML/TF. However, considering the level of compliance with preventive measures, the risk level of the sector is assessed as **medium-low**.

Lawyers are regulated under Attorneyship Law No. 1136 adopted in 1969. The sector is listed among obliged parties in Law No. 5549 within the framework of their activities related to asset management [3]. Furthermore, the sector is obliged to carry out training, oversight, and monitoring and control activities to identify, monitor and mitigate risks under Article 32/A added to the RoC in 2021, and to apply enhanced measures in high-risk situations under RoM. In the period that was under analysis, there were a small number of fraud and forgery-associated ML cases involving lawyers. On the other hand, there has not been any TF case involving the abuse of the sector. Taking into account the sector's overall compliance, the risk level of the sector is assessed as **medium-low**.

Regarding **Portfolio Management Companies,** no cases were identified in the analysis period in which the sector were abused for the purposes of money laundering or terrorist financing (ML/TF). However, among capital market institutions, portfolio management companies have

[3] Lawyers were initially included among the obliged parties under Article 2(1)(d) of Law No. 5549 through an amendment introduced by Law No. 7262. However, this obligation was annulled by the Constitutional Court's Decision No. 2024/11, published in the Official Gazette dated 03.04.2025. Taking into account the concerns expressed in the said Decision and in line with FATF standards, lawyers were once again listed as obliged parties through a new amendment to Article 2(1)(d) of Law No. 5549, introduced by Law No. 7521, which was published in the Official Gazette on 26.07.2024 and entered into force on the same date.

the largest total assets. Based on observations regarding the sector's level of compliance, the risk level has been assessed as **medium-low**.

Lottery and betting sector is regulated in Türkiye by the National Lottery and Spor Toto Organisation. The sector is also listed among obliged parties within the framework of Law No. 5549. People who want to play games on legal websites are required to open an account with the relevant dealers and submit their identity information. However, there are cases where the accounts opened on these platforms are misused for laundering purposes. Overall, the risk level of the sector is assessed as **medium-low**.

Independent audit institutions authorized to conduct audit in financial markets have been listed as obliged parties in addition to accountants and certified public accountants sector, in accordance with Article 2(1)(d) of Law No. 5549 and Article 4(1) of RoM. No ML/TF cases were identified within the sector. Based on observations regarding the sector's compliance with its obligations, the risk level of the sector is assessed as **medium-low**.

3.3.5. Low Risk Sectors

No cases have been identified in which the **Investment Partnerships Sector** was abused for the purpose of ML. Based on observations regarding the sector's overall level of compliance, the risk level of the sector is assessed as **low**.

The Asset Management Sector's risk level is assessed as **low** based on its share within the financial sector, the absence of any ML/TF cases involving the sector, and observations regarding its overall level of compliance.

Similarly, **the Savings Finance Sector's** risk level is assessed as **low**, based on the absence of ML/TF cases and observations regarding the sector's compliance with obligations.

As for **Notary Sector**, no ML/TF cases were identified during the analysis period. The risk level of the sector is assessed as **low**.

4. Risks Associated with Non-Governmental Organizations (NPOs)

4.1. Associations

Associations in Türkiye operate within the framework of Law No. 5253. The law regulates their activities of associations, the functioning of their organs, their income and expenditure procedures, the obligation to submit declarations, auditing, receiving aid from abroad and making aid abroad, etc. The sanctions to be applied in case of non-compliance with these procedures and principles are specified in Article 32 of the Law.

Associations are audited within the framework of this Law. In this framework, the AML/CFT audit of associations is carried out within the framework of risk-based audit methodology. The said methodology was first prepared by the General Directorate of Relations with Civil Society in 2020 and is updated regularly. In this context, several criteria such as the activity type of association, its number of personnel, annual income its being subject to judicial-administrative proceedings, its geographical location, the amount of aid received by the association from abroad, the amount of aid sent abroad and the date of establishment of the association are taken into consideration in risk analysis.

As of 31.12.2024, there are 100,615 associations of 22 different types registered in Türkiye. Compared to the size of the sector, the number of cases involving abuse of the sector for financing of terrorism is low. Therefore, although the TF risk of the sector as a whole is considered low, it is observed that certain types of associations, such as humanitarian aid associations operating in conflict zones, are exposed to a relatively higher risks.

During the analysis period, it was observed that fundraising activities were conducted via social media, particularly on behalf of certain non-governmental organizations operating abroad, as well as various platforms that give the impression of being associations.

Law No. 5549 and FATF standards do not stipulate de-risking, and in Türkiye, the sector is not subject to such measures as total termination of business relationship, etc. for de-risking purposes. Identification of associations and foundations is carried out in accordance with Article 8 of the RoM, and the statistics on customer rejection, especially by banks, also set forth that a sector-specific de-risking policy is not pursued.

4.2. Foundations

In Türkiye, foundations are established in accordance with Turkish Civil Law No. 4721, and they are supervised and operated in accordance with the Law No. 5737 on Foundations. Pursuant to Article 102 of Turkish Civil Law, the will to establish a foundation is expressed in the form of an official deed to be issued by a notary public or by a testamentary disposition. However, in order to establish a foundation, it is necessary to apply to the competent civil court of first instance for registration. The strictness of the procedures for establishing a foundation largely prevents the sector from being abused for ML/TF purposes. It is understood that almost all foundations comply with the declaration obligations under the relevant legislation. This obligation also covers donations received or sent, and it is essential that cash donations are made through banks.

In this framework, the risk is assessed as **low** for all types of foundations (new foundations, fused foundations, annexed foundations, foundations for assistance to employees and workers, public benefit foundations and family foundations).

Conclusion

National Risk Assessment report has been prepared in line with the Strategic Purpose No. II of Strategy Document on Increasing the Effectiveness of Combating Laundering Proceeds of Crime and Financing of Terrorism and Confiscation Practices in Türkiye with a view to improve Türkiye's level of compliance with FATF standards, an increase was observed in the analysis period in ML cases through the use of new technologies and TF cases through the abuse of social media, and the dominant sectors showed similarities with the findings of the previous NRA. In this context, sectors that primarily mediate fund transfers and asset acquisitions stood out by their inherent ML/TF risks; however, it has been observed that the impact of this risk has been mitigated through sectorial compliance efforts.

Within the framework of the National Strategy Document, a comprehensive fight against money laundering (ML) and terrorist financing (TF) is being conducted in our country through MASAK's operational and strategic analysis activities, the compliance supervisions it coordinates, and the efforts of judicial authorities and specialized law enforcement units

dedicated to combating these crimes. Ensuring that this fight continues in alignment with the identified risks is crucial for the effective use of resources.

In light of this information, it is aimed that the report will contribute to the improvement of Türkiye's AML/CFT practices with a risk-based approach in line with FATF standards. The results of the NRA is intended to serve as a guide for the institutions taking part in AML-CFT-related policy-making, supervision programming, financial analysis, investigation and prosecution processes, as well as for private sector representatives, especially the obliged parties, academic circles and our citizens.