

***BANK
OF
GUYANA***



**ANTI-MONEY
LAUNDERING
AND
COUNTERING THE
FINANCING OF
TERRORISM (AML/CFT)
COMPLIANCE REPORT**

May 2019

Bank of Guyana Insurance Supervision Department
Anti-Money Laundering and Countering the Financing of Terrorism
(AML/CFT) Compliance Report

A. Introduction

Under section 22 (2) of the Anti-Money Laundering and Countering the Financing of Terrorism Act No. 13 of 2009 (AML/CFT Act), the supervisory authority responsible for supervising compliance of the AML/CFT Act is required to examine and oversee the reporting entity's effective compliance with the obligations set out in the said Act, including sections 15, 16, 18, 19, and 20.

In the circumstances, reporting entities are required to provide an AML/CFT compliance report to the Bank of Guyana. The compliance report sets out a reporting entity's compliance with the AML/CFT Act.

B. Reporting Period

The responses provided in the compliance report should be in relation to your quarterly activities which must be submitted together with your quarterly financial filings within fifteen days of the ending of each quarter that is not a year end, to the Bank. An annual compliance report must also be submitted to the Bank within fifteen days of the end of each calendar year. Please insert the name of the reporting entity in the upper right hand corner of page 1 and check the upper right hand corner of each page to indicate the period for which this report is intended.

C. Key Words

For the purposes of this compliance report, terms and expressions used in the compliance report will have the meanings given to them in the AML/CFT Act unless indicated otherwise.

A reporting entity is a person conducting insurance business, including the following:

1. The underwriting and placement of life insurance and other investment related activities;
2. Investing, administering or managing funds or money on behalf of other persons; and
3. Any other activity listed in the First Schedule of the AML/CFT Act.

A business transaction includes:

1. Issuing, or undertaking liability as the insurer under an insurance policy,
2. In the capacity of insurer, accepting a premium in relation to the policy,
3. in the capacity of insurer, making a payment to a person under the policy
4. In the capacity of provider of a pension or annuity, accepting payment of the purchase price for a new pension or annuity, where:
 - (a) The provider is not a self-managed superannuation fund; or
 - (b) The pension or annuity is provided in the course of carrying on a business of providing pensions or annuities.

5. In the capacity of provider of a pension or annuity, making a payment to a person by way of:
 - (a) A payment of the pension or annuity; or
 - (b) An amount resulting from the commutation, in whole or in part, of the pension or annuity; or
 - (c) The residual capital value of the pension or annuity; where the provider is not a self-managed superannuation fund.

Insurance intermediary means an insurance broker or agent which is duly licensed under the provisions of the Insurance Act, No. 17 of 2016.

D. Submission of Report

It is the Bank's strong preference for the AML/CFT compliance report to be completed and filed electronically. However, provisions have been made for the completion and submission of paper-based compliance reports.

This Report MUST be completed and be signed either by a Company Director, Company CEO, Company Secretary, or Company Compliance Officer and submitted to:

**The Insurance Supervision Department
Bank of Guyana
Lot 1 Avenue of the Republic
Georgetown**

Explanatory Guide

E. Part A – General

1. Did you have a written AML/CFT programme during the reporting period?

Section 19 (1) (b) of the AML/CFT Act requires reporting entities to establish and maintain internal policies, procedures, controls and systems in respect of how a reporting entity complies with its obligations under the AML/CFT Act. See also section 8.5 of the Anti-Money Laundering Guidelines for Insurance Business for further information.

This question requires you to indicate if you had a written AML/CFT programme in place during the reporting period. Reporting entities shall furnish the Bank with a copy of their AML/CFT Manual with the initial submission of their compliance report. Any modifications/amendments to these Manuals must be submitted with your report in the subsequent reporting periods.

2. For each component of your AML/CFT programme, indicate your status during the reporting period.

There are several components that make up Part A of the AML/CFT programme and this question requires you to indicate the level of implementation for each of the listed components during the reporting period.

The ratings used in this question are:

- **Not commenced**
- **Partially implemented** – this component of the programme was under development, although there were major shortcomings, with a significant element of the requirements not implemented.
- **Implemented** – this component was essentially fully implemented.

3. (a) From the following list, please select the customer types to which you provided a business transaction service:

- Individuals; companies; trustees; partnerships; incorporated and unincorporated associations; registered co-operatives; Government bodies.

Place a tick in response to 3(a) for each customer type applicable.

(b) Did you assess the money laundering/terrorism financing risks posed by these customer types?

To identify your money laundering and terrorism financing risk you are required to conduct a risk assessment of the customer types to whom you provide business transaction services. Question 3(a) requires you to indicate your particular customer types and 3(b) asks if a risk assessment had been conducted for each of these customer types selected, as at the end of the reporting period. Responses for question 3(b) are only required for each customer type selected in 3(a). Please refer to section 15 of the AML/CFT Act and section 3.1 of the Anti-Money Laundering Guidelines for Insurance Business for further information.

4. Did you assess the money laundering/terrorism financing risk of each of your business transaction services?

To identify your money laundering and terrorism financing risk you are required to conduct a risk assessment of your business transaction services. This question requires you to indicate whether you had assessed the risk of the business transaction services that you provided being used to facilitate money laundering and/or terrorism financing. Please refer to sections 15 of the AML/CFT Act and sections 5, 6.1 and 6.3 of the Anti-Money Laundering Guidelines for Insurance Business for further information.

5. Did you have a procedure to assess the money laundering/terrorism financing risk of any new business transaction services before making them available to customers?

To identify your money laundering and terrorism financing risk you are required to conduct a risk assessment of any new business transaction services before you offer them to your customers. This question requires you to indicate whether you had a procedure in place during the reporting period to assess the risk of how a new business transaction service may be used to facilitate money laundering and/or terrorism financing. Please refer to sections 15 and 19 of the AML/CFT Act and sections 3, 4, and 6 of the Anti-Money Laundering Guidelines for Insurance Business for further information.

6. (a) Did you provide business transaction services from a permanent establishment in a foreign country?

This question requires you to indicate if you provided any business transaction services at/or through an overseas permanent establishment during the reporting period and applies where a reporting entity carries on any activities or business overseas, and includes a place where the person is carrying on activities or business through an agent, branch or subsidiary. See Section 1.2 of the Anti-Money Laundering Guidelines for Insurance Business for further information.

(b) Did you assess the money laundering/terrorism financing risk posed by the provision of business transaction services in that country?

Providing business transaction services in a foreign country may pose different money laundering and terrorism financing risks which are required to be assessed. Reporting entities that provide services at/or through a permanent establishment overseas are required to implement systems and controls to manage those risks effectively. A response for 6(b) is only required if you responded 'Yes' to 6(a).

(c) Is the operation in the foreign country subject to regulatory oversight? If your answer is 'Yes,' by whom?

A response for 6 (c) is only required if you answered yes to 6 (a). See Section 1.2 of the Anti-Money Laundering Guidelines for Insurance Business for further information.

7. Did you assess the money laundering/terrorism financing risk posed by the methods used to deliver your business transaction services? Some examples of delivery methods are:

- face-to-face
- internet, telephone, mail, fax or email
- via a third party such as an agent, broker or intermediary.

To identify your money laundering and terrorism financing risks you are required to conduct a risk assessment of the methods you employ to deliver your business transaction services to your customers. For example, the risks posed by providing business transaction services face-to-face would differ from providing them via the internet.

This question requires you to indicate whether you had assessed the risk of how the methods you had utilized to provide business transaction services may have been used to facilitate money laundering and/or terrorism financing. Please refer to sections 3, 4, 5, 6, and 7 of the Anti- Money Laundering Guidelines for Insurance Business for further information.

8. Did you have a procedure to assess the money laundering/terrorism financing risk of any new delivery methods before making them available to your customers?

To identify your money laundering and terrorism financing risks you are required to conduct a risk assessment of any new methods of delivering your business transaction services, before you make them available to your customers.

This question requires you to indicate whether you had implemented a procedure to assess the money laundering and/or terrorism financing risk posed by any new methods of delivery of your business transaction services, before you made them available to your customers.

9. Have all members of your business group adopted a joint AML/CFT programme?

A response for question 9 is only required if you belonged to a business group of companies during the reporting period.

If you belonged to a business group, indicate if you had adopted a joint AML/CFT programme with the other members of your business group during the reporting period.

10. (a) Did you screen employees who were in a position to facilitate money laundering or terrorism financing?

To reduce money laundering and terrorism financing risks you are required to implement a process to determine in what instances you may need to:

- screen new employees who may be in a position to facilitate money laundering or terrorism financing offences
- Re-screen employees who are promoted or transferred into a new position.

(b) Did you have a procedure in place to manage employee non-compliance with your AML/CFT programme?

Reporting entities must implement a procedure to manage any employee who fails to adhere to their AML/CFT programme.

11. Did you conduct any employee training during the reporting period?

Reporting entities are required to provide training for all officers and staff to ensure that they are aware of the requirements of the AML/CFT Act.

Please refer to section 19 of the AML/CFT Act and section 9 of the Anti-Money Laundering Guidelines for Insurance Business for further information

12. Was an independent review of your AML/CFT programme conducted by:

(a) an internal party?

(b) an external party?

Because an AML/CFT programme may need to be revised due to changes within your operations, your AML/CFT programme must include a procedure for it to be reviewed from time-to-time. This review can either be conducted by an independent person within the organisation or by an external party.

This question establishes whether the review of your AML/CFT programme was conducted by an internal or external party as per the requirements of section 19 (1) (c) of the AML/CFT Act.

F. Part B - Customer identification

13. For each of your customer types, indicate if you had procedures to:

- **Collect the minimum know your customer (KYC) information?**
- **Verify the minimum KYC information?**
- **Identify if additional KYC information needed to be collected?**
- **Identify if additional KYC information needed to be verified?**

Part B of the AML/CFT compliance report sets out the applicable customer identification and verification procedures for your customer types. Section 3 of the Anti-Money Laundering Guidelines for Insurance Business sets out what are the minimum customer identification and verification requirements for insurance businesses. This gathering and verifying of customer information is also referred to as KYC procedures.

The table in this question indicates compliance with collection and verification of KYC information across the different customer types to whom you provide business transaction services.

KYC information is defined in section 2.2 of the Anti-Money Laundering Guidelines for Insurance Business.

Responses to question 12 are only required for each customer type that was selected in 3(a).

Please refer to section 15 of the AML/CFT Act for further information.

14. Did you have procedures in place to respond to discrepancies that arose in the course of verifying KYC information?

If a discrepancy was to occur during the course of verifying a customer's identification, your AML/CFT programme is required to have a procedure to address that discrepancy. This question requires you to indicate if you had implemented such a procedure.

15. Did you have procedures in place to identify agents of customers?

Part B of your AML/CFT programme sets out the applicable customer identification and verification procedures for your customers. This includes circumstances where your customer is represented by an agent.

This question requires you to indicate if you had procedures in place to identify agents of customers to whom you provided any business transaction services. Please refer to section 15 (5) of the AML/CFT Act and section 4.7 of the Anti-Money Laundering Guidelines for Insurance Business for further information.

16. Did you have any high risk customers or groups of customers?

This question requires you to indicate if you may have provided business transaction services to any customers who could be considered to be a high risk of facilitating money laundering or terrorism financing and includes politically exposed persons. Please refer to sections 2, 15 (4) (d) of the AML/CFT Act in respect of the latter for further information. This will be determined by your own risk assessment within your AML/CFT programme.

17. Did you outsource any of your customer identification or verification procedures?

Sections 3.1, 3.4, 3.5 and 3.8 of the Anti-Money Laundering Guidelines for Insurance Business set out the conditions where a reporting entity can rely on the applicable customer identification procedure carried out by an intermediary or third party under section 15 (8) of the AML/CFT Act.

It is important to note that a reporting entity can outsource responsibility, but not accountability.

This question asks if any of your customer identification collection and/or verification procedures were carried out by an external party or agent.

18. Did you make and retain records of all customer identification information and related business transaction services?

This question requires you to indicate if you kept records of the customer identification information that was required to be collected when providing your business transaction services.

Please refer to section 16 of the AML/CFT Act and section 8 of the Anti-Money Laundering Guidelines for Insurance Business for further information. Note that in accordance with **section 16 (4) of the AML/CFT Act**, records must be kept by a reporting entity for a period of at least **SEVEN (7) YEARS** from the date the relevant transaction was completed or business relationship terminated, (whichever is the latter).

G. Part C - Reporting obligations

19. Indicate whether you had procedures in place to report the following to the Financial Intelligence Unit during the reporting period:

(a) Suspicious transactions

(b) Threshold transactions

In Part C, reporting entities are to implement procedures to ensure that the aforementioned reports are generated in accordance with the requirements outlined in section 18 (4), (8), (9) and (10) of the AML/CFT Act.

This question asks you to indicate your level of implementation of these procedures for each report type.

Please refer to section 18 of the AML/CFT Act and sections 3.11.1, 6 and 7 of the Anti-Money Laundering Guidelines for Insurance Business for further information.

20. Did you file any suspicious transactions and/or threshold transactions report(s) to the Financial Intelligence Unit during the reporting period?

This question requires you to indicate if you may have provided any of the aforementioned reports to the Financial Intelligence Unit. Please refer to section 18 (4) of the AML/CFT Act for further information.

21. Did you keep records of the required payer information for all electronic funds transfer instructions?

22. Did you keep records of the required payee information for all electronic funds transfer instructions?

Responses for questions 21 and 22 are only required if you accepted and processed electronic funds transfer instructions during the reporting period. Please refer to sections 16 and 18 of the AML/CFT Act and section 6 of the Anti-Money Laundering Guidelines for Insurance Business for further information.

Company Name:			
Year:			
Quarterly <input type="checkbox"/>	1 st <input type="checkbox"/>	2 nd <input type="checkbox"/>	3 rd <input type="checkbox"/>
Annual <input type="checkbox"/>			

**PART A
General**

1. Did you have a written AML/CFT programme during the Reporting Period?

Yes No

2. For each component of your AML/CFT programme, indicate your status during the Reporting Period.

(a) AML/CFT risk awareness training for employees:

Not commenced Partially implemented Implemented

(b) Employee due diligence programme:

Not commenced Partially implemented Implemented

(c) Oversight by board and senior management (or equivalent):

Not commenced Partially implemented Implemented

(d) AML/CFT compliance officer appointed:

Yes No

(e) Procedures for independent review of your AML/CFT program:

Not commenced Partially implemented Implemented

(f) Enhanced customer due diligence programme:

Not commenced Partially implemented Implemented

(g) Transaction monitoring system to identify suspicious customer activity:

Not commenced Partially implemented Implemented

3. (a) From the following list, please select the customer types to which you provided a designated service:		(b) Did you assess the money laundering/terrorism financing risks posed by these customer types: Responses for question 3(b) are only required for each customer type selected in 3(a).	
Individuals	<input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Companies	<input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Trustees	<input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Partnerships	<input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Incorporated and Unincorporated Associations	<input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Registered co-operatives	<input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Government bodies	<input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4. Did you assess the money laundering/terrorism financing risk of each of your business transaction services?

Yes No

Company Name:
Year:
Quarterly <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/>
Annual <input type="checkbox"/>

5. **Did you have a procedure to assess the money laundering/terrorism financing risk of any new business transactions before making them available to customers?**

Yes No

If your answer is 'Yes,' on a separate sheet, outline briefly the procedures in place and report any modifications in subsequent reports.

6. (a) **Did you provide business transaction services from a permanent establishment in a foreign country?**

Yes No

(b) **Did you assess the money laundering/terrorism financing risk posed by the provision of business transaction services in that country?** *A response for question 6(b) is only required if you responded 'Yes' to question 6(a). Please provide a copy of documented systems and controls and report any modifications in subsequent reports.*

Yes No

- (c) **Is the operation in the foreign country subject to regulatory oversight?**

Yes No

If your answer is 'Yes,' state by whom?

7. **Did you assess the money laundering/terrorism financing risk posed by the methods used to deliver your business transaction service? Some examples of delivery methods are:**

- face-to-face
- internet, telephone, mail, facsimile, or email
- via a third party such as an insurance intermediary.

Yes No

8. **Did you have a procedure to assess the money laundering/terrorism financing risk of any new delivery methods before making them available to your customers?**

Yes No

If your answer is 'Yes,' please provide a copy of the procedure(s) in place and report any modification(s) in subsequent reports.

9. **Have all members of your business group adopted a joint AML/CFT programme?** *A response for question 9 is only required if you belong to a business group of companies.*

Yes No Not Applicable

10. (a) **Did you screen employees/insurance intermediaries who were in a position to facilitate money laundering or terrorism financing?**

Yes No

(b) **Did you have a procedure in place to manage employee/ insurance intermediaries' non-compliance with your AML/CFT programme?**

Yes No

Company Name:			
Year:			
Quarterly <input type="checkbox"/>	1 st <input type="checkbox"/>	2 nd <input type="checkbox"/>	3 rd <input type="checkbox"/>
Annual <input type="checkbox"/>			

11. Did you conduct any employee training during the reporting period?

Yes No

12. Was an independent review of your AML/CFT programme conducted by:

(a) an internal party?

Yes No

(b) an external party?

Yes No

If your answer is 'Yes,' please submit a copy of the findings.

PART B Customer Identification

13. For each of your customer types, indicate if you had procedures to:

Responses to question 13 are only required for each customer type that was selected in question 3(a).

Customer type	Collect the minimum know your customer (KYC) information?		Verify the minimum KYC information		Identify if additional KYC information needed to be collected?		Identify if additional KYC information needed to be verified?	
	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Individuals	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Companies	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Trustees	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Partnerships	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Incorporated and Unincorporated associates	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Registered Co-operatives	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Government bodies	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

14. Did you have procedures in place to respond to discrepancies that arose in the course of verifying KYC information?

Yes No

If your answer is 'Yes,' please provide a copy of the procedures in place and report any modification(s) in subsequent reports.

15. Did you have procedures in place to identify agents of customers?

Yes No

Company Name:			
Year:			
Quarterly <input type="checkbox"/>	1 st <input type="checkbox"/>	2 nd <input type="checkbox"/>	3 rd <input type="checkbox"/>
Annual <input type="checkbox"/>			

16. Did you have any high-risk customers or groups of customers?
 Yes No

17. Did you outsource any of your customer identification or verification procedures?
 Yes No

If your answer is 'Yes,' on a separate sheet, please state the procedure outsourced and the name of the entity/individual.

18. Did you make and retain records of all customer identification information?
 Yes No

PART C

Reporting Obligations

Reporting of electronic funds transfer instructions, threshold transactions, suspicious transactions

19. Indicate whether you have procedures in place to report the following to the FIU, during the Reporting Period. If implemented, please provide a copy of documented procedures in place. If not, state what was proposed, what was achieved, and any outstanding issues.

(a) Suspicious transactions:

Not commenced Partially implemented Implemented

(b) Threshold transactions:

Not commenced Partially implemented Implemented

Report any modification(s) in subsequent reports.

20. Did you file any suspicious transactions, threshold transactions and/or terrorist property report(s) to the FIU during the reporting period?

	Yes	No	Number of Reports Filed
(a) Suspicious Transactions	<input type="checkbox"/>	<input type="checkbox"/>	
(b) Threshold Transactions	<input type="checkbox"/>	<input type="checkbox"/>	
(c) Terrorist Property Report	<input type="checkbox"/>	<input type="checkbox"/>	

If your answer is 'Yes,' to any of the above, please state the number of reports filed.

(d) Letter indicating there was no terrorist transaction. Yes No

Company Name:			
Year:			
Quarterly	<input type="checkbox"/>	1 st	<input type="checkbox"/>
		2 nd	<input type="checkbox"/>
		3 rd	<input type="checkbox"/>
Annual	<input type="checkbox"/>		

21. Did you keep records of the required payer information for all electronic funds transfer instructions?

Yes No

22. Did you keep records of the required payee information for all electronic funds transfer instructions?

Yes No

Declaration and Signature

I confirm that the information contained in this form is true and correct to the best of my knowledge.

.....
Signature

.....
Please print name

.....
Designation/Appointment

.....
Date (DD/MM/YYYY)