

Working Group on Evaluations and Implementation

KYC RULES – WORLD BANK INVENTORY (FOR INFORMATION)

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1. Enclosed is a document prepared by the World Bank following the discussion of the FATF Plenary that took place in June 2010 on financial inclusion. Based on the responses to the KYC questionnaire that was sent out to all delegations, the World Bank has prepared an inventory of countries' legislation on KYC (identification/verification, use of agents and KYC rules applicable to remittances). More than 20 countries have provided some input.
2. This information contributes to the work being currently done on financial inclusion (see FATF/WGEI(2011)9), and is provided for information purposes only, not for discussion.

FATF Secretariat
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AFGHANISTAN	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	"When opening an account or handling any other transaction for an individual, financial institution shall ask the potential customer to produce his personal, original national identity card or passport that is current and bears a photograph. The financial institution must attempt to verify the information submitted, and retain a copy of the identification document. In addition, the financial institution shall record the permanent address, telephone number (if any), approximate date of birth, place of birth, occupation, and name of employer (if applicable). The financial institution must make reasonable attempts to verify all of this information through telephone calls, visits to the customer's home or place of work, or by other means. In cases where an account is opened by one individual (the agent) on behalf of another individual (the principal), the identification procedure must be performed on both the agent and the principal" [AML Responsibilities Regulation, 1.3.3., (a)]. KYC procedures for clients who are corporations, partnerships, organizations, charities and associations, are detailed in Section 1.3.3(b) of the AML Responsibilities Regulation.
Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.	KYC procedures are not required for occasional transactions below Afs 500,000. [AML Responsibilities Regulation, 1.4.3.]
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	
What are the KYC procedures required for a single transaction? And a transaction in the current business?	"Reporting entities shall identify and verify the identity of their customers in the following circumstances when: carrying out transactions equal to or exceeding 1,000,000 Afghani; [and when] establishing business relations with any person" [AML Law, Art. 9(1); (a) and (e)]. "Financial institutions must not carry out occasional transactions in excess of Afs 500,000 on behalf of customers who refuse to identify themselves at all or refuse to disclose and document the source of their funds. Identification of customers who initiate occasional transactions in an amount between Afs 500,000 and Afs 1,000,000 may consist of documentation and recording of name and address only Identification of customers who initiate occasional transactions in an amount of Afs 1,000,000 and above should include the information required when opening an account [...], and the financial institution is encouraged, but not required, to verify the identification documents supplied." [AML Responsibilities Regulation, 1.4.3.]
Who must conduct KYC procedures?	All "reporting entities". These include: (a) financial institutions; (b) Da Afghanistan Bank, if engaging in commercial banking services; (c) precious metals and precious stones dealers engaging in a cash transaction equal to or exceeding Afg 1,000,000; (d) lawyers and other independent legal professionals or accountants, when they carry out transactions in buying and selling immovable assets, managing money, securities or other assets, account opening or managing, among others; (e) real estate agents. [AML Law, Art. 4(1)]
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	"The [E-Money Institution] is responsible for ensuring that its authorized e-money agents have received training on their AML/CFT responsibilities, including customer acceptance and customer identification." [Money Service Providers Regulation, 2.5.9]
What are the record-keeping requirements for agents?	Not stated. Financial institutions are required to establish and maintain centralized database of information regarding clients and transactions. [AML Responsibilities Regulation, 1.3.9.]

Are agents required to monitor and report suspicious transactions?	Only "reporting institutions" must monitor and report. [AML Law, Art. 16]
What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	"To the greatest extent possible, an authorized e-money agent should be an established business in its community, whose commissions from handling MVT or other EMI transactions represent less than 50 percent of its total revenue from all business activities. This criterion is not to be interpreted as a rigid requirement, but rather as an indication that a loss of reputation caused by misbehavior or incompetence in EMI activities would create a significant financial loss for the agent with regard to its other business activities." [Money Service Providers Regulation, 2.5.9., 1.]
3. Remittances	
What KYC procedures are required for cross-border remittances?	"All cross-border wire transfers must be accompanied by accurate information on the individual or unit initiating the transfer, including name, passport number or national identity card number, and account number. In addition, if the cross-border wire transfer exceeds Afs 1,000,000, the sender must provide documentation on the source of the funds. In the absence of an account number, a unique reference number shall accompany the transfer." [AML Responsibilities Regulation, 1.4.4.]

AUSTRALIA	
1. Identification / Verification	
<p>What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?</p>	<p>The <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i> (AML/CTF Act) and the accompanying AML/CTF Rules set out what is required to identify and to verify the identity of customers of reporting entities before providing them with a designated service. (Reporting entities are, in the financial services area, banks, building societies and credit unions and designated services include opening an account. For the first part of this inventory, the terms “bank/s” and “account/s” are generally used in place of “reporting entity/ies” and “designated service/s”.)</p> <p>Banks (and all other kinds of reporting entities) are required to have an AML/CTF program (section 81) which is divided into Part A (general) and Part B (customer identification) (sections 82-86). Part A is designed to identify, mitigate and manage the risk a bank may reasonably face that the provision of a service in Australia might (whether inadvertently or otherwise) involve or facilitate money laundering or financing of terrorism.</p> <p>Part B sets out the applicable customer identification procedures. Part B must include risk-based systems and controls designed to enable the bank to be reasonably satisfied, where a customer is an individual, that the customer is the individual that they claim to be (Rule 4.2.2). Part B must include a procedure for the reporting entity to collect from an individual, as the minimum KYC information, their full name, date of birth and residential address (Rule 4.2.3). Part B must include appropriate risk-based systems and controls for the bank to determine whether any other KYC information needs to be collected from a customer (Rule 4.2.5). (Banks also need to consider their obligations under the <i>Privacy Act 1988</i> when deciding what information is required to be collected to fulfil their obligations under the Rules.)</p> <p>Other KYC information in relation to individuals may include any other names the customer is known by, countries of citizenship and residence, occupation or business activities, the nature of the customer’s business with the bank including the purpose of specific transactions and the expected nature and level of transaction behaviour, income or assets, source of funds, financial position, the beneficial ownership of funds used by the customer with respect to the bank account, and the beneficiaries of transactions being facilitated by the bank on behalf of the customer including the destination of funds (Rule 1.2.1, under definition of “KYC information”). Equivalent information is required of non-individual kinds of customers.</p> <p>Part B must include a procedure for the bank to verify, at a minimum, the customer’s full name and either their date of birth or their residential address (Rule 4.2.6). The verification must be based on reliable and independent documentation or reliable and independent electronic data or both (Rule 4.2.7). Any other KYC information collected from the customer should be verified in the same way (Rule 4.2.8). Part B must include appropriate risk-based systems and controls for the bank to respond to any discrepancy that arises in the course of verifying KYC information so that the bank can determine whether it is reasonably satisfied that the customer is in fact the person that they claim to be.</p> <p>Records of identification procedures, transactions, electronic transfers and other matters must be kept for seven years (Part 10 of the AML/CTF Act).</p> <p>The bank must also carry out ongoing customer due diligence. Section 36 of the AML/CTF Act provides that a bank must monitor its customers in relation to designated services with a view to identifying, mitigating and managing the risk that the bank may reasonably face that provision of a service might involve or facilitate money laundering or the financing of terrorism. The monitoring is done in accordance with Chapter 15 of the AML/CTF Rules.</p> <ul style="list-style-type: none"> • The AML/CTF Act is at www.comlaw.gov.au/ComLaw/Legislation/ActCompilation1.nsf/0/CBE6AFBAA1D02A8BCA25777E0026FF4E/\$file/AntiMoneyLaundCountTerrFin2006.pdf. • The AML/CTF Rules are at www.comlaw.gov.au/ComLaw/Legislation/LegislativeInstrumentCompilation1.nsf/0/BF832A36C2001A90CA2577AF002209E2/\$file/AUSTRAC_n397080_v2_AMLCTF_Rules_Compilation_up_to_2010_No_.pdf.

	<ul style="list-style-type: none"> • The Australian Transaction Reports and Analysis Centre (AUSTRAC), Australia's AML/CTF regulator and financial intelligence unit, provides a wide range of information for business and customers, including a regulatory guide and brochures, at www.austrac.gov.au/index.html. • The Australian Government's website for AML/CTF is at www.ag.gov.au/www/agd/agd.nsf/Page/Anti-money_laundering.
<p>Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.</p>	<p>Any reduction of KYC requirements is based on risk. The AML/CTF Act and Rules adopt a risk-based approach. This means that banks need to conduct KYC procedures in proportion to the possible risks associated with a particular customer and the service they wish to receive and how that service is to be delivered. Where a bank identifies low ML/TF risks it may take simplified KYC measures.</p> <p>Section 88 of the AML/CTF Act provides for variable customer identification procedures for compliance with a Part B of an AML/CTF program. That is, Part B may make provision for different kinds of customers, different kinds of designated services or different circumstances. Chapter 4 of the AML/CTF Rules sets out the various compliance requirements for individuals, companies, trustees, partnerships, incorporated and unincorporated associations, registered cooperatives and government bodies.</p> <p>Section 31 of the Act provides for verification of identity of customers of low-risk services. If a designated service is specified as a low-risk service under the AML/CTF Rules, it is not necessary to verify the identity of an existing customer of that service unless a suspicious matter reporting obligation arises in relation to that customer. However, the AML/CTF Rules do not currently specify any services as low-risk.</p> <p>Chapter 4 of the Rules also provides simpler or "safe harbour" verification procedures where there is a low to medium ML/TF risk. The minimum KYC information must still be collected.</p> <p>For a documentation-based safe harbour procedure (Rule 4.2.11) a customer's name and either their residential address or their date of birth (or both) can be verified from an original or certified copy of a primary photographic identification document (driver's licence, passport, State or Territory card showing proof of age, or national identity card issued by a foreign government or by the United Nations or a UN agency). Alternatively, the customer can provide originals or certified copies of both a primary non-photographic identification document (birth certificate, citizenship certificate or pension card) and a secondary identification document showing their name and address (Commonwealth, State or Territory notice regarding financial benefits, tax return notice, a notice issued by local government or a utilities provider, or if the customer is under 18 a notice issued by their school).</p> <p>For an electronic-based safe harbour procedure (Rule 4.2.13), the bank can verify a customer's name and address using reliable and independent electronic data from at least two separate data sources, and either the customer's date of birth using reliable and independent electronic data or the customer's transaction history for the past three years. There are criteria for gauging whether data is "reliable and independent" (Rule 4.10.2).</p> <p>For the assistance of reporting entities AUSTRAC has produced a generic documentation-based safe harbour customer identification procedure form in its Regulatory Guide at Appendix J: www.austrac.gov.au/files/regguide_full.pdf, pp 249-250. Further information about the safe harbour procedures that a bank may choose to follow can be found at pp 52-63 of the Regulatory Guide.</p>
<p>Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?</p>	<p>Yes, accounts may be opened via a bank's website or over the phone.</p> <p>The AML/CTF Rules provide for electronic verification of identity which means that bank accounts may be opened on a non-face-to face basis.</p> <p>Under Part 4.2 of the Rules, Part B of a reporting entity's AML/CTF program must include a procedure for the reporting entity to verify as a minimum a customer's full name and either their date of birth or residential address using reliable and independent documentation and/or electronic data. The reporting entity must have in place risk-based systems and controls so that it can determine whether further KYC information collected from the customer should be similarly verified and so that the reporting entity can be satisfied that the customer is the person they claim to be.</p>

What are the KYC procedures required for a single transaction? And a transaction in the current business?	<p>The AML/CTF Act adopts an activity-based approach. Reporting entities must identify and verify customers before providing a designated service, including for a single transaction. The KYC procedures are set out above.</p> <p>Existing customers are subject to risk-based ongoing customer due diligence procedures. Banks must carry out ongoing monitoring of customers and their transactions. Under section 36 of the AML/CTF Act, ongoing customer due diligence requires a bank to monitor its customers with a view to identifying, mitigating and managing the risk the bank may reasonably face that the provision of a designated service in Australia might involve or facilitate money laundering or the financing of terrorism. The bank must undertake this ongoing due diligence in accordance with Chapter of the AML/CTF Rules, which provide that a bank must put in place appropriate risk-based systems and controls to determine whether any further KYC information should be collected for ongoing customer due diligence purposes.</p>
Who must conduct KYC procedures?	<p>All reporting entities (financial services, bullion traders and gambling services which provide a designated service – as listed in section 6 of the AML/CTF Act) must conduct KYC procedures.</p> <p>The AML/CTF Rules (Parts 8.3 and 9.3) mandate employee diligence programs which include screening of employees and risk-based systems and controls. The Rules (Parts 8.5 and 9.5) also provide that a reporting entity must designate a management-level person as the AML/CTF compliance officer. That officer may have other duties.</p>
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	<p>Section 37 of the AML/CTF Act allows customer identification procedures to be carried out by an agent of a reporting entity. Under section 38 (and Chapter 7 of the AML/CTF Rules), a reporting entity can rely on the customer identification procedures already carried out by another reporting entity which has identified a customer in accordance with the Rules. Chapter 7 specifies that this applies to Australian financial services licence holders who are arranging for a customer to receive a designated service, as well as to members of a designated business group.</p> <p>Unless the agent is itself a reporting entity under the Act, the general principles of agency apply, so that a reporting entity can delegate responsibility, but not accountability (AUSTRAC's Regulatory Guide, page 49).</p>
What are the record-keeping requirements for agents?	<p>The normal record-keeping responsibilities that apply to a reporting entity would still apply even when an agent has been used to conduct functions on behalf of the reporting entity. The regulatory obligations to make and retain records fall on reporting entities rather than on agents.</p> <p>The record-keeping requirements are set out in Part 10 (sections 104-119) of the AML/CTF Act. Records of designated services and documents provided by customers in relation to the provision of that service must be kept for seven years and records of customer identification procedures must be kept for seven years after the relationship between the reporting entity and the customer has come to an end.</p>
Are agents required to monitor and report suspicious transactions?	<p>The obligation to report a suspicious matter to AUSTRAC ultimately rests with the reporting entity, not the agent. Suspicious matter reporting is dealt with in section 41 of the AML/CTF Act and Chapter 18 of the AML/CTF Rules.</p>
What are the operational and other requirements for agents (information disclosure, infrastructure, etc)?	<p>There are no formal requirements and any such requirements may depend on any contractual arrangement between an agent and a reporting entity.</p>
3. Remittances	
What KYC procedures are required for cross-border remittances?	<p>Cross-border remittances are designated services under the AML/CTF Act. Reporting entities must carry out KYC procedures required by the Act and the Rules before providing such a service. The procedures are outlined above.</p>

BRAZIL	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	To open a bank account, a customer must provide name, gender, nationality, marital status, parent names, profession, date and place of birth, address, and telephone number. A customer is also required to present to the bank or its agent a government-issued official identification and a taxpayer card. [Resolution 2025/1993, Art. 1]
Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.	For the opening of a simplified deposit account (limited to one per individual and must be the only account held by the customer), a bank may accept alternative supporting documents and identification, such as records made available by government agencies responsible for welfare payments. The customer must present government-issued identification and taxpayer card within six months of the account opening; otherwise the bank must close the account. [Resolution 3211/2004, Art. 4] Subject to certain exceptions based on microcredits, simplified accounts are subject to a monthly balance limit (and total monthly deposit limit) of R\$ 1,000 [Resolution 3211/2004, Art. 1, II]. The opening and maintaining of these accounts are free, if there is no more than (i) four withdrawals per month, (ii) four balance statements per month and (iii) four deposits (excluding loan deposits). [Resolution 3211/2004, Art. 7, I, II and III] "Funds may only be withdrawn by means of a magnetic-strip card or other electronic means." [Resolution 3211/2004, Art. 1, III]
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	For Brazilians living abroad temporarily, deposit and savings accounts can be opened via electronic means (subject to a monthly total deposit limit of R\$ 10,000). [Resolution 3203/2004, Art 1] Customers are required to forward copies of their identification documents of the financial institution account within thirty days from the date of the account opening. [Resolution 3203/2004, Art 1, III] In addition, individuals who have opened an account subject to full KYC, may open a second account through electronic means (but such account may only be used for transfers between accounts of the same account holder). [Resolution 2817/____] It is also possible for foreigners and Brazilians abroad to electronically open investment accounts in Brazil.
What are the KYC procedures required for a single transaction? And a transaction in the current business?	KYC procedures are only required for transactions above R\$ 10,000. [Resolution 3568/2008, Art. 26]
Who must conduct KYC procedures?	Financial institutions and other institutions authorized to operate by the CBB are all required to identify their clients. [Law 9613/1998, Capítulo V, Art. 9]
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	Authorized correspondents receive and forward client applications for account opening to the financial institution. [Resolution 3,110/2003, Art. 1.I]
What are the record-keeping requirements for agents?	Only financial institutions and other institutions authorized to operate by the CBB are required to maintain updated records of their customers' identity, as well as records of all transactions in national or foreign currency and any assets that may be converted into cash for at least five years. [Law 9613/1998, Capítulo VI, Art. 10 (paragraph 2) and Resolution 2025/1993, Art. 4]

Are agents required to monitor and report suspicious transactions?	No, only financial institutions (among others) are covered by the AML-CFT requirements. [Law 9613/1998, Capítulo V, Art. 9]
What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	An agent cannot use the word "bank" in its name without CBB authorization. [Resolution 3110/03, Art. 3] Financial settlement between the agent and the bank must occur at least every two business days. [Resolution 3110/03, Art. 4, V] Besides, each agent is required to post the following: (i) a signage indicating the agency status; (ii) table containing all services free from charges; (ii) fees for all financial services available at the agent [Resolution 3518/2007, Art. 9]; (iv) telephone numbers of the bank ombudsman. [Resolution 3849/2010, Art. 1, III(a)]
3. Remittances	
What KYC procedures are required for cross-border remittances?	Only cross-border remittances above R\$ 10,000. [Resolution 3568/2008, Art. 26]

CANADA	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	<p>There are two sets of regulations which apply to bank account openings: 1. Proceeds of Crime (Money Laundering) and Terrorist Financing (PCMLTF) Regulations 2. Access to Basic Banking Services Regulations. The first defines the minimum KYC requirements to open a bank account and the second puts some standards for the maximum conditions that a bank can ask for a basic bank account opening. The second aims to facilitate financial inclusion. A bank cannot introduce further requirements and is obliged to open the account if the applicant meets the conditions in the "Access to Basic Banking Services Regulations".</p> <p><u>1. PCMLTF Regulations (64.1.a) and Guideline 6G:</u></p> <ul style="list-style-type: none"> • The financial entity shall ascertain the identity by referring to the person's birth certificate, driver's license, provincial health insurance card, social insurance number (SIN) card, passport or other similar document; (The document must have a unique identifier number and must have been issued by a provincial, territorial or federal government). <p><u>2. Access To Basic Banking Services Regulations</u></p> <p>a) In addition to one of the official documents mentioned above (Group A),</p> <ul style="list-style-type: none"> • the individual shall provide a second document from (Group A) or from a private institution (Employee identity card, bank ATM or client card, credit card,...); or • no need for a second document if the identity of the individual is also confirmed by a client in good standing with the bank, <p>b) And the individual shall disclose, orally or in writing, his/her name, date of birth, address (if any), occupation (if any).</p> <p>Note: No explicit requirement for the address documentation/verification.</p>
Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.	<p>All account openings subject to CDD requirements. CDD Thresholds regarding other transactions:</p> <ul style="list-style-type: none"> • money orders, traveler's cheques or other similar negotiable instruments: \$3,000 or more, • an electronic funds transfer of \$1,000 or more, • a foreign currency exchange transaction of \$3,000 or more;
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	<p>It is possible. For non face-to-face account openings there are two ways to do KYC :</p> <p>1. By confirming that one of the certain reporting entities (banks, credit and saving institutions, loan and trust companies, life insurance companies, security, investment and portfolio management companies etc., -the list here intentionally excludes foreign exchange bureaus and money remitters-) has already identified the person and verifying that the name, address and date of birth in the record kept by that entity corresponds to the information given by the person.</p> <p>2. With certain combinations of two of following identification methods set out in Part A of Schedule 7: 1-Identification Product Method (Credit History) 2.Credit File Method 3. Attestation Method (from a commissioner of oaths or a guarantor in Canada) 4. Cleared Cheque Method 5.Confirmation of Deposit Account Method.</p> <p>[PCMLTF Regulations 64.1.b]</p>
What are the KYC procedures required for a single transaction? And a transaction in the current business?	<p>The three types of transactions that are subject to CDD when made without an account;</p> <ul style="list-style-type: none"> • money orders, traveler's cheques or other similar negotiable instruments: \$3,000 or more, • an electronic funds transfer of \$1,000 or more, • a foreign currency exchange transaction of \$3,000 or more; <p>In these cases, the institution is required to apply same CDD measures that are applicable to account openings.</p>

	Once the entity identified the customer, they do not have to confirm their identity again if they recognize the individual (visually or by voice) at the time of a future event. However, if there are any doubts the entity has to ascertain the identity. [Guideline 6G: 4.2. Existing clients]
Who must conduct KYC procedures?	Banks, and authorized foreign banks, cooperative credit societies, savings and credit unions and caisses populaires, life insurance companies, companies to which the Trust and Loan Companies Act applies; trust companies regulated by a provincial Act; loan companies regulated by a provincial Act; persons and entities dealing in securities or any other financial instruments, or to provide portfolio management or investment advising services; persons and entities engaged in the business of foreign exchange dealing, of remitting funds or transmitting funds, or of issuing or redeeming money orders, traveler's cheques or other similar negotiable instruments. [Proceeds of Crime (Money Laundering) and Terrorist Financing Act- Article 5]
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	Agents are allowed to carry out KYC. But the main responsibility stays with the principal. [The <i>Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations</i> : 7.2, 71.d] If they use an agent to meet your client identification obligations, they have to enter into a written agreement or arrangement. Principal has to obtain from the agent the customer information. [Guideline 6G]
What are the record-keeping requirements for agents?	For all of the AML compliance requirements the primary responsibility belongs to the principal. The principal has the obligation to train the agents and ensure that they know their AML responsibilities as the agents. [Source: Guideline 4: Implementation of a Compliance Regime: 7. Ongoing Compliance Training]
Are agents required to monitor and report suspicious transactions?	See above
What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	See above
3. Remittances	
What KYC procedures are required for cross-border remittances?	When remitting or transmitting certain funds, MSB's record keeping and client identification obligations are as follows: <ul style="list-style-type: none"> • For an amount of \$1,000 or more, they have to keep a record and identify the client (<i>which implies the exemption of the transactions below \$1000</i>); • They have to include originator information with the transfer; and • For an amount of \$100,000 or more, they have to make a determination of whether they are dealing with a PEP and if so, take other measures. The documents to be used for KYC are same with financial institutions, as given in the previous parts. [Guideline 6C: Record Keeping and Client Identification for Money Services Businesses]

COLOMBIA	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	For all accounts, the following information is required (obtained through a KYC form): (i) name/last name; (ii) for nationals, ID number, NIT, birth certificate, citizenship card and identity card; (iii) for foreigners: foreign ID, passport or diplomatic/preferential ID types; (iv) tourists from Andean region: ID number: valid ID in issuing country with which they entered Colombia; (v) place and date of birth; (vi) address and residential phone number; (vii) occupation, profession; (viii) principal economic activity: commercial, industrial, transport, construction, etc; (ix) name, address, fax and telephone of the company, office or business they work for; (x) declaration of origin of goods and or funds (depending on each case); (xi) monthly income and expenses; (xii) details of income not from main economic activity; (xiii) total assets; (xiv) signature and finger print of person opening account; (xv) date when account was opened. [Circular Básica Jurídica, Título I, Capítulo XI, 4.2.2.1.1] All KYC information should be collected through an in person interview.
Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.	A 2009 modification of the SFC Basic Banking Circular simplified AML/CFT procedures for low-value electronic accounts and mobile accounts that are opened via agents (who receive and forward the application materials). People opening such accounts are not required to complete the application form nor have an interview with a bank employee [Circular 008/2009, 4.2.2.1.1.2.]. Instead, they must provide identification information such as their "name, date and place of issue of the identification document, and date and place of birth" [Circular 008/2009, 5.1.1.]. "Credit institutions and cooperatives with authorization to engage in financial activities shall not charge [electronic] account holders for handling their accounts or for any medium authorized for such purpose. Furthermore, no charge shall be imposed by credit institutions or authorized cooperatives for a minimum of two withdrawals in cash and one balance inquiry by the client, per month" and "no initial minimum balance shall be charged for opening these accounts, nor shall there be any minimum balance requirements". In addition, "clients shall be provided with clear information on what this benefit covers. In particular, they shall be informed of the cost of additional transactions or inquiries". [Decree 4590/2008, Art. 2, (d) and (e)]
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	All KYC information should be collected through an in person interview. Non face-to-face interviews are allowed or can be carried out by personnel that are not employees of the supervised entity if they are able to show the reasons why this had to be conducted this way and if they monitor these clients more strictly. [Circular Básica Jurídica, Título I, Capítulo XI, 4.2.2.1.1.2.1]
What are the KYC procedures required for a single transaction? And a transaction in the current business?	"In the case of domestic transfers, the following is the minimum information on the remitter and beneficiary that must remain with the transfer or related message through the payment chain: In the case of individuals: name(s) and surname(s); type and number of identification, address and telephone number and city. In the case of corporations: Corporate name, Taxpayer ID, type and number of identification of the legal representative, address, telephone number, and city." [Circular 008/2009, 5.2.]
Who must conduct KYC procedures?	Entities supervised by the Financial Superintendency of Colombia. [Circular 008/2009, 4.2.2.1.1.]
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	The "correspondents may act as authorized third parties for carrying out the necessary procedures [...], such as the interviews required for acceptance of clients." [Decree 1121/2009, Third paragraph]
What are the record-keeping requirements for agents?	The agency contract must clarify the "procedure adopted to record and save information from transactions and events associated with the operations of the terminals." [Agency Law, Title III, Chapter 9, Page 57, 1.5]

Are agents required to monitor and report suspicious transactions?	No, only entities supervised by the Financial Superintendency of Colombia are required to. [Circular 008/2009]
What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	Agent transactions must be authorized via a dedicated terminals meeting minimum technical requirements. [Agency Law, Title III, Chapter 9, 1.3.]
3. Remittances	
What KYC procedures are required for cross-border remittances?	"When effecting transfers abroad, the supervised entities shall require recipients to provide the following information even if they are not clients: In the case of individuals: name(s) and surname(s); type and number of identification, address and telephone number. In the case of corporations: Corporate name, Taxpayer ID, type and number of identification of the legal representative, address and telephone number." [Circular 008/2009, 4.2.2.4. and 5.1.2.2.]

FIJI	
1. Identification / Verification	
<p>What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?</p>	<p>When conducting customer identification and verification, a financial institution must (a) obtain the following information about the customer: (i) name, (ii) permanent residential or business address in Fiji, (iii) date of birth, (iv) the occupation, business or principal activity (including name of employer or nature of self-employment or business, (v) specimen signature, (vi) source of funds, and (vii) citizenship, and (b) verify the information obtained in clause (a).</p> <p>A financial institution may verify a customer on the basis of one or more of the following documents: (i) a valid passport, (ii) a birth certificate, (iii) a marriage certificate, (iv) a citizenship certificate, (v) a valid driver's license; (vi) a valid Fiji National Provident Fund (superannuation) membership card; (vii) any other evidence of identity, as may be determined by the FIU. (Note: The FIU has added other identification documents such as a letter from a suitable referee, certificate confirming land ownership etc)</p> <p>A financial institution may also rely on other reliable, independently sourced and valid documents, data, or information which must include one or more of the following with respect to citizens of Fiji:</p> <ul style="list-style-type: none"> (i) bank statement or account statement issued by another financial institution if the person previously transacted with a bank or financial institution and that bank or financial institution had confirmed the person's identity, (ii) tax identification number and acknowledgement from Fiji Islands Revenue and Customs Authority, (iii) notice of taxation assessment by the Fiji Islands Revenue and Customs Authority, (iv) utility bill for electricity, water, telephone or other similar services issued by the authority responsible for the supply of such services, (v) municipal business licence certificate or municipal rates statement or invoice, (vi) mortgage statement from another financial institution, (vii) cellular phone account statement, (viii) television account statement, (ix) long-term or short-term insurance policy document issued by an insurance company, (x) motor vehicle licence or registration document, (xi) land or other property ownership document or title, (xii) employment identification card or a letter from the employer, pay or salary slip, (xiii) identification card issued to a student at a tertiary or technical education institution, (xiv) verification by a suitable referee as approved by the financial institution, (xv) other evidence which the financial institution determines with the approval of the FIU is reasonably capable of verifying the identity of the customer, (xvi) such other document, data or information as may be specified by the relevant supervisory authority or the FIU. [FTR Regulations , Sections 7-10]
<p>Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record</p>	<p>"A financial institution may reduce or simplify its customer identification requirements, processes and procedures in the following circumstances:</p> <ul style="list-style-type: none"> (i) where a customer is assessed as having a low risk for engaging in money laundering or terrorist financing activities. For example customers who are children or minors; certain sole trader businesses (such as rural micro-finance sole trader businesses;

<p>keeping, if applicable.</p>	<p>neighborhood shop or canteen businesses); students; rural farmers; rural dwellers; casual employees,</p> <p>(ii) where information on the identity of the customer is publicly available.</p> <p>(iii) where adequate checks and controls on the customer exist in Fiji. For example persons who work in a regulated profession such as a medical practitioner, accountant, lawyer, dentist, teacher, police officer, etc." [FTR Guideline 4, Section 13.2]</p> <p>For customers with insufficient identification documents, or who cannot provide any of the formal ID documents, the FIU has also allowed for reliance on a referee letter and birth certificate to verify name, address and occupation. [FTR Guideline 4, Section 12.2-12.3].</p> <p>In addition, on August 27, 2010, the FIU allowed financial institutions, with respect to customers who are not even able to provide a birth certificate and are considered low risk for money laundering or terrorist financing, to rely solely on a letter from a suitable referee to verify the customer. [Policy Advisory 2 of 2010].</p> <p>A "suitable referee" is a person who knows the customer and whom the financial institution can rely on to confirm that the customer is who he or she claims to be and can verify other personal details (occupation, residential address) of the customer. Examples of suitable referees include village headmen, religious leader, current or former employer, and official of the Fiji Sugar Corporation sector office (for sugar cane farmers and laborers).</p> <p>A Certificate/Letter/Confirmation from a suitable referee should include (i) customer's name, address, occupation, (ii) referee's name, address, occupation and contact details (such as phone number), (iii) statement stating how long (period) the referee has known the customer, (iv) statement stating that the referee knows the customer by the stated name, (v) statement stating that the referee confirms the customer's stated address and occupation or nature of self employment to be true and (vi) signature of the customer and referee with the date the document was signed. [FTR Guideline 4, Sections 12.4-12.5]</p>
<p>Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?</p>	<p>Yes. The above KYC requirements also apply. Additional verification measures may be required. FTR Regulations Section 11:</p> <p>"In the case of non-face-to-face customers, in addition to the requirements of regulation 8, a financial institution must use other additional procedure for identification and verification to ensure compliance with customer identification and verification requirements, and such procedure may include –</p> <p>(a) certification of documents presented;</p> <p>(b) requisition of additional documents to complement those that are required for face-to-face customers;</p> <p>(c) independent contact with the customer by the financial institution;</p> <p>(d) third party introduction."</p>
<p>What are the KYC procedures required for a single transaction? And a transaction in the current business?</p>	<p>The KYC procedures of the FTR Act do not apply "if the transaction is part of an existing business relationship with a person who has already produced satisfactory evidence of identity unless the financial institution has reason to suspect that the transaction is suspicious or unusual; or if the transaction is an occasional transaction not exceeding FJD 5,000 or other prescribed amount unless the financial institution has reason to suspect that the transaction is suspicious or unusual." [FTR Act section4(9), as amended by FTR Regulations, Section 2]</p>

Who must conduct KYC procedures?	Section 4 of the FTR Act requires that KYC be done by a “financial institution”. The schedule to the FTR Act defines “financial institution” to include traditional financial institutions such as banks, finance companies, insurance companies, investment advisers etc. Financial institutions also include designated non-financial businesses such as accountants, lawyers and real estate businesses, and providers of electronic money services.
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	Agents may conduct KYC on behalf of the mobile banking operators, with the regulated institution ultimately responsible for compliance with AML requirements including KYC.
What are the record-keeping requirements for agents?	The obligation to keep records is on the regulated institution. Agents therefore are only indirectly required to maintain customer transaction records on behalf of the mobile phone operators.
Are agents required to monitor and report suspicious transactions?	The obligation to monitor transactions and report suspicious transaction is on the financial institution. Agents therefore are only indirectly required to monitor transactions on behalf of the financial institutions.
What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	Agents must undergo initial screening process by the financial institution before they are appointed as agents. They also must be trained by the financial institutions, must monitor customer transactions and maintain proper customer transaction records on behalf of the financial institutions. An agent must also not disclose information about suspicious transaction reported to any other persons.
3. Remittances	
What KYC procedures are required for cross-border remittances?	<p>Occasional cross-border transactions valued at FJD 5,000 and above are subject to KYC requirements with an added requirement of originator information. For customers in a continuing business relationship, their KYC will be conducted at the account opening stage.</p> <p>“For cross-border electronic funds transfers and any other forms of funds transfers (including transactions using a credit or debit card to effect a funds transfer), the ordering financial institution must include full originator information in the message or payment form accompanying the funds transfer”. [FTR Regulations Section 23(3)] “Full originator information includes (i) the name of the originator, (ii) the originator’s bank and account number, or a unique reference number if there is no account number, (iii) the originator’s address, and (iv) the amount of payment order.” [FTR Regulations Section 23(2)]</p> <p>However, all financial institutions are still required to collect relevant information and details of all cross-border remittance customers for (1) record keeping; (2) EFTR reporting (no threshold in Fiji) and for (3) STR reporting purposes.</p>

INDIA	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	<p>1. Banking Sector</p> <p>KYC procedures for individuals intend to verify (a) legal name and any other name used through the following documents: (i) passport, (ii) PAN card, (iii) voter identity card, (iv) driving license (v) identity card (subject to the bank's satisfaction), (vi) letter from a recognized public authority or public servant verifying the identity and residence of the customer to the satisfaction of bank, job card issued by NREGA, duly signed by an officer of the State Government or the letter issued by the Unique Identification Authority of India containing details of name, address and Aadhaar number.</p> <p>and (b) permanent address through the following documents: (i) telephone bill, (ii) bank account statement, (iii) letter from any recognized public authority, (iv) electricity bill (v) ration card (vi) letter from employer subject to satisfaction of the bank. [Reserve Bank of India, DBOD. AML. BC. No. 2/14 .01.001/2009-10, Annex-I]</p> <p>2. Postal Financial Services Sector</p> <p>Category 1 (<i>Account opened or certificates issued with amount below Rs.50,000/-</i>) 1.Recent Photograph 2. Identity Proof: Copy of PAN card or letter issued by Income Tax Authority quoting PAN Number or Declaration in duplicate in Form 60 or 61 and Copy of any one of the documents i.e Electoral Photo Identity card, Ration Card, Passport, Driving License, POSB Identity card, Post Office Identity Card, Identity card from Central/State Government or PSU e.g PPO, BPL card, Job card issued under MG-NREGA. 2. Address Proof:- Copy of any one of the documents i.e Electoral Photo Identity Card, Bank or Post Office Passbook, Current Electricity Bill, Current Telephone Bill or Certificate from any public authority including area Postman or Gram Dak Sewak Delivery Agent or Branch Postmaster</p> <p>Category 2 (<i>Account opened or certificates issued with amount between Rs.50,000/- and Rs.10 Lakh</i>): 1.Recent Photograph 2. Identity Proof: Copy of PAN card or letter issued by Income Tax Authority quoting PAN Number or Declaration in duplicate in Form 60 or 61 and Copy of any one of the documents i.e Electoral Photo Identity card, Ration Card, Passport, Driving License, POSB Identity card, Post Office Identity Card, Identity card from Central/State Government or Public Sector Undertakings (PSU) e.g PPO, Below Poverty Level (BPO) card, Job card issued under MG-NREGA. 3. Address Proof:- Copy of any one of the documents i.e Electoral Photo Identity Card, Bank or Post Office Passbook, Current Electricity Bill, Current Telephone Bill or Certificate from any public authority including area Postman or Gram Dak Sewak Delivery Agent or Branch Postmaster.</p> <p>Category 3 (<i>Account opened or certificates issued with amount above Rs.10 Lakh</i>): 1. Recent Photograph 2. Identity Proof: Copy of PAN card or letter issued by Income Tax Authority quoting PAN Number or Declaration in duplicate in Form 60 or 61 and Copy of any one of the documents i.e Electoral Photo Identity card, Ration Card, Passport, Driving License, Identity card from Central/State Government or PSU e.g PPO, BPL card, Job card issued under MG-NREGA. 3. Address Proof:- Copy of any one of the documents i.e Electoral Photo Identity Card, Bank or Post Office Passbook, Current Electricity Bill, Current Telephone Bill. 4. Source of Funds:- Copy of the document proving source from which funds received. 5. Physical verification of address:- Address of all such customers should be got verified from State Govt./Gram Panchayat/Postman of that area or GDS Delivery Agent or PRI or SDI or Mailoverseer before opening of account. This should also be followed in case of opening of account by transfer from other office.</p> <p>3. Insurance Sector</p> <p>Same as stated in Column 1 and :</p> <p>In case of entities other than individuals documents to provide details of name, mailing</p>

	<p>address, telephone number, principal place of business etc., are to be obtained like Certificate of incorporation and Memorandum & Articles of Association etc.,</p> <p>Documents collected towards the identity and address of the customer should be duly certified by an authorized person as identified by the insurer.</p> <p>Detailed guidelines to the insurance sector available in Insurance Regulatory and Development Authority (IRDA) 's circular reference IRDA/F&I/CIR/ AML/ 158/09/2010 dated 24th September 2010.</p> <p>4. Securities Sector</p> <p>The KYC procedure prescribed by SEBI is uniform for all intermediaries and is conformance with both the PMLA and the PML Rules. In addition, to the requirements specified in the PML Act and the Rules SEBI, vide circular dated April 27, 2007, had made PAN mandatory for all transactions in securities market.</p>
<p>Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.</p>	<p>1. Banking Sector</p> <p>Reserve Bank of India issued a circular substantially relaxing the identification and proof of residence requirements for small-value accounts with a maximum account balance of Rs. 50,000 and maximum money deposit into the account per year of Rs. 100,000. For such accounts, identity and address can be proven through (i) introduction by another account holder who (a) went through full KYC procedures and opened an account at least six months prior, which has shown satisfactory transactions and (b) can certify the applicant's address and photograph of the applicant, or (ii) production of any other evidence as to the identity and address of the customer to the satisfaction of the bank. There is no relaxation in the monitoring and record-keeping requirements. [Reserve Bank of India, DBOD.No.AML.BC. 28/14.01.001/2005-06, 2.6, (i)]</p> <p>There may be a large number of people (migrant labour etc) who may still not have any of the above documents even. They will now be allowed to open a "small account" which means an account where (i) the aggregate of all credits in a financial year does not exceed rupees 100000 (approx US\$ 2000), (ii) the aggregate of all withdrawals and transfers in a month does not exceed rupees ten thousand, AND; (iii) the balance at any point of time does not exceed rupees fifty thousand. None of these limits can be allowed to be exceeded. The small account can be opened only in the presence of the "designated officer" of the bank, in whose presence the individual has to affix his signature and thumb print and produce a self attested photograph. No other document is necessary. The other conditions are as follows:</p> <p>(i) the designated officer of banking company, while opening the small account, must certify under his signature that the person opening the account has affixed his signature or thumb print in his presence;</p> <p>(ii) a small account shall be opened only at Core Banking Solution linked banking company branches or in a branch where it is possible to manually monitor and ensure that foreign remittances are not credited to a small account and that the stipulated limits on monthly and annual aggregate of transactions and balance in such accounts are not breached, before a transaction is allowed to take place;</p> <p>(iii) a small account shall remain operational initially for a period of twelve months, and thereafter for a further period of twelve months if the holder of such an account provides evidence before the banking company of having applied for any of the officially valid documents within twelve months of the opening of the said account, with the entire relaxation provisions to be reviewed in respect of the said account after twenty four months;</p> <p>(iv) a small account shall be monitored and when there is suspicion of money laundering or financing of terrorism or other high risk scenarios, the identity of client shall be established through the production of officially valid documents, as referred to in sub-rule (2) of rule 9;and</p> <p>(v) foreign remittance shall not be allowed to be credited into a small account unless the identity of the client is fully established through the production of officially valid documents.</p>

	<p>The RBI will now be issuing revised guidelines for the banks.</p> <p>2. Postal Financial Services Sector Category1 (Account opened or certificates issued with amount below Rs.50,000/-) 1.Recent Photograph 2. Identity Proof: Copy of PAN card or letter issued by Income Tax Authority quoting PAN Number or Declaration in duplicate in Form 60 or 61 and Copy of any one of the documents i.e Electoral Photo Identity card, Ration Card, Passport, Driving License, POSB Identity card, Post Office Identity Card, Identity card from Central/State Government or PSU e.g PPO, BPL card, Job card issued under MG-NREGA. 2. Address Proof:- Copy of any one of the documents i.e Electoral Photo Identity Card, Bank or Post Office Passbook, Current Electricity Bill, Current Telephone Bill or Certificate from any public authority including area Postman or Gram Dak Sewak Delivery Agent or Branch Postmaster</p> <p>3. Insurance Sector KYC procedures have to be applied on all the new insurance contracts. However, considering the hardship in complying with the KYC requirement by small value policy holders and possible implications for spread of insurance into rural and low income sectors, especially micro-insurance, exemption has been provided upto a total annual premium of ` 10,000/- on life insurance policies held by a single individual from the requirement of recent photograph and proof of residence.</p> <p>Some of the products i.e., standalone health insurance products, group insurance products and reinsurance and retrocession contracts are exempt from the requirements of AML/CFT guidelines. In case of term products, insurance companies may apply lower levels of due diligence unless the details indicate otherwise. (Master circular on AML/CFT guidelines. IRDA/F&I/CIR/AML/158/09/2010 dated 24th September 2010)</p> <p>4. Securities Sector Micro schemes such as Systematic Investment Plans of Mutual Funds, Micro Products by Micro Finance Institutions, upto Rs. 50.000/- per year per investor are exempted from the requirement of PAN. Such schemes may be operationalized with other standard specified identification instruments like Voter ID Card, Government / Defense ID Card, Card of reputed employer, Driving License, Passport.</p>
<p>Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?</p>	<p>1. Banking Sector Reserve Bank of India allows non face-to-face customer identification, but only if there are specific and adequate procedures to mitigate the higher risk involved. "Certification of all documents presented should be insisted upon" and "banks may also require the first payment to be effected through the customer's account with another bank." [Reserve Bank of India, DBOD. AML. BC. No. 2/14 .01.001/2009-10, 2.5., (v)].</p> <p>2. Postal Financial Services Sector No. At the time of opening of account/ Purchase of certificates, it will be mandatory for the depositor(s)/investor(s) to attend the post office personally to get his/her/their photograph attested, documents verified with originals and give the copies of documents either attested by a Gazetted Officer or with self attestation. In case of Joint Accounts/ investments, Joint photograph and documents of all co-depositors or investors are required to be submitted</p> <p>3. Insurance Sector Insurance companies do have non-face-to-face business. The KYC procedures to be adopted are similar to that in face-to-face business. However, insurance companies have been given a period of 15 days post issuance of policy to complete the documentation procedures. The extent of verification in respect of such non face-to-face customers will depend on the risk profile of the product and that of the customer. They have further been advised to have in place procedures to manage specific increased risks associated with such relationships e.g., verification of details of the</p>

	customer through on-site visits etc., (Master circular on AML/CFT guidelines. IRDA/F&I/CIR/AML/158/09/2010 dated 24th September 2010) & IRDA circular Ref: irda/f&i/cir/aml/180 /11/2010 dated 12/11/2010
What are the KYC procedures required for a single transaction? And a transaction in the current business?	<p>1. Banking Sector Full KYC, except for transfers under the threshold of Rs. 50,000, below which only suspicious transactions require identification.</p> <p>2. Postal Financial Services Sector Full KYC for category1, category 2 and category 3 customers as above: suspicious transaction to be reported & identification as per SB ORDER NO. 18/2010 No.109-04/2007-SB Government of India Ministry of Communications & IT Department of Posts as per the Prevention of Money Laundering Act (PMLA) guidelines.</p> <p>3. Insurance Sector KYC procedures to be applied in case of all new insurance contracts except for the exempted products viz., standalone health products, reinsurance and retrocession contracts and group insurance business. KYC procedures should be carried out on an on-going basis. In case of existing customers, the KYC procedures have to be applied for policies coming into force on or after 1st January 2006 where the premium paid by the customer is over ` 100000/-p.a. (Master circular on AML/CFT guidelines. IRDA/F&I/CIR/AML/158/09/2010 dated 24th September 2010)</p>
Who must conduct KYC procedures?	<p>1. Banking Sector Banks and financial institutions. "The Guidelines issued by the Reserve Bank on KYC and AML/CFT from time to time would be applicable to mobile based banking services also". [RBI, DPSS.CO.No. 619/02.23.02/2008-09, "Mobile Banking Transactions in India - Operative Guidelines for Banks", October 8, 2008]</p> <p>2. Postal Financial Services Sector Post office as per SB ORDER NO. 18/2010 No.109-04/2007-SB Government of India Ministry of Communications & IT Department of Posts</p> <p>3. Insurance Sector The obligation to establish an anti-money laundering program in the insurance sector applies to an insurance company, and not to its agents, and other intermediaries. Hence the responsibility for guarding against insurance products being used to launder unlawfully derived funds or to finance terrorist acts, lies on the insurance company, which develops and bears the risks of its products.</p>
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	<p>1. Banking Sector "Business Correspondents" can conduct a variety of services, including (i) identification of borrowers and (ii) collection and preliminary processing of loan applications including verification of primary info/data [RBI, DBOD.No.BL.BC. 58/22.01.001/2005-2006, 3.2.]. However, they are not allowed to conduct KYC on behalf of banks and ensuring compliance with KYC norms remains the responsibility of the banks. [RBI, DBOD.No.BL.BC. 43/22.01.009/2010-11 dated September 28, 2010, Para 5] In terms of guidelines on outsourcing of financial services by banks (circular DBOD.No.BP.40/21.04.158/2006-07 dated November 03, 2006 - Para 2 of Annex to the circular) outsourcing of KYC for opening of deposit accounts is prohibited.</p> <p>2. Postal Financial Services Sector NO.</p> <p>3. Insurance Sector Insurance business is largely based on the agency distribution model. Agents/corporate agents therefore carry out the KYC procedures on behalf of the insurance companies. While the obligation to establish an anti-money laundering program in the insurance sector applies to an insurance company, and not to its agents, and other intermediaries,</p>

	insurance companies have been specifically guided on the steps to be taken to strengthen the level of control on the agents and corporate agents engaged by the insurers
What are the record-keeping requirements for agents?	<p>1. Banking Sector “Every banking company, financial institution and intermediary shall maintain a record of all transactions, the nature and value of which may be prescribed, whether such transactions comprise of a single transaction or a series of transactions integrally connected to each other, and where such series of transactions take place within a month”, as well as “verify and maintain the records of the identity of all its clients”. These records “shall be maintained for a period of ten years from the date of cessation of the transactions between the clients and the banking company or financial institution or intermediary.” [PML Act, Chapter IV, 12, (1) and (2)]. “Banking Correspondents” are not allowed to carry out KYC procedures on behalf of banks and financial institutions. Therefore, there is no question of their maintaining records of KYC.</p> <p>2. Postal Financial Services Sector This is done by post office as per SB ORDER NO. 18/2010 No.109-04/2007-SB Government of India Ministry of Communications & IT Department of Posts</p> <p>3. Insurance Sector Record keeping requirements are laid down on insurance companies. The documents collected by agents in compliance with KYC procedure are retained and kept by the insurance companies.</p>
Are agents required to monitor and report suspicious transactions?	<p>1. Banking Sector The maintenance of records, monitoring of transactions and reporting of suspicious transactions continues to remain the responsibility of the banking company.</p> <p>2. Postal Financial Services Sector The maintenance of records, monitoring of transactions and reporting of suspicious transactions remain the responsibility of the Post Office. Done by post office as per SB ORDER NO. 18/2010 No.109-04/2007-SB Government of India Ministry of Communications & IT Department of Posts</p> <p>3. Insurance Sector Insurance companies are required to ensure that their agents and corporate agents implement the AML/CFT program of the insurer. Any suspicious activity coming to the notice of the agents will have to be reported to the insurance companies. Insurance companies are to monitor and report suspicious transactions to FIU.</p>
What are the operational and other requirements for agents? (information disclosure, infrastructure, etc.)	<p>1. Banking Sector “In engaging [...] intermediaries as BCs, banks should ensure that they are well established, enjoying good reputation and having the confidence of the local people” [RBI, DBOD, No.BL.BC. 58/22.01.001/2005-2006, 3.1]. Besides, “banks may ensure that while appointing [...] BCs, the fundamental principle that the individuals are residents of the area in which they propose to operate as BCs, stands fulfilled.” [RBI, DBOD.No.BL.BC. 63/22.01.009/2009-10, 4.]</p> <p>2. Postal Financial Services Sector Agents are to approach prospective clients, motivate them, solicit deposits, help the customers to fill up the application forms and guide them. The deposit are being accepted by the Post office. Agents are not authorized to accept deposits from depositors on behalf of customers.</p> <p>3. Insurance Sector There are no specific operational and other requirements stipulated under AML/CFT guidelines by the IRDA to the agents. Insurance companies ensure that their AML /CFT program are carried out appropriately by their agents/corporate agents. Steps to be laid taken to strengthen the level of control on the agents and corporate</p>

	<p>agents engaged by the insurers have been detailed in the AML/CFT guidelines as under:</p> <p>a. A list of rules and regulations covering performance of agents and corporate agents must be put in place. A clause should be added making KYC norms mandatory and specific process document can be included as part of the contracts.</p> <p>b. Services of defaulting agents who expose the insurers to AML/CFT related risks on multiple occasions should be terminated and the details reported to IRDA for further action.</p> <p>c. Insurance company when faced with a non-compliant agent or corporate agent should take necessary action to secure compliance, including when appropriate, terminating its business relationship with such an agent/corporate agent.</p>
3. Remittances	
What KYC procedures are required for cross-border remittances?	<p>1. Banking Sector For international transfers of funds, KYC procedures are required to include accurate and meaningful originator information (name, address, and account number). The information must be preserved for at least 10 years. [Source: Update on Regulation of Branchless Banking in India, CGAP, January 2010]. "In the case of cross-border customers, there is the additional difficulty of matching the customer with the documentation and the bank may have to rely on third party certification/introduction. In such cases, it must be ensured that the third party is a regulated and supervised entity and has adequate KYC systems in place." [Reserve Bank of India, DBOD. AML. BC. No. 2/14 .01.001/2009-10, 2.5., (v)] ** Where technical difficulties prevent carrying of full originator information of a cross-border wire transfer into a domestic wire transfer, the receiving intermediary bank is required to retain for ten years all such records received from the ordering bank. The beneficiary bank is required to consider lack of full originator information in a message as a factor for treating the transaction as suspicious. The bank should also take up the issue of missing originator information with the ordering bank and may consider restricting/terminating business relationships with such banks also if a satisfactory response is not re</p> <p>2. Postal Financial Services Sector Full KYC norms as per RBI instructions.</p>

India has, with the approval of our Finance Minister, just issued the formal notification laying out our policy for financial inclusion. A copy of this "Small Account Notification" dated 16 Dec 2010 is attached.

For opening an account, an INDIVIDUAL has to produce one certified copy of an "officially valid document" containing address and a photograph (Rule 9(2) of the Prevention of Money Laundering Rules). "Officially valid document" till recently included one of the following : passport, driving license, Permanent Account No (PAN) card issued by the Income Tax Department; Voter's Identity Card issue by the Election Commission of India. With the issue of the 16 Dec 2010 notification, 2 more documents have been added viz., job card issued by NREGA, duly signed by an officer of the State Government or the letter issued by the Unique Identification Authority of India containing details of name, address and Aadhaar number. Anyone of these 6 documents is enough to start an account.

There will however be a large number of people (migrant labour etc) who may still not have any of the above documents even. They will now be allowed to open a "small account" which means an account where (i) the aggregate of all credits in a financial year does not exceed rupees 100000 (approx US\$ 2000), (ii) the aggregate of all withdrawals and transfers in a month does not exceed rupees ten thousand, **AND**; (iii) the balance at any point of time does not exceed rupees fifty thousand. None of these limits can be allowed to be exceeded. The small account can be opened only in the presence of the "designated officer"

of the bank, in whose presence the individual has to affix his signature and thumb print and produce a self attested photograph. No other document is necessary. The other conditions are as follows:

- (i) the designated officer of banking company, while opening the small account, must certify under his signature that the person opening the account has affixed his signature or thumb print in his presence;
- (ii) a small account shall be opened only at Core Banking Solution linked banking company branches or in a branch where it is possible to manually monitor and ensure that foreign remittances are not credited to a small account and that the stipulated limits on monthly and annual aggregate of transactions and balance in such accounts are not breached, before a transaction is allowed to take place;
- (iii) a small account shall remain operational initially for a period of twelve months, and thereafter for a further period of twelve months if the holder of such an account provides evidence before the banking company of having applied for any of the officially valid documents within twelve months of the opening of the said account, with the entire relaxation provisions to be reviewed in respect of the said account after twenty four months;
- (iv) a small account shall be monitored and when there is suspicion of money laundering or financing of terrorism or other high risk scenarios, the identity of client shall be established through the production of officially valid documents, as referred to in sub-rule (2) of rule 9; and
- (v) foreign remittance shall not be allowed to be credited into a small account unless the identity of the client is fully established through the production of officially valid documents.

The RBI will now be issuing revised guidelines for the banks.

INDONESIA	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	"A Bank shall obtain information about: [...] identity of prospective customer" [Regulation 3/10/PBI/2001, Chapter II, Article 4, (2)]. The regulation lists the following as valid documents for KYC compliance: a government-issued ID card, driver's license, or passport. [Regulation 3/10/PBI/2001, Elucidation concerning the implementation of KYC principles, Article 5, Letter a, Item 1)]
Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.	Yes, for e-money accounts. An e-money issuer must, when opening a "registered" e-money account, record the customer's identity data: name, address, date of birth and other data as listed in the customer's identity card. No such requirements apply to unregistered e-money accounts [E-Money Circular, VII, A]. The largest 'value limit' for "registered" e-money is IDR 5 million. The largest 'value limit' for "unregistered" e-money is IDR 1 million. Transaction limits for all e-money accounts is IDR 20 million per month.
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	No. "Banks which provide electronic banking services shall meet the prospective customer at least at the time of account opening" [Regulation 3/10/PBI/2001, Chapter II, Article 4, (4)]. Same thing for rural banks, Regulation 5/23/PBI/2003 also requires face-to-face contact for account opening [Chapter II, Article 4, (4)] It is unclear whether e-money accounts, whether registered or unregistered, may be opened absent face-to-face contact.
What are the KYC procedures required for a single transaction? And a transaction in the current business?	The Money Transfer Circular requires nonbank money transferors to comply with the following KYC procedures: (a) identification and verification of sender and/or recipient identities at the time of the funds transfer. This can be done through the government-issued ID card, a driver's license, or a passport; (b) re-identification and re-verification of the sender and/or recipient if (i) the transfer exceeds the value of IDR 100 million; (ii) the transaction is suspicious; or (iii) there is doubt with regard to the legality of the information provided by the sender/recipient. [Source: Update on Regulation of Branchless Banking in Indonesia, CGAP, January 2010]
Who must conduct KYC procedures?	The AML Act establishes the general obligation of any provider of financial services to get the complete and accurate identity of its customer. [AML Act, Article 17]
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	Banks are not allowed to outsource KYC account-opening procedures. [Source: Update on Regulation of Branchless Banking in Indonesia, CGAP, January 2010] It is unclear whether e-money issuers can use agents to conduct KYC.
What are the record-keeping requirements for agents?	"Providers of Financial Services must maintain records and documents concerning the identity of users of financial services for 5 years as from the time the business relationship with the user of financial services concerned ends." [AML Act, Article 17, (5)]. "Providers of Financial Services shall be any Person providing services in the financial field or other services in relation to finance, including but not limited to banks, financial institutions, securities companies, mutual fund managers, custodians, trust agents, depository and settlement agencies, foreign exchange traders, pension funds and insurance companies and the postal office" [AML Act, Chapter I, Article 1, 5.].
Are agents required to monitor and report suspicious transactions?	Not applicable.

What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	Not applicable.
3. Remittances	
What KYC procedures are required for cross-border remittances?	

ITALY	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	<p>Art. 18 of Legislative Decree 231 of 21 November 2007 requires relevant persons to:</p> <ol style="list-style-type: none"> 1. Identify the customer and verify the customer's identity on the basis of documents, data or information obtained from reliable and independent source; 2. Identify, where applicable, the beneficial owner and verify her/his identity; 3. Obtain information on the purpose and intended nature of the continuous business relationship or professional service; 4. Conduct ongoing monitoring of the continuous relationship or professional service. <p>In accordance with the above-mentioned Legislative Decree 231/2007, all the entities subject to the CDD requirements must file all the information pertaining to the opening of an account or other continuous relation, transactions above €15,000 (including transaction information that would permit the detection of structured transactions above the threshold of €15,000) and the closing of an account in a centralised database (Archivio Unico Informatico) within 30 days and retain such information for ten years. The database must be set up and managed on a computerised basis and must be updated and structured in a way that will facilitate searches. The information to be filed is:</p> <ul style="list-style-type: none"> - Date and the reason for the operation; - Amount of the single means of payment or bearer bond; - Name, surname, place and date of birth, address and the details of an identification document shown by those who perform the transaction for themselves or third parties; - In the case of legal person, name and registered office of the person on whose account the transaction is carried out or the account or other continuing relationship to be opened; - Person's fiscal code executing the transaction or opening the account or other continuing relationship, and fiscal code of the person for whose account the transaction is to be executed or account or other continuing relationship opened; - In the case of credit or payment orders, the above information regarding the person originating the order, the beneficiary and the intermediaries who carry out the operation. <p>Documents valid to open an account should include a photo of the holder. Intermediaries are required to ask for a copy of the document and to record the customer's fiscal code – a personal tax identification number.</p> <p>Article 20 of Legislative Decree 231/2007 establishes the risk-based approach, according to which intermediaries should adapt the above-mentioned CDD requirements to the concrete situation related to the client (economic activity performed, place of residence, etc.) and to the transaction (amount, type of service, frequency, etc.). Supervisory authorities are entrusted with the task of issuing operating instructions to intermediaries as concerns the implementation of the RBA principle.</p> <p>Legislative Decree 231/2007 also refers to Presidential Decree 445 of 2000 that provides a list of accepted documents for identification purposes.</p>
Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.	<p>In accordance with Legislative Decree 231/2007, CDD procedures (and record keeping requirements) apply only to transactions over a 15.000 € threshold, except when these transactions are managed by financial agents referred to in art. 11(3)d.</p> <p>Simplified due diligence cases are also envisaged by law (business relations with qualified financial intermediaries, listed companies and public administration); in these cases, obliged entities should only verify the status of counterparts. .</p> <p>Notwithstanding thresholds or derogations, CDD applies where a relevant person suspects money laundering or terrorist financing.</p>
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	<p>Yes. Article 28 of Legislative Decree 231/2007 (Enhanced due diligence requirements) establishes that when the customer is not physically present, institutions and persons subject to the Decree shall take specific and adequate steps to compensate the greater risk by applying one or more of the following measures:</p> <ol style="list-style-type: none"> a) Ascertaining the customer's identity on the basis of additional documents, data or information;

	<p>b) Adopting supplementary measures to verify or certify the documents supplied or requiring confirmatory certification by a credit or financial institution covered by the Third AML EU Directive;</p> <p>c) Ensuring that the first payment relating to the transaction is carried out through an account in the customer's name with a credit institution The customer identification and due diligence requirements shall nonetheless be deemed satisfied, even without the customer's physical presence, in the following cases:</p> <p>a) where the customer is already identified in connection with an existing relationship, provided the existing information is up to date;</p> <p>b) for transactions carried out using night safes or automated teller machines, by correspondence or through persons who perform valuables transport activity or by means of payment cards; such transactions shall be imputed to the person in whose name the relationship is established;</p> <p>c) for customers whose ID data and other information to be acquired are shown by public acts, authenticated private writings or qualified certificates used for generating a digital signature associated with electronic documents pursuant to Article 24 of Legislative Decree 82/2005;</p> <p>d) for customers whose ID data and other information to be acquired are shown by a declaration of the Italian consular representation, as indicated in Article 6 of Legislative Decree 153/1997.</p> <p>4. In the case of correspondent accounts with non-EU respondent institutions, credit institutions must:</p> <p>a) gather sufficient information about the respondent institution to fully understand the nature of the respondent's business and to determine, on the basis of public registers, lists, acts or publicly available documents, the reputation of the institution and the quality of the supervision to which it is subject;</p> <p>b) assess the quality of the anti-money-laundering and anti-terrorist-financing controls to which the respondent institution is subject;</p> <p>c) obtain the authorization of the general manager, his delegate or a person performing an equivalent function before opening new correspondent accounts;</p> <p>d) define in writing the terms of the agreement with the respondent and the respective obligations of each institution;</p> <p>e) with respect to payable-through accounts, ascertain that the respondent credit institution has performed ongoing due diligence on the customer and is able to provide relevant due diligence data to the counterparty financial intermediary upon request.</p>
What are the KYC procedures required for a single transaction? And a transaction in the current business?	The above-mentioned CDD requirements apply to all the transactions over a € 15,000 threshold.
Who must conduct KYC procedures?	All relevant persons whom Legislative Decree 231/2007 applies (see articles 10-11-12-13-14).
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	In accordance with Legislative Decree 231/2007, obliged persons may rely on third parties to satisfy the CDD requirements (identification and verification of client and beneficial owner; information on the purpose and intended nature of business relation). The principal remains liable for any failure by the agent to comply with CDD requirements. Monitoring requirements remain on the principal.
What are the record-keeping requirements for agents?	The agent should promptly transmit (within 30 days) to the principal all information collected in the framework of CDD procedures in order to allow record-keeping..
Are agents required to monitor and report suspicious transactions?	On-going monitoring and STR requirements remain on the principal.

What are the operational and other requirements for agents? (information disclosure, infrastructure, etc.)	
3. Remittances	
What KYC procedures are required for cross-border remittances?	<p>In accordance with Regulation (EC) 1781/2006 of 15 November 2006, all transfer of funds within and from the EU should be accompanied by complete information on the payer (name, surname, address and account number).</p> <p>It is forbidden to transfer cash for amounts of €2000 or more by means of persons providing money broker services. This threshold may be increased to € 5000 whereby the person ordering the transaction provides the intermediary with a copy of the documentation necessary to attest the transaction's appropriateness in relation to such person's own economic profile.</p>

JAMAICA	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	<p>Financial institutions should collect information on a) name; b) current address; c) taxpayer registration number or other reference number; e) date and place of birth; and f) identify of beneficial owner. Guidance Notes expand the information that should be obtained by FIs by including nationality; contact numbers; source of funds, and source of wealth, and minimum two referees. Verification of identification is required through reputable sources which includes: (a) valid driver's license (bearing a photograph); (b) current valid passport; (c) current valid voter's identification card with a photograph; And (d) signed (known) employer identity card bearing a photograph and signature. In addition, FIs are requested to verify the KYC details using an independent source, other than those provided by the customer, as per the following examples:</p> <p>(a) Requesting sight of a current utility bill for the customer's place of residence;</p> <p>(b) Checking a local telephone directory and calling the number for verification purposes;</p> <p>(c) Checking the Voters List 60; (d) Spot check visits to the home address or work place;</p> <p>(e) Independent confirmation of national identifications with the relevant Government Authorities; (f) Confirming customer's stated place of employment independently with the employer; confirming customer's salary scale by obtaining general information from the employer of the salary scale and benefits applicable to the level indicated by the customer; (g) Cross-checking KYC details with other financial institutions or businesses that the customer indicates financial business is transacted with (for instance the issuing bank in the case of cheque transactions; the insurance company from which the funds are indicated as being obtained, the cambio from which the foreign currency was received, or the remittance company through whom the funds were sent.) In so doing financial institutions will need to be guided by the respective Agreements with the customer which should ideally reflect that the customer's consent has been obtained to do this type of check. (h) Cross-checking KYC details for one account holder with the other holder of the account and vice-versa. (i) Cross-checking KYC details provided with other affiliated companies within the corporate group with whom the customer has also done business. (In so doing financial institutions will need to be guided by the respective Agreements with the customer which should ideally reflect that the customer's consent has been obtained do this type of check.)</p> <p>[Guidance Notes on the Detection and Prevention of Money Laundering & Terrorist Financing Activities (Revised 2009)]</p>
Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.	Not for low-value or transactional accounts....
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	Identification and verification of non-face-to-face customers require that documents presented should be certified by the relevant and appropriate authority; customers should submit additional documents to verify identity; independent and if possible, face to face contact should be made with the customer by the licensee; if possible, the first payment be made through a financial institution which has similar customer due diligence standards.
What are the KYC procedures required for a single transaction? And a transaction in the current business?	<p>The same KYC procedures as account opening apply, except in the case of de minimis transactions which are transactions amounting to or less than US\$250.00 or the equivalent in any other currency.</p> <p>However, this does not apply to remittance transactions.</p>
Who must conduct KYC procedures?	Financial institutions

2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	Agents are only covered under the concept of remittance agents. Agents are considered Financial institutions, thus no separate requirements exist on agents conducting KYC on behalf of principals.
What are the record-keeping requirements for agents?	Agents are only covered under the concept of remittance agents. Agents are considered Financial institutions, thus no separate requirements exist on record-keeping requirements for agents. Financial institutions should maintain records of client identification and transactions performed for the minimum of 5 years.
Are agents required to monitor and report suspicious transactions?	Agents are only covered under the concept of remittance agents. Agents are considered Financial institutions, thus no separate requirements exist for reporting suspicious transactions by agents. Financial institutions should report suspicious transactions.
What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	Agents are only covered under the concept of remittance agents. Agents are considered Financial institutions, thus no separate requirements exist for agents.
3. Remittances	
What KYC procedures are required for cross-border remittances?	<p>Important to note that the de minimis transactions amounting to or less than US\$250.00 or the equivalent in any other currency does not apply to remittance transactions.</p> <p>While the same customer identification requirement exists for KYC of cross-border remittances as other financial transactions, the Guidance provides alternative methods for identification in cases where the customer is unable to produce the specified identification for remittance customers who is not a repeat customer and transactions less than US\$250.00. The alternative identification documents under limited circumstances which are acceptable include: (a) a customer's worker's identification (with a picture) from a known employer; (b) a customer's client card (where the client card was issued to that customer by the specific cambio or remittance company itself). Where however client cards are the sole source of identification relied on, the cambio's records or the records of the remittance company must contain a photocopy of the customer's official identification as well as corroboration of the customer's address and source of funds and these records will need to be updated from time to time. (c) In the case of Remittance Companies when conducting inbound transactions only, a valid school ID, where the student (between the ages of 10 and 17 years of age) is enrolled in a secondary or tertiary institution, may be accepted where the student identified as the recipient, is maintained through remittances sent by overseas parents or guardians responsible for him/her. The ID must have the following features: • A photograph of the student; • Signature of ID holder (student); • ID Number; • Expiry date of ID; • Name of the relevant academic institution (high/secondary school or tertiary institution); • Signature of principal/bursar/vice-principal of the relevant academic institution.</p> <p>This is to facilitate the specific circumstances of remittances from persons (parents/guardians) living overseas to their children /dependants (between the ages of 10 and 17 years of age) in Jamaica for school and living expenses.</p>

KENYA	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	A reporting institution must take reasonable measures to satisfy itself as to the true identity of the applicant, including requiring the customer to produce an official identity record, such as birth certificate, national identity card, driver's license, passport, or other official means of identification, on a one-time basis only. [AML Act, Section 45(1) and (7)]
Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.	No.
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	No.
What are the KYC procedures required for a single transaction? And a transaction in the current business?	Same as the account opening procedures. [AML Act, 45(1)]
Who must conduct KYC procedures?	Any "reporting institution" defined to mean any financial institution and certain designated non-financial businesses and professions. [AML Act, Paragraph 2]
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	Yes. Agents must identify customers with at least 2 factor authentications like IDs, PINs, passwords, ATM card, secret code or secret message while performing any transaction. [Guideline on Agent Banking 2009, Part VII] E-Money issuers also can use agents for KYC though this is not yet governed by regulation.
What are the record-keeping requirements for agents?	Agent contract must stipulate that the Agent shall "at all times ensure safe-keeping of all relevant records, data, documents or files or alternatively, such records, data, documents or files are shifted to the institution at regular pre-specified intervals for institution's sake-keeping" [GAB, Section 4.5.1]. The following information must be collected by reporting institutions (and the records held for at least seven years) with respect to each person opening an account or conducting a transaction or on whose behalf a transaction is conducted: name, physical address and occupation (or, when applicable, business or principal activity). [AML Act, Section 46(3)]
Are agents required to monitor and report suspicious transactions?	Reporting Institutions must ensure that agents "report to the institution within 24 hours all suspicious activities that come to the agent's knowledge." [GAB, Part VII]
What are the operational and other requirements for agents? (Information disclosure, infrastructure,	"An entity intending to be appointed as an agent shall possess a business license or permit for a lawful commercial activity for at least 18 months [...] and such commercial activity must be ongoing." [GAB, 4.2.1] Moreover, the agent should not be "classified as a deficient, doubtful or non-performing borrower by an institution in the last 18 months

etc.)	preceding the date of signing the [agency] contract", and it should possess "appropriate physical infrastructure and human resources to be able to provide the services with the necessary degree of efficiency and security." [GAB, 3.1.1] Besides, "an agent shall disclose to the institution's customers [...]: (i) The name of the institution it is working for and the institution's logo; (ii) A list of banking services offered by the agent; (iii) A written notice to the effect that if the electronic system is down, no transaction shall be carried out; (iv) A written notice to the effect that services shall be provided subject to availability of funds; (v) The list of charges or fees applicable for each service which are payable to the institution by the customers; (vi) The dedicated telephone line through which customers can contact the institution; (vii) The name, telephone numbers and location of the institution's branch to which the agent reports its agent activities." [GAB, 9.3.1]
3. Remittances	
What KYC procedures are required for cross-border remittances?	

MALAWI	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	<p>"Every Financial Institution shall, before entering into a business relationship with a customer, ascertain the identity of the customer or beneficial owner on the basis of an official or other identifying document." [Money Laundering, Proceeds of Serious Crime and Terrorist Financing Act, 2006] "The prospective customers should be identified on the basis of reliable and independent source document such as a birth certificate, passport, driving license and a letter of recommendation from an existing customer or employer..., if the prospective customer is a legal entity, bank or financial institution should adequately verify its legal existence." [Reserve Bank of Malawi Directive on Customer Due Diligence for Banks and Financial Institutions, 2005]</p>
Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.	<p>Both the law and the Directive on Customer Due Diligence (CDD) in force do not reduce KYC requirements on low value or transactional accounts. However, the new regulation being developed will allow financial institutions to apply simplified customer identification requirements for;</p> <ul style="list-style-type: none"> a) customers whose monthly income does not exceed K50,000 b) customers whose monthly withdrawals do not exceed K50,000 c) and other forms of low risk categories of customers, beneficial owners, beneficiaries or business relationships. <p>In practice, four out of the total of eleven Banks in Malawi make use of Biometrics. At account opening, these banks like all other banks require their prospective customers to have proper identification documents like Driving License, Passports and the like. However, most of these banks deal with customers who cannot afford to have the aforementioned IDs. In this case, if the prospective customer knows any employee of that particular bank personally, the employee would certify that he/she knows the prospective customer by signing a form which is filled and kept by the bank. The account can then be opened. The details of the customer are recorded in the system together with his/her finger prints and then a card is produced which is later used as an ID for the customer when conducting any bank transaction. Since it is only those poor customers that cannot have the proper ID's, these biometrics cards are only allowed as ID's in small transactions. For big clients, proper ID's are required in addition to the biometric cards.</p> <p>Also, some banks use Biometrics cards because their clients can neither write their names nor their signatures. In this case it is difficult for the banks to verify these customers' signatures in the system the way it is done with literate customers. Thus these cards are used and the customer's finger prints are put in the system so that each time the customer makes a transaction, their finger prints will be verified in the bank's system instead of the signatures.</p>
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	No.
What are the KYC procedures required for a single transaction? And a transaction in the current business?	The KYC procedures are similar for a single transaction and transactions in the current business. In both cases a customer is supposed to be identified by the identification documents similar to the required documents when opening accounts.
Who must conduct KYC procedures?	All financial institutions are required to conduct KYC procedures.
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	No, agents are not allowed to carry out KYC procedures on behalf of financial institutions.

What are the record-keeping requirements for agents?	Not applicable
Are agents required to monitor and report suspicious transactions?	Not applicable
What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	Not applicable
3. Remittances	
What KYC procedures are required for cross-border remittances?	The law requires all Financial Institutions and money transmission services providers to include accurate originator information and other related messages on electronic funds transfers and such information to remain with the remitting institution or provider.

MALAYSIA	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	<p><u>Identification of account holder.</u> 16. (1) A reporting institution— (a) shall maintain accounts in the name of the account holder; and (b) shall not open, operate or maintain any anonymous account or any account which is in a fictitious, false or incorrect name. (2) A reporting institution shall— (a) verify, by reliable means, the identity, representative capacity, domicile, legal capacity, occupation or business purpose of any person, as well as other identifying information on that person, whether he be an occasional or usual client, through the use of documents such as identity card, passport, birth certificate, driver's license* and constituent document, or any other official or private document, when establishing or conducting business relations, particularly when opening new accounts or passbooks, entering into any fiduciary transaction, renting of a safe deposit box, or performing any cash transaction exceeding such amount as the competent authority may specify; and (b) include such details in a record. (3) A reporting institution shall take reasonable measures to obtain and record information about the true identity of the person on whose behalf an account is opened or a transaction is conducted if there are any doubts that any person is not acting on his own behalf, particularly in the case of a person who is not conducting any commercial, financial, or industrial operations in the foreign State where it has its headquarters or domicile. (4) For purposes of this section, "person" shall include any person who is a nominee, agent, beneficiary or principal in relation to a transaction. [Section 16 Part IV of Anti-Money Laundering and Anti-Terrorism Financing Act 2001 (Act 613)]</p> <p><i>* Section 5.2.2. of Standard Guidelines on AML/ CFT states that NRIC for Malaysian/permanent residents; or Passport for foreigners to be used.</i></p>
Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.	There is no concept of low value or transaction accounts, except the low non-account single or cash transaction. Please see section 1.4.
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	<p>Reporting institution may establish non-face-to-face business relationships after having in place policies and procedures to address any specific risks associated with non-face-to-face business relationships. Such measures for customer verification that should be as effective as that for face-to-face customers and implement monitoring and reporting mechanisms to identify potential money laundering and financing of terrorism activities.</p> <p>The measures that the reporting institution may use to verify non face-to-face customers include, but not limited to:-</p> <ul style="list-style-type: none"> · requisition of additional documents to complement those which are required for face-to-face customers; · developing independent contact with the customer; or · verification of customer information against databases maintained by the authorities <p>[Section 5.8 of Standard Guidelines on AML/ CFT]</p>
What are the KYC procedures required for a single transaction? And a transaction in the	<p>KYC procedures do not apply for :</p> <ul style="list-style-type: none"> • Institutions providing Bureau de Change services, for transactions below RM20,000 (about USD 6,400)

current business?	<ul style="list-style-type: none"> For occasional transactions such as non-account holder conducting any banking transaction involving an amount below RM50,000 (about USD 16,000) For wire transfers involving an amount below RM3,000 (about USD 964) For cash transactions involving an amount below RM50,000 (about USD 16,000) If the reporting institution has any suspicion of money laundering or financing of terrorism activities, CDD must be conducted regardless of the amount transacted <p>[Section 4.1.2 – 4.1.6 of AML/CFT Sectoral Guidelines]</p>
Who must conduct KYC procedures?	“reporting institutions” means any person, including branches and subsidiaries outside Malaysia of that person, who carries on any activity listed in the First Schedule of <i>Anti-Money Laundering and Anti-Terrorism Financing Act 2001 (Act 613)</i>
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	Where there is contract to outsource CDD, the requirement does not apply because the outsource CDD or agent is regarded as synonymous with the reporting institution, i.e., the processes and documentation are those of the reporting institution itself. Where relevant, the guidelines or circulars on outsourcing issued by Bank Negara Malaysia would apply. [Standard Guidelines on Anti-Money Laundering and Counter Financing of Terrorism (AML/ CFT) Foot note 4]
What are the record-keeping requirements for agents?	<p>Where there is contract to outsource CDD, the requirement does not apply because the outsource CDD or agent is regarded as synonymous with the reporting institution, i.e., the processes and documentation are those of the reporting institution itself. Where relevant, the guidelines or circulars on outsourcing issued by Bank Negara Malaysia would apply. [Standard Guidelines on Anti-Money Laundering and Counter Financing of Terrorism (AML/ CFT) Foot note 4]</p> <p>The reporting institution should keep the relevant records including any material business correspondences and documents relating to transactions, in particular, those obtained during customer due diligence procedures, for at least six years after the transaction has been completed or after the business relations with the customer have ended. [Section 6 of Standard Guidelines on AML/ CFT]</p>
Are agents required to monitor and report suspicious transactions?	<p>Where there is contract to outsource CDD, the requirement does not apply because the outsource CDD or agent is regarded as synonymous with the reporting institution, i.e., the processes and documentation are those of the reporting institution itself. Where relevant, the guidelines or circulars on outsourcing issued by Bank Negara Malaysia would apply. [Standard Guidelines on Anti-Money Laundering and Counter Financing of Terrorism (AML/ CFT) Foot note 4]</p> <p>The reporting institution is required to promptly submit a suspicious transaction report to the Financial Intelligence Unit in Bank Negara Malaysia when any of its employees suspect or have reason to suspect that the transaction or attempted transaction involves proceeds from an unlawful activity or the customer is involved in money laundering or financing of terrorism.</p>
What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	Where there is contract to outsource CDD, the requirement does not apply because the outsource CDD or agent is regarded as synonymous with the reporting institution, i.e., the processes and documentation are those of the reporting institution itself. Where relevant, the guidelines or circulars on outsourcing issued by Bank Negara Malaysia would apply. [Standard Guidelines on Anti-Money Laundering and Counter Financing of Terrorism (AML/ CFT) Foot note 4]
3. Remittances	
What KYC procedures are required for cross-border remittances?	For wire transfers, the reporting institution is required to conduct customer due diligence and transmit accurate and meaningful originator information for transactions involving an amount equivalent to RM3,000 and above. [Section 4.1.4 of AML/CFT Sectoral Guidelines]

	<p>The reporting institution that is the ordering institution should at the minimum, obtain and verify the accuracy of the following originator's information:</p> <ul style="list-style-type: none">· name;· nationality;· national registration identification card/passport number;· account number (or a unique reference number if there is no account number); and· address (or in lieu of the address, date and place of birth). <p>[Anti-Money Laundering and Counter Financing of Terrorism (AML/ CFT) Sectoral Guideline 3 for Licensed Money Changers and/or Non-bank Remittance Operators]</p>
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MEXICO	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	To open a traditional account, banks must produce a file on the client that includes: (a) Name, address, birth date, nationality, profession, professional activity, and telephone; (b) Copies of the identification document, tax card, and proof of address (if address is different from the address noted in the identification document) [Source: Update on Regulation of Branchless Banking in Indonesia, CGAP, January 2010]. The client must also sign a declaration whether they are acting on their own behalf or on behalf of a third party.
Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.	Banxico issued a regulation on mobile accounts that permits relaxed identification and information requirements, provided that the accounts are subject to caps on the number and value of transactions [Circulars 16/2009 and 1/2006 Bis 26]. Banks can open these accounts via agents, and must produce a file with the clients' name, birth date and address. Monthly deposits are limited to MXN 8,720 (2,000 UDI). The accounts are divided into three categories reflecting varying AML/CFT (and security) risk: (a) low transaction accounts, (b) low risk accounts and (c) unlimited accounts. To open low value and low risk accounts, the client is not required to have identification documents. He is required only to provide his personal information: full name, birth date and address for low transaction accounts; complete data related to the client for low risk accounts. [Source: CNBV Presentation: Marco Normativo Corresponsalías y Medios Electrónicos, January 2010] Low transaction accounts are not required to be monitored or tracked nor are they subject to report, as long as they adhere to the established limits.
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	Account opening has to entail face-to-face interaction with a bank employee or a third party agent acting on behalf of the bank. Remote account opening without direct human contact (e.g., over the phone) is not allowed for traditional bank accounts. [Source: CNBV Presentation: Marco Normativo Corresponsalías y Medios Electrónicos, January 2010]
What are the KYC procedures required for a single transaction? And a transaction in the current business?	(1) For transactions below \$500, KYC/CDD requirements are exempted. (2) For those equal or higher than \$500 and less than \$3,000, only basic data is required (full name, address, country and date of birth, nationality and official identification number). However, it is not required to maintain a copy of the documentations. (3) For the transactions equal or higher to \$3,000 and less than \$5,000, in addition to the previous requirements, it is required to maintain a copy of the official identification. (4) For the transactions equal or above \$5,000, it is required to integrate a complete file, "including data and copy of the required documentation" [Source: CNBV Presentation: KYC and CDD reduced requirements for low risk scenarios, February 2010].
Who must conduct KYC procedures?	Financial institutions and money transferors [Source: CNBV Presentation: KYC and CDD reduced requirements for low risk scenarios, February 2010].
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	Yes. Low transaction accounts and low risk accounts account opening can be achieved at a banking agent. [Source: CNBV Presentation: KYC and CDD reduced requirements for low risk scenarios, February 2010].
What are the record-keeping requirements for agents?	For low transaction accounts and low risk accounts, identification information has to be integrated and saved by agents in case operations are done through them [Source: Update on Regulation of Branchless Banking in Mexico, CGAP, January 2010]

Are agents required to monitor and report suspicious transactions?	No. The banking institution must monitor and report suspicious transactions for low risk accounts and unlimited accounts, not for low transaction accounts [Source: CNBV Presentation: KYC and CDD reduced requirements for low risk scenarios, February 2010].
What are the operational and other requirements for agents? (information disclosure, infrastructure, etc.)	Agents should have a permanent establishment and sufficient capacity to properly operate electronic devices, prove to have the necessary infrastructure to carry out processing banking operations, and demonstrate good reputation and business credit history [General Provisions Applicable to Credit Institutions, Annex 57]. Some restrictions are imposed on the type of entity depending on the services to be provided.
3. Remittances	
What KYC procedures are required for cross-border remittances?	(1) For remittances below \$1000, KYC requirements are exempted. (2) For those equal or higher than \$1000 and less than \$3,000, only basic data is required (full name, address, country and date of birth, official identification number). However, it is not required to maintain a copy of the documentations. (3) For the remittances equal or higher than \$3,000 and lower than \$5,000, in addition to the previous requirements, it is required to maintain a copy of the official identification. (4) For the transactions equal or above \$5,000, it is required to integrate a complete file, "including data and copy of the required documentation" [Source: CNBV Presentation: KYC and CDD reduced requirements for low risk scenarios, February 2010].

NICARAGUA	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	<p>a) In Nicaragua today (December 2010) the specific legal regime that establishes the obligation to implement "<u>Know Your Customer</u>" (KYC) policies and procedures is the following:</p> <ul style="list-style-type: none"> • <u>Law #. 285</u> of 1999: <i>Law on Narcotic Drugs, Psychotropic Substances and Other Controlled Substances, Money Laundering and assets derived from illegal activities</i> "... Articles: 32, 33 and 35. • <u>Law #. 561 of 2005</u>: <i>"General Banking Law, Non-Bank Financial Institutions and Financial Groups"</i> Section: 164, Part II. • <u>Law #. 587</u> of 2006: <i>"Capital Market Law"</i> Article: 212. • <u>Law #. 733</u> of 2010: <i>"General Law on Insurance, Reinsurance and Bonds"</i> Article: 15 (paragraph "6" literal "k"). • <u>Law #. 734</u> of 2010: <i>"Law on Warehouses"</i>... .. Article: 63 ("a"). • <u>Executive Decree # 70-2010</u> of 2010: <i>"Regulation of the Law on Prevention, Investigation and Prosecution of Organized Crime and the Administration of Seized, Forfeited and Abandoned Assets"</i> Articles: 66 ("a" and 67 "a"). • <u>Resolution: CD-SIBOIF-524-1-MAR5-2008</u> of the Board of SIBOIF 2008: <i>"Standard for the Management of Risk Prevention of Money, Goods or Assets, and the Financing of Terrorism"</i> (Standard PLD / FT) Articles 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17. <p>b) In the PLD / FT SIBOIF Standards specify identification documents and other information on customers both natural persons (physical) and legal entities (corporations).</p> <p>c) As noted in the legal system above, each financial institution supervised by the SIBOIF, is obligated to have a program for the prevention of ML / FT, which includes Policies and Procedures specified in the Internal Control Manual. The Manual of each entity describes the tasks and stages of the customer identification process and the process for verifying the information that is obtained.</p> <p>Financial Institutions under the supervision of the Superintendency of Banks comply with the identification and verification procedures which include obtaining full identification of the customer, with official identification documents (which according to the law of citizen identification is the IDENTITY CARD), which is mandatory for all types of financial transactions and official verification of the information and documentation submitted by the client, developing a complete customer profile and establishing matrices for classification of client risk.. With regard to other institutions required in Chapters IV and V of Law No. 285 (in force in accordance to Art. 101 of Act 735 (Law on the Prevention, Investigation and Prosecution of Organized Crime and the Administration of Seized, Confiscated and Abandoned Property), which was recently enacted, and which repealed the rest of the Act 285) basic forms have been developed to identify their customers, some of these institutions have on their own initiative implemented record keeping measures similar to financial institutions, especially Credit Unions and Cooperative of Multiple Services offering Savings services to its members, as well as microfinance.</p> <p>The legal basis for requiring an identification law as well as civic identity is found in paragraph 2 of Article 32 Chapter IV (force) of Act No. 285, which states: <i>"Financial institutions must verify the exact means, identity, representation, domicile, legal capacity, occupation and social order of people, whether regular or occasional customers. "In the same vein, Article 35 of Law No. 285 states: "For purposes of the provisions of Article 32 and 33 of this Act, the Banks and Financial Institutions, be they public or private shall prepare forms that contain at least : a) identity, signature and address of the person who physically performs the transaction. b) the identity and address of the person in whose name the transaction takes place. c) the identity and address of the beneficiary or recipient of the transaction, if any. d) the identity of accounts affected by the transaction, if any. e) the type of transaction in question, such as deposits, withdrawals, currency exchange, check cashing, purchase of certified checks or cashier's checks or money orders or other payments or transfers made through the Banking and Finance institution.</i></p>

	<p>The rule applies only to SIBOIF for entities subject to monitoring and supervision by the Superintendency of Banks and Other Financial Institutions which requires each supervised institution based on its specific nature and risk profile within the industry it operates, to implement its own policies, procedures, internal controls for the development of an adequate and continuing policy of due diligence for knowledge on customer.</p> <p>Subparagraph c) of Article 8 of the standard SIBOIF states: <i>"It is the responsibility of each supervised entity in the development of CDD to identify, verify, understand and properly monitor all their regular customers, including joint holders Representatives, signers and their ultimate beneficiaries, be they individuals or corporations, domestic or foreign, and to retain in the records evidence from their customers for verification of the information that is obtained. With respect to occasional irregular customers with a low-risk for ML / FT, or other persons involved such as managers, the Supervised Entity must at least identify them, noting the name, number and type of identity document and taking into account the relevant legal, official, applicable, reliable and valid documents required by the appropriate law."</i></p> <p>In commencing a contractual relationship with a natural person, the Supervised Entity, in the process of identification must under paragraph b) of Article 9 of the standard SIBOIF request: (...) <i>the legal, official, applicable, reliable and valid identification document under the laws (...)</i> With respect to legal persons, subparagraph c) of that article states: <i>"The supervised entity must obtain updated documentation and evidence of their legal constitution and registration by the relevant competent authority, address, the names of its owners or majority or significant partners, directors, trustees (where applicable) or other persons authorized to represent, sign or act for the client, or related to the supervised entity, which must understand the ownership and control structure of the customer. Depending on the nature of these documents the relevant legal unit of the supervised entity shall review the documents."</i></p> <p>For the identification process, the supervised entity creates hard copy and electronic records which should contain the following minimum information: <i>name, number and type of legal, official, applicable, reliable and valid document, signature as proof of identity, address and telephone, the above information should be sought from the person who physically performs the transaction and the person in whose name the transaction takes place, the beneficiary or recipient of the transaction</i></p> <p>Article 12 provides for supervised institutions under the rule of SIBOIF as follows <i>"The supervised entity shall establish, adopt and maintain a" Comprehensive Customer Profile (ICP) for their customers (individuals or corporations, domestic or foreign) with established contractual business relations, including its co-owners, representatives and signatories, (...)"</i> Annex 2 of the SIBOIF standard sets out the format for a complete customer profile for individual and legal persons, according to the type of supervised institution.</p>
<p>Does the regulation reduce KYC requirements on low value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.</p>	<p>a) a) The "Standard for the Management of Risks Prevention of Money, Goods or Assets, and the Financing of Terrorism" (Standard PLD / FT) issued by the SIBOIF in 2008, establishes three levels of KYC due diligence policies (DDC). Articles 8, 14, 15, 16 and 17 establish different or staggered DDC depending on the risk level of the client</p> <ul style="list-style-type: none"> • The <u>standard</u> DDC for clients of <i>"Medium or Normal Risk"</i> • The <u>Intensified</u> DDC for Customers of <i>"High Risk."</i> • The <u>Simplified</u> DDC for Customers <i>"Low Risk."</i> <p>b) The same PLD / TF standard specifies the types of customers that, at least, should be classified as "High Risk" and "Low Risk" and by default, "Medium or Normal Risk "unless the AML/CFT Risk Matrix process of the entity specifies another category, taking into account circumstances such as the following (Article 14, paragraph " b "):</p> <ul style="list-style-type: none"> • The client's legal structure and background. • The geographic location, jurisdiction or country of origin of the client and the origin of funds used. • The economic sector in which the client operates and their activity within the sector. • The work environment and clientele, including determining whether the client occupies a significant public or private position.

	<ul style="list-style-type: none"> • The characteristics, complexity and changes in business, product or service that the client requires. • Significant changes between the monthly expected activity declared by the client and the actual activity. • The channels and means of delivery or distribution of products and services, including the use of intermediaries, agents, brokers, bank managers. • The use of legal or fiduciary complex structures and low transparency and use of instruments or bearer shares or ones convertible to bearer status. • Means of payment used. • The use of intermediaries and third parties. • The account related business with relatives or representatives, or the supervised entity or a group affiliated to it. • Any other indicator that each supervised entity deems appropriate according to its own perception of the level of risk, or in accordance with any guidelines or other mechanisms issued by the Superintendency or other competent authority. <p>c) In the PLD / FT Standard , it provides at least 4 risk factors for ML / FT:</p> <ul style="list-style-type: none"> • For Customers; • For products and / or Services, and / or Auditors; • by distribution channels, and • For countries, jurisdictions and / or geographic areas. <p>These ML / FT risk factors are combined and weighed as variables in the respective AML / CFT Risk Matrix carried out by each supervised entity.</p> <p>d) As previously explained, the low value transactional accounts are, in principle and as a rule, a DDC Intermediate Standard, unless the account is handled by a Customer of "High Risk", to which Intensified CDD is applied</p> <p>e) Monitoring and Reporting: Monitoring and Reporting Policy is provided for in Articles 28 and 37 of Law # 285, Articles 26 to 33 of the PLD / FT Standard and 67, paragraphs "b" and "c "Decree # 70-2010.</p> <p>f) Record: The record-keeping policy is under Article 33 of Law # 285, in Articles 34, 35 and 36 of the PLD / FT Standard and 67, paragraph "d" Decree # 70 - 2010.</p>
<p>Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?</p>	<p>a) In Nicaragua it is not possible to open a contractual bank account or other similar relationship, without the physical presence of the parties. Financial institutions are required by law and by Standard to physically meet customers to identify and verify the identity, representation, domicile, legal capacity, occupation and social order of customers, whether regular or occasional (art. 32, Law No. 285), they must also have physical or electronic records, including the customer's signature and its updates, as provided by Rule PLD / FT in its article 9, paragraph "e ", numeral "i ": <i>"Full customer name, the type and number of legal identification document that is official, effective, reliable and valid in accordance with the appropriate laws, the customer's signature, address and telephone of the customer or the person who physically carries out the transaction or business relationship . In any update or in case of a significant change in the firm, the supervised entity must update appropriate records or signature card.</i></p> <p>. "Similarly, Article 9, paragraph " b "of the PLD / FT Standard states:" <i>The supervised entity, to in opening a contractual relationship with regular customers on lending, deposit or trust or any other service, must obtain the customer identification, including their representatives or their managers, and their ultimate beneficiaries, where appropriate..</i> "For its part, Article 8, paragraph "d", stipulates: <i>"The supervised entity at the time of account opening or initiation of business relationship with the client must obtain adequate information regarding:</i></p> <p><i>i.- The real identity of the client and / or beneficial owner.</i></p> <p><i>ii.- The origin of the funds and assets to be managed</i></p> <p><i>iii.- The purpose and nature of the relationship</i></p> <p><i>iv.- The volume of expected activity each month</i></p> <p>b) If, during the course of the contractual relationship, transactional mechanisms that are not <i>face to face</i> are used, Intensified DDC KYC procedures are applied. Article 15, paragraph "c ", numeral "ii", sub numeral "ii.C" PLD / FT Standard of SIBOIF sets as a "High Risk" Product or Service, Electronic Banking by Internet or Telephone, and / or business transactions that are not face to face "or that do not involve the physical presence of the parties, or that provide anonymity. And under the same provision in its numeral "iii", sub numeral "iii.D" sets as "High Risk" Distribution Channels, the business or transactions that are not "face to face, or do not require physical presence the parties, or facilitate anonymity.</p>

What are the KYC procedures required for a single transaction? And a transaction in the current business?	Article 32 of Law # 285 requires entities to identify the customer, whether regular or occasional. Also Article 9, paragraph "b" Standard PLD / FT states: <i>"The supervised entity, on initiating a contractual relationship with regular customers on lending, deposit or trust or any other service, must obtain customer identification, including their representatives or their managers, and their ultimate beneficiaries, where appropriate, requiring the legal, official, applicable, reliable and valid document, according to the appropriate laws and other documents provided in the following article according to each case and maintaining clear and legible copy thereof. In the case of occasional customers or transactions that have low AML / CFT risk there is no need for the physical preservation of the photocopy of the documents, but the type and number of such documents must be tested and be available in the respective forms."</i>
Who must conduct KYC procedures?	<p>a). KYC procedures or DDC are compulsory and are required by each financial institution. Article 32 of Law # 285, establishes the obligation for the lender and the Article 8 literal "c" of the PLD / FT Standard, states: <i>"It is the responsibility of each supervised entity in the development of DDC, to identify, verify, understand and properly monitor all their clients.."</i> <u>It is not permitted</u> that the tasks of DDC (including monitoring, reporting and recording), are carried out by third parties (outsourcing)</p> <p>b) According to the PLD / FT Standard of SIBOIF, each supervised financial institution is required to have an internal structure that approves, manages, develops and monitors their AML / CFT prevention programs, including DDC policies. These structures are</p> <ul style="list-style-type: none"> ○ Board (functions set out in art. 6 of the Standard PLD / FT). ○ Prevention ML / FT Committee (functions set out in art. 40 of the PLD / FT Standard). ○ Prevention ML / FT Manager (Compliance Officer) and his Deputy. (Functions set out in art. 51 of the PLD / FT Standard). ○ An Administrative Support Structure (art. 46 of the PLD / FT Standard). <p>c) All personnel of each supervised financial institution, according to the respective Code of Conduct, are required to be trained in, comply with and apply to their respective roles, internal PLD / FT policies, including DDC (art. 52, paragraph "b" , Standard PLD / FT).</p>
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	<p>KYC procedures or DDC are compulsory and are required by each financial institution. Article 32 of Law # 285, establishes the obligation for the lender and the Article 8 literal "c" of the PLD / FT Standard, states: <i>"It is the responsibility of each supervised entity in the development of DDC, to identify, verify, understand and properly monitor all their clients.."</i> <u>It is not permitted</u> that the tasks of DDC (including monitoring, reporting and recording), are carried out by third parties (outsourcing)</p> <p>In the Insurance Industry, Insurance Intermediaries are required to develop as part of their responsibility KYC (DDC) policy and registration information. Article 118 of Law # 733 and Articles 62 (paragraph "b") and Rule 67 of the PLD / FT Standard are clear in this respect. Monitoring, detection and reporting are the obligations of the Insurer.</p>
What are the recordkeeping requirements for agents?	Regarding Insurance Intermediaries, see Articles 62 (paragraph "b") and Rule 67 of the PLD / FT Standard, and Article 33 of Law # 285.
Are agents required to monitor and report suspicious transactions?	Regarding Insurance Intermediaries, it is not required; these two tasks are the responsibility of the Insurers.
What are the operational and other requirements for agents? (Information	See Law No. 733 (Insurance Act)

disclosure, infrastructure, etc.)	
3. Remittances	
What KYC procedures are required for crossborder remittances?	See Article 31 (paragraph "c ") of the Law # 285 and subsequent articles of the Standard PLD / FT: 7 ("a", numeral "ii", sub numeral "II.D), 9 (literal" and "numeral" IV "), 15 (letter " c ", numeral" i ", sub numeral" ic "and numeral" ii ", sub numeral" II.D), 21, and 30 ("a").

NIGERIA	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	The Money Laundering (Prohibition) Act provides that a financial institution "shall verify its customer's identity and address" before opening an account. [Section 3(1)] It further provides that a customer must provide (i) proof of identity through an official document bearing name and photograph and (ii) proof of address through recent public utility receipts. [Section 3(2)] The KYC Manual also permits documents other than utility bills to prove address. [Section 4.2.3(ii)] Lastly, a 2003 CBN Circular requires that the minimum account opening requirements for individuals include name, date of birth, office address and telephone, spousal information, nature of business, references, passport photograph, and identification (proven through any one of eight specified documents). [Circular BSD/12/2003, August 11, 2003, Annex A.]
Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.	The KYC Manual provides that "a risk-based approach" should be adopted when obtaining satisfactory evidence of identity [Section 4.1.4], even if it still requires even for the most simple of accounts, verification of identity and address [Section 4.1.5]. The CBN Mobile Payments Regulatory Framework provide for three levels of AML/CFT requirements based on transaction values: (i) Level 1 unbanked: Self-declared name and telephone number permits up to NGN 3,000 per transaction with a daily limit of NGN 30,000; (ii) Level 2 semi-banked: Proof of address and verifiable ID card permits up to NGN 10,000 per transaction with a daily limit of NGN 100,000; and (iii) Level 3 fully banked: Same as level 2 but with references and credit check, permitting up to NGN 100,000 per transaction with a daily limit of NGN 1 million.
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	The KYC Manual provides guidelines on non-face to face accounts, and requiring "additional measures" that "will depend on the nature and characteristics of the product or service and the assessed risk." [Section 4.8] Unclear whether Level 1 accounts may be opened non face-to-face pursuant to the Mobile Payments Regulatory Framework.
What are the KYC procedures required for a single transaction? And a transaction in the current business?	Customer identification is required before engaging any business relationship. [The Money Laundering (Prohibition) Act, Section 3(1)] But the Money Laundering (Prohibition) Act does not require any AML/CFT procedures for one-off transactions below the equivalent of NGN 604,000. [Section 3(5)] However, the KYC Manual requires verification of identity even for one-off transactions. [Section 2.3.1]
Who must conduct KYC procedures?	"Banks and other financial institutions" [KYC Manual, 1.0.1]. The Mobile Payments Regulatory Framework permits application of the 3 tiers by "mobile payment scheme providers." [Sec. 5.2.3.] The Advance Fee Fraud and Other Fraud Related Offences Act also requires that mobile telephone companies obtain full names and residential addresses from each customer or subscriber.
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	Agents can enroll customers. [Mobile Payments Regulatory Framework, Section 5.2.1.1]
What are the record-keeping requirements for agents?	Only banks and "designated non-financial institutions" must keep: "(a) the record of a customer's identification for a period of at least five years after the closure of the accounts"; "(b) the record and other related information of a transaction carried out by a customer [...] for a period of at least 5 years after carrying out the transaction" [The Money Laundering (Prohibition) Act, Section 7]. In addition, bank and nonbank mobile payment scheme operators are required to keep electronic summary of transactions. "The electronic summary of transaction and the electronic receipt should be securely logged and the log maintained online for a minimum period of three (3) months and

	subsequently archived for a minimum period of seven (7) years. However, if a complaint arises before the expiration of seven (7) years, the log in respect of such pending complaints shall be maintained until the case is completely resolved or discharged." [Mobile Payments Regulatory Framework, 5.3.4.]
Are agents required to monitor and report suspicious transactions?	The "mobile payments scheme operators" shall notify the Nigeria Financial Intelligence (NFIU) of suspicious transactions. [Regulatory Framework for Mobile Payment Systems, 5.2.4.]
What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	"The agent shall be a customer of the bank and/or scheme operator and shall maintain a bank account with a bank in Nigeria." [Mobile Payments Regulatory Framework, 5.2.1.5.] "The agent shall: (1) maintain an account with the bank or scheme operators. (2) maintain a till not exceeding N100,000.00 at any time, (3) report any transaction he deems suspicious, (4) shall conspicuously display the complaint/help line maintained by the bank, and (5) effectively use the online link provided by the bank/e-money issuer in the conduct of his/her business." [Mobile Payments Regulatory Framework, 5.2.2.] Lastly, agents shall demonstrate technical capabilities that comply with technology standards detailed in section 4 of the Mobile Payments Regulatory Framework.
3. Remittances	
What KYC procedures are required for cross-border remittances?	It is "recommended that adequate procedures are established to record the transaction and take relevant identification evidence where necessary. Where such transactions form a regular part of the financial institution's business, it is recommended that limits for requiring identification evidence are set at a significantly lower level than US \$ 5,000 or its equivalent for foreign transfers, N1 million for individual and N5 million for corporate bodies" [KYC Manual, 9.2.1]

PAKISTAN	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	<p>State Bank of Pakistan's Regulation M-1 of Prudential Regulations for Corporate/ Commercial Banking requires banks to undertake at least following KYC/ CDD measures:</p> <p>(a) Identification:</p> <ul style="list-style-type: none"> • Annexure-VIII of M-1 requires banks to obtain minimum set of documents from various types of customers/account holders (individuals, Partnerships, Companies, Clubs, Societies & Associations, Agents, Trusts, Executors and Administrators) at the time of opening account. (complete annexure available via http://www.sbp.org.pk/publications/prudential/PRs-Corporate.pdf) • Individuals and natural persons of the legal persons or legal arrangements must produce to bank an attested photocopy of the Computerized National Identity Card (CNIC) or passport. If the CNIC does not contain a photograph, then an additional ID that contains a photo must be produced. If no other photo ID is available, then the following must be produced: <ul style="list-style-type: none"> (i) a copy of the photograph attested by a "gazetted" officer, (ii) a copy of the CNIC without photograph attested by the same person who attest the photo, and (iii) a written confirmation that the person has no other photo ID. • Salaried individuals must also produce an attested copy of such individual's service card, or a certificate from the employer. • In the case of an illiterate person, then a passport size photo with right and left thumb print on the signature card. <p>(b) Other KYC/CDD measures:</p> <ul style="list-style-type: none"> • A prohibition to open and maintain anonymous accounts/ fictitious persons. • A requirement to identify the beneficial ownership of accounts and transactions. • A requirement to determine whether the customer is acting on behalf of another person, and should then take reasonable steps to obtain sufficient identification data to verify the identity of that other person. • A requirement to understand and determine the ownership and control structure legal persons or legal arrangements. • A prohibition to open Government accounts in the personal names of the government official(s). • A stipulation to obtain special resolution/ authority duly endorsed by the Ministry of Finance for opening Government accounts. <p>(c) Verification:</p> <p>Banks are required to invariably verify the copies of CNICs wherever required in Annexure-VIII, before opening the accounts, from NADRA through utilizing on-line facility or written process. Further, the identity of the beneficial owner is verified using reliable information/ satisfactory sources.</p>
Does the regulation reduce	<ul style="list-style-type: none"> • For conducting occasional transactions, a threshold of rupee one million (whether

<p>KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.</p>	<p>carried out in a single operation or in multiple operations that appear to be linked) is specified, below which compulsory CDD is not required.</p> <p>The Branchless Banking Regulations categorize three different levels of accounts for carrying out branchless banking transactions. For Level 1 accounts, customers must fill out and sign an account opening application form and provide a photocopy of his/her CNIC which is subsequently verified by bank through NADRA verification system. In addition, there must either be a face-to-face contact with a designated employee of financial institution or a biometric fingerprint scan and a digital photo taken by the agent at the time of opening of account and sent to the financial institution. Customer Account is opened and activated by the bank after due process and NADRA verification however the branchless banking agents facilitate customers in account opening process. Level 1 accounts are limited to a balance cap of PKR 60,000 and transaction caps (both debit & credit i.e. throughput limits) of PKR 10,000/day, PKR 20,000/month and PKR 120,000/year. Level 2 Accounts are top level accounts offering all BB facilities and subject to full KYC requirements as applicable to a full-service banking account and Level 3 Accounts (specific for merchants, businesses, banking agents or third-party service providers) are subject to the full range of KYC and other prudential regulations applicable to all accounts. Both Level 2 & 3 accounts can only be opened in a bank branch. Transaction limits are set by bank on the basis of customer profile.(cf. above). [http://www.sbp.org.pk/bprd/2008/C2.htm]</p>
<p>Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?</p>	<ul style="list-style-type: none"> • In Level 1 accounts allowed under Branchless Banking Regulations, the customers must fill out and sign an account opening application form and provide a photocopy of his/her CNIC which is to be verified by NADRA subsequently. In addition, there must either be a face-to-face contact with a designated financial institution employee. In case of non face-to-face contact between a customer and bank staff during opening of account, a biometric fingerprint scan and a digital photo of customer is taken by the agent and sent to the financial institution. Level 1 accounts are limited to a balance cap of PKR 60,000 and transaction caps (both debit & credit i.e. throughput limits) of PKR 10,000/day, PKR 20,000/month and PKR 120,000/year.
<p>What are the KYC procedures required for a single transaction? And a transaction in the current business?</p>	<ul style="list-style-type: none"> • For conducting every occasional transaction above rupee one million (whether carried out in a single operation or in multiple operations that appear to be linked), compulsory CDD is required. • For conducting occasional wire transfers (domestic / cross border), compulsory CDD is required regardless of any threshold. • In case of current business (existing account) mandatory KYC is required while establishing business relationship and thereafter on-going due-diligence is applied to consider unusual transactions.
<p>Who must conduct KYC procedures?</p>	<ul style="list-style-type: none"> • Banks, Development Financial Institutions (DFIs) and Exchange Companies must conduct KYC procedures as per SBP Prudential regulations which have the force of law. Moreover, any transaction that mismatches with the profile of Customer in any financial institution is reportable to FMU under the Anti-Money Laundering Act, 2010, applicable to all "financial institutions" including banks, DFIs and Exchange Companies.
<p>Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?</p>	<ul style="list-style-type: none"> • Agents may facilitate customers to open Level 1 accounts and carry out KYC depending on the agency agreement and agent type as specified therein. However the customer's account is opened and activated by the respective bank after due process and NADRA verification. More importantly, the customer account relationship always remains with the bank.
<p>What are the record-keeping requirements for agents?</p>	<ul style="list-style-type: none"> • Agents must ensure safe-keeping of all relevant records, data and documents/files for at least five years; or alternately, such record is shifted to the

	<p>Financial Institution at regular pre-specified intervals which will then ensure safe-keeping of this record for at least 5 years.</p> <ul style="list-style-type: none"> Furthermore, "Every reporting entity shall keep and maintain all records related to Suspicious Transactions Reports and CTRs for a period of at least five years after reporting of the transaction." [Section 7 (4) of AML Act, 2010]
Are agents required to monitor and report suspicious transactions?	<ul style="list-style-type: none"> The Branchless Banking Regulations states that the financial institution must ensure that its transaction processing system is capable of indentifying abnormal/suspicious transactions and to report the same to the financial institution's compliance setup. Since the customer account resides in bank's systems therefore banks may monitor suspicious transactions continuously. [Section 4] Thereafter, Financial Institutions will analyze unusual transactions and/or considering for reporting to FIU within the provisions of AML Law.
What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	<ul style="list-style-type: none"> Agents should respond to a minimum set of standards, including being "well established, enjoying good reputation and having the confidence of the local people. Minimum guidelines on Service Level Agreement between bank and the agent have also been provided to banks for their branchless banking services. These guidelines also cover the areas of information disclosure and infrastructure requirements. Moreover, the complete details regarding Role of Agents, Agent Structure & types, Agent Due Diligence, Agency Agreement and Agent Development have been prescribed under Branchless Banking Regulations.
What KYC procedures are required for cross-border remittances?	<ul style="list-style-type: none"> Banks/ DFIs are required to include accurate and meaningful originator information (name, address and account number) on funds transfers including wire transfers and related messages that are sent, and the information should remain with the transfer or related message throughout the payment chain. However, banks/ DFIs may, if satisfied, substitute the requirement of mentioning address with CNIC, Passport, Driving license or similar identification number for this purpose. Beneficiary financial institutions shall adopt effective risk-based procedures for identifying and handling wire transfers that are not accompanied by complete originator information. Wire transfers with incomplete originator information may be seen with suspicion which may require reporting to FMU or termination of the transaction. Banks/ DFIs should remain careful from financial institutions which do not comply with aforesaid requirements by limiting or terminating business relationship. Further, banks/DFIs are required to establish specific procedures for checking identities and bonafides of remitters and beneficiaries and retain internal record of transactions for future reference.

PHILIPPINES	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	<p>“Covered institutions shall establish and record the true identity of its clients based on official documents. They shall maintain a system of verifying the true identity of their clients and, in case of corporate clients; require a system of verifying their legal existence and organizational structure.” [AML Act, Section 9(a)]</p> <p>In order to promote financial inclusion, particularly for Filipinos “residing in the remote areas”, Circular 608 broadened the list of acceptable identification documents for purposes of verifying customer identity and requires only one such document to be presented. Clients who engage in a financial transaction with covered institutions for the first time shall submit a clear copy of at least one valid photo-bearing identification document issued by an official authority (“official authority” defined broadly to include government, its political subdivisions, government-owned or controlled corporations, private entities or institutions registered with or supervised or regulated either by the Central Bank or the SEC or Insurance Commission. [Circular No. 608, Paragraph a]</p>
Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.	No.
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	No account can be "opened and created without face-to-face contact." [Republic Act 9194, Rule 9.1.f]
What are the KYC procedures required for a single transaction? And a transaction in the current business?	Same as for opening bank account. See above.
Who must conduct KYC procedures?	All “covered institutions”, defined as banks, non-banks, quasi-banks, trust entities and all other institutions and their subsidiaries and affiliates supervised or regulated by the BSP (Section 3A1); as well as other entities administering or otherwise dealing in currency, commodities... cash substitutes and other similar monetary instruments or property supervised or regulated by SEC and Exchange Commission (Section 3A3iv). [Republic Act 9160]
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	Yes, remittance agents, money changers and foreign exchange dealers may, provided they are subject to AML Act (including document retention and suspicious transaction reporting requirements) and undergo training by the Anti-Money Laundering Council (AMLC) or AMLC-approved service provider. [Circular No. 471, Sections 3 and 4]
What are the record-keeping requirements for agents?	Same as for covered institutions. All records of all transactions of covered institutions shall be maintained and stored for 5 years from the dates of transactions. Closed accounts (including customer ID, account files and correspondence) must be stored for at least 5 years from the closing date. [Section 9A/B, R.A. 9160]

Are agents required to monitor and report suspicious transactions?	Yes, on the same terms as covered institutions.
What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	Agents are subject to AML Act (including document retention and suspicious transaction reporting requirements) and must undergo training by the Anti-Money Laundering Council (AMLC) or AMLC-approved service provider. [Circular No. 471, Sections 3 and 4]
3. Remittances	
What KYC procedures are required for cross-border remittances?	Covered institutions must require the sender/remitter to fill out and sign an application form which needs to contain the following information for individual consumers: date, printed name and signature of customer, present and permanent address, date and place of birth, telephone number, nationality, amount and currency to be remitted, source of foreign currency and names and relationships of beneficiary/ies. Corporate/juridical customers need to sign a specific application and need to include a photocopy of the ID of the person acting on behalf of the client. [Circular No. 471, Section 8]

SOUTH AFRICA	
1. Identification / Verification	
What are the KYC procedures required for opening a bank account?	<p>“An accountable institution may not establish a business relationship or conclude a single transaction with a client unless the accountable institution has taken the prescribed steps [...] to establish and verify the identity of the client.” [Financial Intelligence Centre Act, Section 21(1)]</p> <p>For South African citizens and residents, the following must be obtained: Personal particulars (full name, date of birth, identity number) and residential address. Personal particulars must be verified with reference to an official identity document (interpreted as the green bar-coded ID or, in the case of a person who is formally resident in South Africa as a refugee, the maroon (refugee) ID). If the identity document is not available for a reason that is acceptable to the institution, an alternative document issued to that person that is acceptable to the institution and bears a photograph of that person and the person's full names or initials and surname, date of birth and identity number may be used. Particulars must also be compared with any information obtained from any other independent source, if it is believed reasonably necessary. [Money Laundering and Terrorist Financing Control Regulations 3 and 4]</p> <p>The residential address must be verified by comparing the particulars with information that can reasonably be expected to achieve such verification and is obtained by reasonably practical means. The South African Financial Intelligence Centre (FIC) indicated that it may be appropriate to use a wide range of documents to confirm residential addresses. In guidance issued to the banking sector in 2005 the FIC stated that the most secure form of verification of a residential address would be achieved if a staff member and/or agent of the bank were to visit the residential address of such a natural person to confirm that the person resides at the particular residential address. In most instances, however, it would be sufficient to review an original document that offers a reasonable confirmation of the customer's address. Since the documentation must be current, a good practice would be to require documentation that is less than three months old.</p> <p>The FIC provided the following non-exhaustive list of documents that may, depending on the circumstances, verify an address: a utility bill reflecting the name and residential address of the person, a bank statement from another bank reflecting the name and residential address of the person if the person previously transacted with a bank registered in terms of the Banks Act and that bank had confirmed the person's particulars, a recent lease or rental agreement reflecting the name and residential address of the person, municipal rates and taxes invoice reflecting the name and residential address of the person, mortgage statement from another institution reflecting the name and residential address of the person, telephone or cellular account reflecting the name and residential address of the person, valid television license reflecting the name and residential address of the person, recent long-term or short-term insurance policy document issued by an insurance company and reflecting the name and residential address of the person, or recent motor vehicle license documentation reflecting the name and residential address of the person.</p> <p>If none of the above is available, banks may explore other means to verify a client's address such as an affidavit containing the following particulars from a person co-habiting with the client or an employer of the client: Name, residential address, identity number of the client and the deponent of the affidavit, relationship between the client and the deponent of the affidavit, and confirmation of the client's residential address.</p> <p>In respect of foreign nationals, the following must be obtained: Personal particulars (full name, date of birth, nationality and passport number) and residential address. The residential address does not have to be verified. Personal particulars must be verified by comparing the information with a passport issued by the country of which that person is a citizen. [Regulation 6(1)] Particulars must also be compared with any</p>

	<p>information obtained from any other independent source, if it is believed reasonably necessary.</p> <p>In May 2010 the FIC issued a public compliance communication advising banks that they may not regard permits and certificates issued by the South African government to asylum-seekers evidencing their asylum applications as identification documents and may not use these any longer to allow asylum-seekers to open new bank accounts or to operate pre-existing bank accounts. In December 2010, after litigation against some banks and the FIC by organizations representing asylum seekers, the FIC introduced an interim measure. Banks are required to verify such permits or certificates (by faxing or emailing a copy of the document to the Department of Home Affairs) before they are allowed to rely on it for purposes of KYC. Existing clients may withdraw funds from pre-existing accounts but may not deposit funds, until verification was done.</p>
Does the regulation reduce KYC requirements on low-value accounts or transactions? If so, describe various tiers.	<p>The Minister of Finance issued Exemption 17 to allow banks, mutual banks, the Postbank and the Ithala Development corporation and money remitters in relation to remittances with the Rand Common Monetary Area (South Africa, Lesotho, Swaziland, Namibia) to conclude transactions and open accounts upon the presentation of only a South African national identity document. The daily transaction limit is ZAR 5,000, and the monthly limit is ZAR 25,000. Where accounts are opened the balance may not exceed ZAR 25,000. [Exemption 17 of 19 November 2004 (Government Gazette Republic of South Africa, Vol. 473, No. 27011)] This exemption is only available for clients who are South African citizens or residents.</p>
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	<p>Banks are allowed to open mobile phone-operated bank accounts that satisfy Exemption 17 requirements without having to undertake face-to-face KYC procedures (i.e. without any documentary evidence). The client must provide his or her identity number, which the bank must then cross-reference with third-party databases that include information on the names and identity numbers sourced from the Department of Home Affairs (the issuer of identity numbers). These accounts are available only to South African natural persons, citizens and residents with valid identity numbers, and are limited to ZAR 1,000 per day. Banks are required to put in place measures to prevent a person from opening more than one such account. [Guidance Note 6/2008, South African Reserve Bank, 2008, replacing Banks Act circular 6/2006, 13 July 2006]</p> <p>It is relevant to note that an amendment to the Regulation of Interception of Communications and Provision of Communication-related Information Act 70 of 2002 ("RICA") introduced identity verification measures for users of mobile phones. These took effect on 1 July 2009. The users must verify their personal particulars and residential or other addresses by submitting to a face-to-face verification process at a RICA agent.</p>
What are the KYC procedures required for a single transaction? And a transaction in the current business?	<p>Single transaction: Same as account opening KYC procedures. [Financial Intelligence Centre Act, Section 21 (1)] Depending on the circumstances Exemption 17 may apply. The mobile phone-operated bank account regime is however only limited to bank account-based transactions.</p>
Who must conduct KYC procedures?	<p>All "accountable institutions". The Financial Intelligence Center Act (No. 38 of 2001), Section 21(1) defines an "accountable institution" as, among other things, (a) a person who carries on "the business of a bank" as defined under the Banks Act; (b) a financial instrument trader; (c) a person who deals in foreign exchange; (d) a person who issues, sells, and redeems traveler's checks, money orders, or similar instruments; (e) the Postbank and (f) money remitters.</p>
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated	<p>This is not clear. Accountable institutions rely on employees to perform KYC procedures. Whether they can rely on third party agents and, if so, under which</p>

institution? If so, under what conditions?	conditions, has not been clarified. It is therefore not general practice to do so.
What are the record-keeping requirements for agents?	<p>N/A as it is not clear that agents can be used for these functions.</p> <p>The standard record-keeping requirements are as follows:</p> <p>Accountable institutions must keep record of (a) the identity of the client; (b) if the client is acting on behalf of another person; (c) if another person is acting on behalf of the client; (d) the manner in which the identity of the person was established; (e) the nature of the transaction; (f) the amount and parties involved; (g) all accounts involved; (h) the name of the person who obtained this information on behalf of the accountable institution; (i) any document used to verify a person's identity. These records must be kept for at least five years, and may be kept in electronic form. [Financial Intelligence Centre Act, Sections 22 and 23]</p> <p>In 2009 the FIC issued a press statement advising that the most prudent and practical manner to comply with some of the FICA record-keeping obligations would be to make and keep a copy of the identity documents viewed to verify the identity of the client.</p>
Are agents required to monitor and report suspicious transactions?	All businesses (not only accountable institutions), their directors, managers and employees must be alert to suspicious transactions involving proceeds of crime and terror financing and report them. Employees of accountable institutions may report their suspicions to the institution's compliance officer who may, after considering the facts, file a report with the FIC. Employees of non-accountable institutions must file a report directly with the FIC. There are additional and overlapping suspicious transaction reporting obligations under the Protection of Constitutional Democracy Against Terrorist and Related Activities Act 33 of 2004 and the Prevention and Combating of Corrupt Activities Act 12 of 2004. Reports under these Acts must be filed with the South African Police Service.
What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	N/A as it is uncertain whether agents can be used for KYC.
3. Remittances	
What KYC procedures are required for cross-border remittances?	Standard KYC measures apply. Exemption 17 is not available, unless the remittance is within the Rand Common Monetary Area (South Africa, Lesotho, Swaziland, and Namibia) (RCMA) . In addition to the standard AML/CFT KYC, non-RCMA remittances are subject to extensive identification KYC requirements under South Africa's exchange control regulations too.

CHINESE TAIPEI	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	<p>The “Regulations Governing Bank Handling of Accounts with Suspicious or Unusual Transactions” provides that when processing account opening, a bank must require dual identification documents, one of which must be the National ID Card (or Incorporation Certificate), and the other of which must be an identification document with sufficient identification capability.</p> <p>The “Money Laundering Prevention Guidelines and Procedures for Banks” issued by the Bankers’ Association sets out more detailed guidelines as to the types of ID documents acceptable for identity verification when processing account opening.</p>
Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.	<p>Under the “Regulations Governing Cash Transaction Reports (CTR) and Suspicious Transaction Reports (STR) by Financial Institutions”, a financial institution is not required to file a CTR, but still needs to verify the identity of the customer and keeps the transaction record for following cash transactions above NT\$500,000:</p> <ol style="list-style-type: none"> 1. Receivables and payables arising from the transactions with government-related entities. 2. Transactions and fund arrangements between financial institutions. 3. Lottery ticket purchases by lottery merchants. 4. Payments collected on behalf of a third party, excluding payments deposited in designated stock subscription accounts.
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	Pursuant to the “Money Laundering Prevention Guidelines and Procedures for Banks”, a bank under exceptional cases with dual legal authorization shall implement procedures that allow it to verify customer identity on non-face-to-face transactions just as effectively as it does on transactions conducted in person. The same Guidelines also require a bank to take extraordinary and adequate measures so as to minimize risks.
What are the KYC procedures required for a single transaction? And a transaction in the current business?	Under the “Money Laundering Control Act” and the “Regulations Governing Cash Transaction Reports (CTR) and Suspicious Transaction Reports (STR) by Financial Institutions”, a financial institution shall verify the identity of the customer by checking the identity document or passport and record the customer’s detailed information, except for transactions under the reporting threshold of NT\$500,000.
Who must conduct KYC procedures?	Under the “Money Laundering Control Act” and the “Regulations Governing Cash Transaction Reports (CTR) and Suspicious Transaction Reports (STR) by Financial Institutions”, a financial institution shall verify the identity of the customer by checking the identity document or passport and record the customer’s detailed information.
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	Banks are not allowed to outsource KYC account-opening procedures.
What are the record-keeping requirements for agents?	Not applicable.
Are agents required to monitor and report suspicious transactions?	Not applicable.
What are the operational and other requirements for agents? (information disclosure, infrastructure, etc.)	Not applicable.

3. Remittances	
What KYC procedures are required for cross-border remittances?	Under the “Directions Governing Banking Enterprises for Operating Foreign Exchange Business”, issued by the Central Bank, a financial institution must check the ID card (or a copy of the registration certificate for a juristic person) of the originator for any cross-border remittance that it handles. The wire transfer remittance shall show the full name, the account number, I.D. number and address of the originator.

UK	
1. Identification / Verification	
<p>What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?</p>	<p>The Money Laundering Regulations 2007 (MLRegs) require relevant persons to identify and verify the identity of their customers on the basis of information obtained from a reliable and independent source; where applicable, to identify and verify the identity of beneficial owners so that the relevant person is satisfied that it knows who the beneficial owner is; and to obtain information on the purpose and intended nature of the business relationship.</p> <p>CDD measures are risk-based as per Reg 7, MLRegs. For those financial institutions authorized by the Financial Services Authority, Handbook references SYSC 6.1.1R and SYSC 6.3 are also relevant.</p> <p>Neither the law, nor regulation set out in detail how firms should identify their customers. This detail is provided by guidance issued by the financial services industry, which is formally approved by the Government under provisions in relevant legislation (see, for example, Reg s 42(3) and 45 (2), MLRegs). This means that in deciding whether a person has committed an offence, a court will have to consider whether a firm has followed relevant provisions in this guidance. The guidance is also referred to in the Financial Services Authority's Handbook of Rules and Guidance. This means that the FSA, when considering whether to take action against a firm in respect of a breach of relevant provisions in its Handbook, or whether to prosecute a breach of the MLRegs, will have regard to whether a firm has followed relevant provisions of this guidance.</p> <ul style="list-style-type: none"> o The MLRegs are at http://www.hm-treasury.gov.uk/d/money_laundering_regulations2007 (see in particular Regs 5 and 7, MLRegs, and Reg 9, MLRegs for timing) o The relevant part of the FSA's Handbook is at http://fsahandbook.info/FSA/html/handbook/SYSC/6 (see in particular SYSC 6.1.1 R and SYSC 6.3) o The Joint Money Laundering Steering Group's Guidance is at http://www.jmlsg.org.uk/downloads/Part_I_Clean_Nov_09.pdf (Part I) and http://www.jmlsg.org.uk/downloads/Part_II_Nov_09.pdf (Part II – sector-specific guidance which complements Part I). See in particular Part I Chapter 5 (section 5.3 on application of CDD measures; para 5.3.68 ff. sets out criteria sources have to meet to be reliable and independent as per Reg 5, MLRegs) and Part II Chapter 1. <p>Please note the provision in SYSC 6.3.7 G asking banks “to ensure that procedures for identification of new customers do not unreasonably deny access to its services to potential customers who cannot reasonably be expected to produce detailed evidence of identity”.</p> <p>The FSA has published a consumer leaflet on identity verification at http://www.moneymadeclear.org.uk/pdfs/proving_your_identity.pdf</p>
<p>Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.</p>	<p>The MLRegs provide for exemptions from normal customer due diligence in situations set out in Reg 13, MLRegs (“simplified due diligence”) and Reg 7, MLRegs (occasional transactions; see also Reg 2, MLRegs, for a definition of occasional transactions). This means that in these situations, relevant persons are not required to identify and verify the identity of their customer and, where applicable, the beneficial owner. Please note that Regs 7 and 13 do not provide for an exemption from monitoring or record-keeping.</p> <p>Neither of these exemptions apply where a relevant person suspects money laundering or terrorist financing. [Reg 7 (1)(c), MLRegs]</p>
<p>Is it possible to open a bank or similar account</p>	<p>Yes, provided that enhanced CDD measures are applied to compensate for the increased risk associated with situations where the customer has not been physically</p>

non-face-to-face? If so, what are the KYC procedures?	present for identification purposes in accordance with Reg 14(2), MLRegs. The JMLSG Guidance has more detail on this. See in particular Part I, Chapter 5, paras 5.3.33-40; 5.3.79 - 82; and 5.5.10-17.
What are the KYC procedures required for a single transaction? And a transaction in the current business?	The same risk-sensitive CDD obligations apply, unless the transaction is carried out outside a business relationship and amounts to less than 15 000 EUR. See also Q2, above.
Who must conduct KYC procedures?	All relevant persons to whom the MLRegs apply – see Regs 3 and 4, MLRegs.
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	Reg 17(4), MLRegs allows relevant persons to apply customer due diligence measures by means of an outsourcing service provider / agent. The relevant person remains liable for any failure to apply such measures. For financial institutions, see also the relevant chapter in the FSA's Handbook: http://fsahandbook.info/FSA/html/handbook/SYSC/8/1
What are the record-keeping requirements for agents?	None, where the agent is not itself a relevant person for the purpose of Reg 3 and 4, MLRegs.
Are agents required to monitor and report suspicious transactions?	Only where they are themselves subject to regulation. See sections 330 and 331 of the Proceeds of Crime Act, 2002 http://www.legislation.gov.uk/ukpga/2002/29/part/7
What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	See above. This depends on the contractual relationship with the authorised firm.
3. Remittances	
What KYC procedures are required for cross-border remittances?	Firms have to follow the provisions of the EC's Wire Transfer Regulation, which is directly applicable in the UK: http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2006:345:0001:0009:EN:PDF Please note that this Regulation distinguishes between transfers between EU Member States and those to third countries. The JMLSG Guidance sets out in more detail what firms in the UK are expected to do. See Part II, Specialist Guidance: Wire Transfers and in particular A12 and 13.

VENEZUELA	
1. Identification/Verification	
<p>What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?</p>	<p>Resolution N °. 119-10 "Guidelines for the management and control of risks related to the crimes of money laundering and terrorist financing applicable to the institutions regulated by the Superintendency of Banks and Other Financial Institutions" of March 9, 2010, has a section with the policies procedures Know Your Customer (KYC), which is mentioned below:</p> <p style="text-align: center;">"SECTION B" ADMINISTRATION POLICIES RISK OF LC/FT DUE TO CUSTOMERS KNOW YOUR CUSTOMER POLICY</p> <p>Article 34 .- Customer Due Diligence (CDD) The Regulated Entity, depending on the nature of their financial business risk within the industry in which it operates, must implement its own procedures, measures and controls to properly and continuously develop a policy of Due Diligence for Know Your Customer (hereinafter DDC), always using the minimum requirements stated in this Resolution.</p> <p>Determining the ML / FT Risk Level presented by each client will occupy much of the information included in the assessment of those risks. On the basis of its own criteria, each entity must assess whether a particular customer has a higher risk of ML / FT and whether there are circumstances that might lead them to establish that certain customers are at a lower risk of ML / FT. CDD Policy shall be applied differently according to the sensitivity and risk level of LC / FT determined by each Regulated Entity under its own risk assessment procedures taking into account circumstances and risk factors. High Risk Level mandates an intensified CDD, while the Moderate Risk Level requires an enhanced CDD and the Low Risk Level a standard CDD. Regulated entities should implement appropriate measures and controls to mitigate the potential risk of ML / FT, for those customers that have been identified as high risk. These measures and controls may include:</p> <ol style="list-style-type: none"> 1. Further actions to raise awareness about the risks of ML / FT for the staff of the Regulated Entity and its customers. 2. Increased monitoring of transactions 3. Increased levels of ongoing controls and frequency of review of the relationship (monitoring). 4. Increased levels of customer information by visiting them. 5. Approval by higher level officials to establish an account or relationship. <p>As for low risk LC / FT clients, the regulated entity should at least apply a standard CDD. "</p> <p>This risk-based regulation requires the establishment of more stringent controls for high-risk customers and transactions, including politically exposed persons, (PEPs), correspondent relationships and online banking. The regulations also reinforce the obligation to verify the CDD data by applying increasingly stringent procedures depending on the level of risk. Only banks are allowed to provide trust services. The new regulation requires taking into account the higher risk of this service and therefore implementing measures, including the identification of the beneficiary (and not just the formal beneficiary of a trust).</p>

	<p>More stringent requirements with respect to data verification Customer Due Diligence</p> <p>Article 35. - Registration Individual Clients Regulated entities must establish and maintain individual records for each of its customers containing the information necessary to determine conclusively the identification and economic activities of those involved and use appropriate parameters for defining a financial profile to facilitate the identification of unusual or suspicious transactions. Proper targeting will determine the usual operations of the customers and market characteristics.</p> <p>Article 36.- Opening first bank account first</p> <p>To open bank or financial accounts of any kind for the first time in a Financial Institution, it will be essential to conduct an interview with the applicant or the person authorized by him, including those accounts handled through the services of "virtual bank" or "Online Banking", such as those of " Home Banking" or "Through Internet Banking" (Home Banking or Internet Banking), and" Online Banking Services "(On Line Banking Services). Excluded from this requirement are the accounts of employees provided that the data is submitted formally by the respective employers. Also, retirees and pensioners will be exempted from providing the information specified in paragraphs 8, 10, 11, 12, 13, 14 and 15 of Article 39 of this standard and its supporting documentation, when opening the account is by order of the competent State body that provides these benefits.</p> <p>Article 37 .- Documents for customer identification</p> <p>Customer identification requires the laminated identity card for Venezuelan and foreign natural persons resident in the country, and passport for foreign natural persons not residents. In the case of legal persons domiciled in the country, identification requires the Fiscal Information Registry (RIF) issued by the National Integrated Customs and Tax Administration (SENIAT) and certified copies of documents establishing the company, bylaws and subsequent amendments, duly registered in the Trade Register or in the Civil Registry. In the case of legal persons not domiciled in the country, such documents and powers of their legal representatives must be duly authenticated by the Consulate of the Bolivarian Republic of Venezuela in the respective country or have the "Apostille" and translated by a certified interpreter to the Spanish language.</p> <p>Article 38. - Identification of clients who do not act on their own</p> <p>When there is evidence or certainty that clients are not acting on their own, the Regulated Entity will request submission of a duly authenticated and / or certified power of attorney as the case may be, in order to gather information and documentation and know both the identity of representatives, agents and authorized persons, as well as the persons on whose behalf they are acting on the terms set forth in the preceding article.</p> <p>Article 39 .- Customer Identification Form for individual</p> <p>When opening an account for a natural person, the financial institution must require at least the following information and keep it in a "Customer Identification Form" that must be filed in the client's record and recorded on computer:</p> <ol style="list-style-type: none"> 1. Reasons for requesting the services of the institution and how the account will be used.
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	<p>2. Surnames and names.</p> <p>3. Type and number of identity document.</p> <p>4. Place and date of birth.</p> <p>5. Nationality.</p> <p>6. Marital status.</p> <p>7. Home address and phone number.</p> <p>8. Estimated monthly average in which the account will be mobilized.</p> <p>9. Average monthly number of transactions made on the account.</p> <p>10. Source of funds.</p> <p>11. Profession or trade.</p> <p>12. Economic activity.</p> <p>13. Address and telephone number of employer.</p> <p>14. Amount of monthly salary and other income.</p> <p>15. One or more bank, business or personal references, as determined by the Regulated Entity based the level of risk assigned to the customer (except for people who open accounts for the first time.)</p> <p>16. Accounts or other facilities the person has with the institution.</p> <p>17. Any need to send or receive regular transfers outside the Republic, indicating the country of origin or destination.</p> <p>18. Fingerprint of the thumb of the right hand or in its absence the left hand, whenever possible, and customers authorized signatories on the account.</p> <p>If the client is not able to provide some of the above data, the reasons for this shall be entered in the Customer Identification Form.</p> <p>Article 40.- Content of the Customer Identification Form for legal entity In the case of legal entities, the minimum data required to be registered with the Form are:</p> <p>1. Reasons for requesting the services of the institution and how the account will be used.</p> <p>2. Name or company name.</p> <p>3. Address and telephone number.</p> <p>4. Related companies.</p> <p>5. Monthly sales volume.</p> <p>6. Estimated monthly average in which the account will be mobilized.</p>
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	<p>7. Any requirement to send or receive transfers outside the Republic, indicating the country of origin or destination.</p> <p>8. Record Number of Tax Information (RIF).</p> <p>9. Professional, commercial or industrial products or services offered.</p> <p>Both customer identification documents specified in Article 37 of this Resolution, as well as the information required in Article 39 of this rule, except sections 1, 8, 11, 12, 13, 14, 15 and 17 must apply to all authorized signatories on the account.</p> <p>To open an account for those customers defined as regulated entities of the non-financial sector of this resolution and LOCDO, the financial institution must request an affidavit stating that the customers have adopted, developed and implemented programs, standards and controls to mitigate the ML/FT risks of their services and products. Also, for customers in this category that are considered high risk, the financial institution may request a report by external auditors or a company specializing in prevention and control of ML/ FT, which verifies the adequacy of prevention and control systems and the level of compliance with such internal systems; and for those who are already customers, these documents may be requested as part of the updating of customer data at least every 2 years.</p> <p>If the client is not able to provide some of the above data, the reasons for this shall be entered in the Customer Identification Form.</p> <p>Article 41 .- Verification of information provided by customers Regulated entities according to risk level of potential or new customers should use different methods to verify identity and information provided by customers. More detailed or stringent methods should be used for a higher level of risk, which may include requests for additional documentation, contacting the person or customer visit, telephone communications, independent verification of the customer's identity through a comparison of information supplied by the customer with information obtained by a consulting firm or credit research agency, or in a public database or other source. Checking references with other financial institutions and obtaining financial statements can also be done, among other things. Likewise, regulated entities must ensure the quality of information captured in the customer identification form and its subsequent updates based on principles of integrity, availability, confidentiality and accuracy. Similarly, regulated entities will include in their "Manual of Policies and Procedures for Risk Management ML / FT", standards and procedures for the verification of information provided by their customers according to risk level assigned to each type customers. These procedures must include at least:</p> <ol style="list-style-type: none"> 1. General instructions for conducting the interview when opening an account. 2. Specify the cases in which identity documents such as membership card or social organizations, unions, driver's license, among others must be requested. 3. How to verify name, age and other personal data using the identity card or other identification documents. 4. When to verify by phone calls, phone numbers, place of residence, workplace, among others. 5. Cases where measures must be implemented to verify home address or business address through water bills, electricity and landline or cellular phone directories or information system of the telephone companies, visits to the residence or business, proof of residence issued by the appropriate civil authority, condominium board or community council. 6. When to verify by telephone or other means, bank business or personal
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	<p>references submitted.</p> <p>7. Cases in which the Income Tax Declaration is required</p> <p>Regulated entities must verify the identity of the client before or during the process of establishing a business relationship or transactions for occasional customers. In cases where it is essential not to interrupt the normal conduct of business, regulated entities can carry out the investigation as soon as reasonably practicable after the establishment of the relationship.</p> <p>Exempted from the verification process are the accounts of bodies of public authorities, State enterprises, foundations and public partnerships and payroll accounts of workers, both belonging to these agencies and government departments, such as private companies, provided that the data is officially provided by the respective employers. Also, the accounts of retirees and pensioners opened by order of the competent State body that provides these benefits are exempt from the verification of data.</p> <p>Financial Institutions delegating intermediaries to perform customer identification and verification, should obtain information on the purpose or nature of the business relationship, or to attract new businesses, should take appropriate measures to ensure that copies of identification data or other relevant documentation will be delivered immediately by the third parties when requested.</p> <p>Article 42 .- Customer File</p> <p>The documents obtained on the client and their activities, make up the "Customer File", which will be held at the office or branch where the account was opened. The "Customer File" should include the following:</p> <ol style="list-style-type: none"> 1. Copies of identity documents. 2. Customer Identification tab. 3. Agreement for Opening an Account where applicable. 4. Affidavit of origin and destination of funds. 5. Proof of initial and periodic verification action taken by the institution in accordance with the risk of the customer. 6. One or more bank or commercial references, as determined by the Regulated Entity corresponding to the level of risk assigned to the customer (except for people who open accounts for the first time.) 7. Any other documents associated with the client and their activities. <p>Article 43 .- Report to the FIU when false information provided by customers is checked</p> <p>If during the interview to commence a business relationship with a new client, including the opening of accounts of any kind or when a Regulated Entity updates the customer data, the employee of the Regulated Entity detects or suspects false data, contradictions or inconsistencies in the information provided by the client, the requested service will be denied and the immediate supervisor of the employee informed of this abnormality to determine the actions to be taken in these cases.</p>
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	<p>In a case of where any data provided is proven false , after opening an account, the Manager of the Agency or Branch, UPC ML/ FT and the Compliance Officer will review the case and if considered appropriate, the latter shall report this irregularity in the form "Suspicious Activity Report" to the FIU, and any suspicious transactions that may have been made on the account; as well as, the true facts relating to the customer if any found, being unable to close the respective account or deny the requested assistance.</p> <p>Article 44 .- Identification of customers when making foreign exchange Regulated entities should require the identity of the natural persons and legal entities engaged in foreign exchange transactions in any amount, noting in the corresponding record of customer identification data, amounts and currency traded, exchange rate and date of operation. When the amounts traded exceed Two Thousand Dollars U.S. (U.S. \$ 2,000.00) or its equivalent in other currencies, a copy of the identity document in the case of occasional customers should be kept.</p> <p>Foreign Exchange Houses and Border Exchange Operators must establish a corresponding "Customer File" and "Customer Identification Card" for their usual customers, i.e. those who have made during a calendar month at least three (3) foreign exchange transactions that individually or in aggregate equal or exceed Five U.S. Thousand Dollars (U.S.\$5,000.00) or its equivalent in other currencies, provided that the monthly amount and frequency is conducted during three (3) continuous months.</p> <p>Article 45. - Cases where special precautions must be taken Special care should be taken in the following cases:</p> <ol style="list-style-type: none"> 1. Opening accounts for minors, persons with disabilities and injunctions. 2. Opening new accounts, apparently without a justified cause. <p>Article 46. - Identification of occasional customers</p> <p>Regulated entities should request the same documentation specified in Article 37 of this Resolution in cases of occasional customers, or when establishing or attempting to conduct any business relationship or transactions of any kind, such as transfers of national or international funds, fiduciary or cash transactions and leasing of safe deposit boxes.</p> <p>Article 47 .- Prohibition to open anonymous accounts and conduct transactions with inadequately identified individuals</p> <p>Regulated entities shall refrain from opening anonymous accounts for or on behalf of people or accounts in fictitious names, or accounts with passwords or numbers replacing true customer identity; and from conducting business with unidentified occasional customers, or when there is suspicion of ML/FT, or the Financial Institution has doubts about the veracity or adequacy of the previously obtained identification information on the customer.</p> <p>Article 48 .- Fingerprints when making cash withdrawals at box office</p> <p>The Regulated Entity is required to provide a fingerprint of the thumb of right hand or failing this, the left hand, whenever possible, on appropriate checks or vouchers for people who make cash withdrawals at the box office, when the sum amount to or exceeds four thousand five hundred Bolivars (Bs 4,500.00), leaving it to the discretion</p>
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	<p>of each Regulated Entity to require this procedure for smaller amounts.</p> <p>Article 49 .- Know Your Customer's Customer</p> <p>Regulated Entities should establish a "Know Your Customer's Customer" policy when a customer is a financial institution which is considered high risk, which in turn performs operations with high-risk clients. The policy should at the minimum reasonably include measures :</p> <ol style="list-style-type: none"> 1. To verify that the high risk client of the Regulated Entity has a prevention program on ML / FT. 2. To determine whether the high risk client of the Regulated Entity offers its services or products to people who have no physical presence and authority to operate their respective accounts/activity. 3. To determine the identity of the shareholders including the individuals who control the institution. <p>Article 50 .- Special considerations regarding the banking process</p> <p>Regulated entities involved in the process of making banking more available, as part of the Venezuelan State's social inclusion policies for citizens who receive a monthly income below minimum wage, by opening bank accounts to be managed by "Non-banking Correspondents" must accept the Identity Card as the only form of identification.</p> <p>Financial institutions must use a technology platform with the necessary technical capacity, connected on line with electronic terminals located in the premises of the Non-banking Correspondents that allows them to strictly comply with the rules relating to information technology, online financial services, virtual and online electronic banking, emanating from the SUDEBAN</p> <p>Measures to mitigate the risks of ML / FT to be applied by Regulated Entities in these cases, should be based primarily on monitoring procedures, the surveillance and review of bank accounts, the volume and frequency of transactions conducted, and the training of personnel employed by the " Non-banking Correspondents".</p> <p>Article 51 .- Preservation of documents</p> <p>Regulated entities will retain for ten (10) years, documents or records to verify the operations of accounts and customer business relationships with the Institution; as well as the documents relating to the identification of clients that have maintained business relationships with the Regulated Entity. The beginning of the record retention period is : 1) For the documents relating to the identification of customers, from the date of expiry of the relationship, 2) For documents detailing the operations of accounts, from the date of the operation, and 3) For Suspicious Activity Reports, from the transfer of same.</p>
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<p>Does the regulation reduce KYC requirements on lowvalue or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.</p>	<p>No, requirements to open any account in the Venezuelan National Banking System are the same. However, in order to monitor, there are management policies for adapting know your customer procedures in accordance with the assessment of a customer's risk. Under the terms of Article 34 of Resolution 119.10, which is mentioned below:</p> <p style="text-align: center;">SECTION B ADMINISTRATION POLICIES RISK OF ML/ FT DUE TO CUSTOMERS KNOW YOUR CUSTOMER POLICY</p> <p>Article 34 .- Customer Due Diligence (CDD)</p> <p>The Regulated Entity, depending on the nature of its financial business risk within the industry in which it operates, must implement its own procedures, measures and controls to properly and continuously develop a policy of Customer Due Diligence for Know Your Customer(hereinafter CDD), always using the minimum requirements stated in this resolution.</p> <p>Determining the ML / FT Risk Level presented by each client will occupy much of the information included in the assessment of those risks. On the basis of its own criteria, each entity must assess whether a particular customer has a higher risk of ML/FT and whether there are circumstances that might lead them to establish which customers are at a lower risk of ML / FT.</p> <p>DDC Policy shall be applied differently according to the sensitivity and risk level of ML / FT determined by each Regulated Entity under its own risk assessment procedures taking into account circumstances and risk factors. High Risk Level mandates an intensified CDD, while the Moderate Risk Level requires an enhanced CDD and the low risk level a standard CDD.</p> <p>Regulated entities should implement appropriate measures and controls to mitigate the potential risk of ML / FT, for those customers that have been identified as high risk. These measures and controls may include:</p> <ol style="list-style-type: none"> 1. Further actions to raise awareness about the risks of ML / FT for the staff of the Regulated Entity and its customers. 2. Increased monitoring of transactions. 3. Increased levels of ongoing controls and frequency of review of the business relationship (monitoring). 4. Increased levels of customer information by visiting them. 5. Approval by higher level officials to establish an account or relationship. 6. As for low risk ML/FT clients, the Regulated Entity should at least apply a standard DDC.
<p>Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?</p>	<p>No, in Resolution 119.10 it is prohibited from opening anonymous accounts, established in the following article:</p> <p>Article 47 .- Prohibition to open anonymous accounts and make transactions with inadequately identified customers</p> <p>Regulated entities shall refrain from opening anonymous accounts for or on behalf of people or accounts in fictitious names, or accounts with passwords or numbers replacing true customer identity; and from conducting business with unidentified occasional customers, or when there is suspicion of ML/FT, or the Financial Institution has doubts about the veracity or adequacy of the previously obtained identification information on the customer.</p>

	Due diligence policies should be applied for correspondent relationships and tighter controls implemented as indicated in Resolution 119.10, in the following article:
What are the KYC procedures required for a single transaction? And a transaction in the current business?	<p>Procedures are the same in Resolution 119.10 set forth in the following article:</p> <p>Article 46.- Identification of occasional customers</p> <p>Regulated entities should apply the same documentation specified in Article 37 of this resolution in cases of occasional customers, or when establishing or attempting to conduct any business relationship or transactions of any kind, such as transfers of national or international funds, fiduciary or cash transactions and leasing of safe deposit boxes.</p>
Who must conduct KYC procedures?	<p>The Regulated Entities identified in Resolution 119.10, mentioned below:</p> <p>Article 2 .- Regulated Entities to comply with these rules</p> <p>For the purposes of this Resolution, the term "regulated entities" means:</p> <ol style="list-style-type: none"> 1. The Deposit Guarantee Fund and Bank Protection (hereinafter "FOGADE). 2. Universal Banks. 3. Commercial Banks. 4. Mortgage Banks. 5. Investment Banks. 6. Development Banks. 7. Second-tier banks. 8. Financial Leasing. 9. Money Market Funds. 10. Savings and Loan. 11. Money Exchange. 12. Financial groups, when all companies within are subject to inspection, supervision, monitoring, regulation and control of SUDEBAN. 13. Border Exchange Operators. 14. Issuing Companies and Credit Card Operators 15. Mutual Guarantee Societies and National Mutual Guarantee Funds. 16. Municipal Credit Institutions and Credit Municipal Enterprises.

	<p>17. Mutual Funds and Venture Capital.</p> <p>18. Representative offices of foreign banks in the country.</p> <p>19. Other companies governed by special laws and resolutions, subject to inspection, supervision, monitoring, regulation and control of SUDEBAN.</p> <p>Article 3 .- Other Regulated Entities, exceptions and peculiarities</p> <p>Regulated Entities will be considered to comply with this Resolution, with the exceptions and circumstances as follows:</p> <ol style="list-style-type: none"> 1. The natural and legal entities which engage in regular or usual granting of discounts or credits or make investments with their own funds. 2. The hotels and resorts that make foreign exchange transactions. 3. The general deposit stores
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	Not applicable
What are the recordkeeping requirements for agents?	Not applicable
Are agents required to monitor and report suspicious transactions?	Not applicable
What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	Not applicable
3. Remittances	
What KYC procedures are required for crossborder remittances?	<p>Are the same procedures but with additional controls specified in article 44 of Resolution 119.10, which is mentioned below:</p> <p>Article 44 .- Identification of customers when making foreign exchange</p> <p>Regulated entities should require the identity of the natural persons and legal entities engaged in foreign exchange transactions in any amount, noting in the corresponding record of customer identification data, amounts and currency traded, exchange rate and date of operation. When the amounts traded exceed Two Thousand Dollars U.S. (U.S. \$ 2,000.00) or its equivalent in other currencies, a copy of the identity document</p>

	<p>in the case of occasional customers should be kept.</p> <p>Foreign Exchange Houses and Border Exchange Operators must establish a corresponding "Customer File" and "Customer Identification Card" for their usual customers, i.e. those who have made during a calendar month at least three (3) foreign exchange transactions that individually or in aggregate equal or exceed Five U.S. Thousand Dollars (U.S.\$5,000.00) or its equivalent in other currencies, provided that the monthly amount and frequency is conducted during three (3) continuous months.</p>
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WEST AFRICAN ECONOMIC AND MONETARY UNION	
1. Identification / Verification	
What are the KYC procedures required (including acceptable forms of identification for verification purposes) for opening a bank account?	Financial institutions must identify their customers through the production of documentary evidence when opening an account regardless of its nature. [Directive n°04/2007/CM/UEMOA, Article 11, 1.]
Does the regulation reduce KYC requirements on low-value or transactional accounts? If so, describe various tiers, including differences in KYC requirements, monitoring and record keeping, if applicable.	For e-money accounts, yes. Specific AML/CFT requirements were adopted by instruction 01/2006/SP, stipulating that it is not necessary to identify a customer in possession of an e-money account not exceeding, at all times, FCFA 100,000, or performing transactions below the threshold of FCFA 10,000 per transaction, including cash-in/cash-out operations. [Article 6, 1.]
Is it possible to open a bank or similar account non-face-to-face? If so, what are the KYC procedures?	Yes. Directive n°04/2007/CM/UEMOA urges financial institutions to adopt the necessary provisions for remote operations to ensure that the customer's identity is established (including requesting additional documentation, additional measures to verify or certify these documents and/or requiring that the first transaction is carried out through an account hosted in a financial institution subject to equivalent identification requirements). [Art. 11, 5]
What are the KYC procedures required for a single transaction? And a transaction in the current business?	The procedure of identification is mandatory when entering into business relationships [Directive n°04/2007/CM/UEMOA, Article 11, 1.], for all transactions exceeding FCFA 5 million [Art. 11, 2], or below the threshold if the transactions are considered suspicious. [Art. 11, 4]
Who must conduct KYC procedures?	Only financial institutions are required to identify their clients and, when applicable, the persons on whose behalf these people act. [Directive n°04/2007/CM/UEMOA, Article 11, 1.]
2. Use of Agents	
Are agents allowed to carry out KYC procedures on behalf of a regulated institution? If so, under what conditions?	Not mentioned
What are the record-keeping requirements for agents?	Not mentioned
Are agents required to monitor and report suspicious transactions?	Yes, if they fall under the following categories, among others: (a) financial institutions; (b) independent legal professionals, while representing or assisting clients outside of any legal proceedings (particularly in the following activities: (i) buying and selling goods, businesses or business assets; (ii) handling money, securities or other assets belonging to the client; (iii) opening or managing bank accounts, savings or securities accounts; (iv) creation or management of companies, trusts or similar structures); as well as (c) auditors, realtors, cash couriers, travel agencies, etc. [Directive n°04/2007/CM/UEMOA, Article 8]

What are the operational and other requirements for agents? (Information disclosure, infrastructure, etc.)	Not mentioned
3. Remittances	
What KYC procedures are required for cross-border remittances?	