



# REPEAT SESSION

## Implementing Procedures Part I Amendments & Training Session Organised by the FIAU

### Amendments

The FIAU has published a revised version of the [Implementing Procedures Part I](#), following a process of consultation with private sector representatives and relevant supervisory authorities. This revision is the most comprehensive one since the issuance of the Implementing Procedures Part I in May 2011 and is primarily intended to revise the customer due diligence requirements introducing alternative documents and procedures and allowing the use of technological alternatives to traditional paper-based measures for conducting customer due diligence. The updated set of Implementing Procedures Part I also reflects recent legislative amendments to the PMLA, Criminal Code and PMLFTR which were introduced in 2014 and 2015, and offers additional guidance on particular AML/CFT requirements. The salient amendments are listed hereunder:

#### Customer Due Diligence – Chapter 3

- The interpretation of the definition of occasional transaction has been revised
- Additional documents and measures to verify the identity details and residential address of customers have been introduced
- Amendments were carried out to Section 3.1.1.2 to cater for practical difficulties faced by subject persons in verifying the residential address of clients
- Technological alternatives for conducting CDD such as the use of video conferencing tools, e-IDs and other technologies are provided
- Additional requirements when determining the beneficial owners of companies whose shares are issued to bearer have been imposed
- Provided additional guidance in identifying beneficial owners
- Amendments were introduced to Section 3.1.3 to provide further assistance to subject persons when carrying out CDD in relation to legal entities and arrangements
- Amendments to SDD and EDD sections were introduced to ensure a clearer interpretation of the corresponding provisions of the PMLFTR
- A new section 3.7 has been added to assist subject persons adhere to their obligations in terms of various UNSCRs and EU Regulations imposing financial sanctions on individuals and entities

known to be involved or linked to terrorism or the financing of proliferation of weapons of mass destruction

#### Record Keeping Procedures – Chapter 5

- The list of records to be retained (Section 5.2) has been revised to reflect changes in corresponding CDD sections and Regulation 13 of the PMLFTR (introduced through L.N. 464 of 2014)
- Further guidance is provided on how to determine the date of commencement of the five year record retention period
- Introduced amendments to Section 5.4. to establish that records may be retained either physically or electronically with certain exemptions being clearly outlined

#### Reporting Procedures and Obligations - Chapter 6

- The sufficient seniority and command criteria for MLROs laid down under Section 6.1 (ii) has been revised
- The five working day period for the reporting of STRs and the date from when the said period shall start to run have been revised, and ancillary changes to internal reporting procedures have been introduced
- A detailed explanation of the provisions of Article 28 of the PMLA which empower the FIAU to postpone suspicious transactions is provided
- Included amendments to Section 6.10 reflecting the legislative amendments carried out to Regulation 16 of the PMLFTR by virtue of L.N. 464 of 2014

#### Other Ancillary Matters – Chapter 8

- Various sections were revised to reflect legislative amendments to the PMLA and the PMLFTR introduced in 2014 and 2015 which have increased the value of administrative penalties that may be imposed for AML/CFT breaches and have provided the FIAU with further powers.

For the avoidance of doubt it should be made clear that these set of amendments are not linked to the transposition of the EU's Fourth Anti-Money Laundering Directive. To that aim the FIAU is currently carrying out a separate exercise to revise the PMLFTR and the Implementing Procedures Part I, which process will be concluded throughout the year. A consultative period will precede the publication of any amendments to the PMLFTR and the Implementing Procedures.

**The amended version, which has been uploaded on the website of the FIAU, shall replace the previous version and shall enter into force with immediate effect.**

## **Training**

The FIAU shall be organising a training event to present and explain these amendments so that subject persons get a clear understanding of the introduced changes. Training shall be provided by Legal and International Relations Officers who are responsible for the drafting of AML/CFT legislation and guidance including this revised set of Implementing Procedures Part I. The session shall also be addressed by the FIAU's Acting Director.

The event shall be held at the Xara Lodge, Rabat on Wednesday 12 April 2017, from 13:00 till 17:00 hours. A registration fee of €55 applies for each attendee. A certificate will be issued to attendees at the end of the seminar, which is valid for 2.5 structure CPE Core hours.

In view of the limited seating kindly note that reservations will only be confirmed upon payment and on a first-come first-served basis. Payment can be effected either by cheque or bank transfer. Further details on such payment methods can be found in the [registration form](#). No bookings will be accepted on the day.

### **Course Programme**

<b>12:15</b>	<b>Welcome Coffee and Registrations</b>
<b>13:00</b>	Introductory Remarks
<b>13:10</b>	PART 1 - Amendments Explained – Customer Due Diligence
<b>14:55</b>	<b>Coffee Break</b>
<b>15:15</b>	PART 2 - Amendments Explained – Record Keeping & Reporting Obligations
<b>16:45</b>	Concluding Remarks

**Alfred Zammit**  
**Deputy Director**

**6<sup>th</sup> March 2017**