



## **CENTRAL BANK OF THE BAHAMAS**

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# **GUIDANCE NOTES FOR THE COMPLETION OF THE ANTI-MONEY LAUNDERING (AML) DATA RETURN FOR MONEY TRANSMISSION BUSINESSES AND ELECTRONIC MONEY SERVICE PROVIDERS**

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**DECEMBER 2021**

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## 1. Overview of the Anti-Money Laundering Data Returns

The Anti-Money Laundering (AML) Data Returns submitted to the Central Bank of The Bahamas (“the Central Bank”) will be used to (i) analyze trends and (ii) evaluate emerging financial crime risks of supervised financial institutions (SFIs) within the money transmission businesses and electronic money service providers.

These Guidance Notes serve as a companion tool to the AML Data Returns and provide SFIs with an overview of the filing and reporting instructions.

A copy of the AML Data Returns and Guidance Notes are placed on the Central Bank’s website for ease of access and reference by SFIs. These documents may be located on the website as follows: **Log onto:** [www.centralbankbahamas.com](http://www.centralbankbahamas.com)

- Navigate to **Core Functions**
- Navigate to **Bank Supervision**
- Select **Downloadable Forms**
- Select **AML Data Return for Money Transmission Businesses and Electronic Money Service Providers.**

The guidance notes give a brief description of each of the forms that make up the return. The guidance notes also provide clarification on the data that is to be entered in the various rows and columns. In some cases, the forms are self-explanatory.

The submission of the AML Data Returns is a requirement of **all money transmission businesses and electronic money service providers.**

SFIs are expected to have appropriate procedures in place to ensure that all completed returns are completed with accuracy and submitted on a timely basis. Breakdowns in internal controls, staff shortages and vacations are not considered compelling reasons for late and erroneous filings. Therefore, it is imperative that SFIs ensure that all applicable sections of the returns are fully completed in a timely manner to avoid any unnecessary penalties.

## 2. Filing Instructions for the Anti-Money Laundering Data Returns

All money transmission businesses and electronic money service providers are required to upload the completed return to the ORIMS Portal at <https://orimsportal.centralbankbahamas.com>. A copy of the completed “**Attestation**” should be signed by a member of the Board of Directors or Senior Official I and the Money Laundering Reporting Officer. This Attestation form should be scanned and uploaded as a PDF document into the ORIMS Portal.

Please also note the following:

- The data included in this Return should not differ from that reported in the Excel Reporting System (ERS)/Financial Return and Retail Payments Reporting Form, where applicable.
- The Return should not be altered as this can cause errors in submission.

- Any questions regarding the interpretation of the explanations outlined in this document should be sent to [amlanalytics@centralbankbahamas.com](mailto:amlanalytics@centralbankbahamas.com).

### **Submission Protocols**

- All money transmission businesses and electronic money service providers are required to complete, upload and submit the AML Data Returns no later than **February 28** of each year.
- Only submissions **sent via the ORIMS Portal will be accepted**.
- Attestations should be uploaded into the ORIMS Portal and are to properly state the SFI name, code and the end of the reporting period (i.e. Dec20 should be inputted for data submitted for the year 2020).
- Currency values should be rounded to the **nearest thousands of dollars (no decimals)**.
- **Any and all amendments** to be made to subsequent submissions are to be requested via the ORIMS portal. The reason for re-submission is required to be clearly stated or articulated. Where resubmissions are requested, the bottom section of the Attestation form should be completed and uploaded with the re-submitted Return.
- Late and erroneous filings will incur a penalty of \$250 per day until such time that the Guidelines have been amended to reflect the proposed change to erroneous filings, a fixed penalty of \$500 or \$1,000 as determined by the Central Bank<sup>1</sup>.

## **3. Form Overview**

### **a. Statement on Client Database**

This report form provides a breakdown of SFIs' client database. Data should **only** be entered in the white cells; all other cells contain formulas and are protected. Dollar value data should be rounded to the **nearest thousands of dollars (no decimals)** and number of transactions should correspond to the **Excel Reporting System (ERS)/Financial Return and Retail Payments Reporting Form**, where applicable.

The following list of categories provides a guide to users by (i) item number (ii) description of the information (as it appears on the form), and (iii) additional guidance on reporting, where necessary. Categories that do not require direct input are shaded.

#### **Table A**

The number of customers and transactions should be broken down into the four (4) categories of low risk, medium risk, high risk and PEPs. The number of PEPs should be indicated separately and not included in any of the other risk categories. The number of **domestic** PEPs should be reported, but this is not included in the total.

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<sup>1</sup> Refer to the Administrative Monetary Penalties Regime.

- i. # of Customers
  - Self-explanatory
  
- ii. # of Transactions
  - The number of transactions both sent and received associated with the customers in the listed risk rating categories.
  
- iii. Value of Transactions Sent
  - Indicate the dollar value of transactions sent associated with the customers from the risk categories.
  
- iv. Value of Transactions Received
  - Indicate the dollar value of transactions received associated with the customers from the risk categories.
  
- v. # of Digital Wallets
  - Self-explanatory
  
- vi. Value of Digital Wallets
  - Self-explanatory

**Table B**

This table is to show a breakdown of the risk ratings of the customers considered PEPs and associated digital wallets. The totals in this table should correspond to the number of PEPs stated in Table A.

**Table C**

Provide a breakdown of the number of customers, number of transactions, value of transactions sent, value of transactions received, number of digital wallets and value/balance of the digital wallets by the type of person (i.e. natural persons and legal persons).

**b. Remittance Activity**

All dollar values should be rounded to the nearest thousands of dollars (no decimals). Data should only be entered in the white cells; all other cells contain formulas and are protected. Each of the white cells must contain some value. A “0” should be entered where an item may not be applicable to your institution.

## A. Remittance Activity

### i. Remittances rejected

- The number of inbound transactions that were attempted to be sent to customers that were rejected along with the value of the potential transactions lost.

- *of which: AML/CFT related*

Indicate the number of inbound transactions that were rejected due to AML/CFT issues, along with the value of the potential transactions lost.

### ii. Remittances suspended

- The number of outbound transactions that were attempted to be sent by customers that were not sent along with the value of potential transactions lost.

- *of which: AML/CFT related*

Indicate the number of outbound transactions that were attempted to be sent that were suspended due to AML/CFT issues, along with the value of the potential transactions lost.

### iii. Termination of customer relationships

- The number of customer relationships that your institution ended as at 31<sup>st</sup> December of the reporting year.

- *of which: AML/CFT related*

Indicate the number of customer relationships that your institution ended due to AML/CFT issues as at 31<sup>st</sup> December of the reporting year.

### iv. Digital Wallets Opened

- The number of digital/mobile wallets opened during the reporting year, along with the value of these wallets as at 31<sup>st</sup> December of the reporting year.

## B. Transaction Monitoring & Reporting

Data should only be entered in the white cells; all other cells contain formulas and are protected.

### i. Number of Unusual Transaction Reports

- The number of reports of unusual or suspicious transactions/activities that were reported internally to the MLRO.

- ii. Number of Suspicious Transaction Reports
  - The number of Suspicious Transaction Reports (STRs) that were filed with the Financial Intelligence Unit (FIU) during the reporting period.
    - *of which: supplemental filings*  
Indicate the number of STR filings made to follow-up or provide further detail in respect of a previous disclosure.
  - The number of STRs reported must correspond to the Total STRs reported on the STRs tab.
  
- iii. Feedback from FIU on quality of STRs filed
  - The number of filed STRs on which feedback on the quality and usefulness of the reports was provided by FIU.
  
- iv. Average Number of Days taken to File a STR Once Identified
  - The number of calendar days taken during the reporting period to file a STR with the FIU once an unusual or suspicious transaction/activity is identified internally (i.e. from the initial point at which the unusual or suspicious transaction/activity was detected).
  
- v. Backlogs in Transaction Alerts
  - The number of transaction alerts that have not been actioned within the timeframe that is normally taken (i.e. not longer than 30 days).
  
- vi. Overdue Periodic Reviews
  - The number of periodic reviews of customer relationships that have not been completed within the timeframe prescribed in your institution's policies and procedures.
  
- vii. Positive Sanction Hits
  - The number of instances where a true positive match was identified from one of the sanctions lists.
    - *of which: remittances rejected*  
Indicate the number of remittances rejected due to positive sanctions hits.
    - *of which: remittances suspended*  
Indicate the number of remittances suspended due to positive sanctions hits.
    - *of which: customer relationships terminated*

Indicate the number of customer relationships terminated due to positive sanctions hits.

viii. False Positive Sanctions Hits

- The number of hits that were identified as a positive match but after a review were deemed not a true match.

**C. Other**

Data should only be entered in the white cells; all other cells contain formulas and are protected.

i. Production Order Requests Received

- The number of Production Order Requests received from the FIU.

ii. Instances of Fraud

All fraud cases committed against the institution should be included.

- The data in the grey cell is automatically calculated. Input data in the following cells:
  - *of which: attempted*  
The number of instances where fraud was attempted, but was unsuccessful.
  - *of which: actual occurrences*  
The number of instances where fraud actually took place.

iii. Date of last Compliance Audit/Review

- Indicate the date of the last independent audit/review conducted on the Compliance Unit/Function that included AML/CFT and/or other financial crimes in its scope.

**c. Statement on Suspicious Transactions**

All currency values should be rounded to the **nearest thousands (no decimals)**.

**Sections 1-3**

Under the subheadings of Money Laundering STRs, Terrorist Financing STRs and Proliferation Financing STRs, input the number and value of STRs filed by the rationale for which the report was filed.



Data should only be entered into the white cells; all other cells contain formulas and are protected.

#### **d. Staff Training**

This form captures statistics related to AML/CFT related training and qualifications of staff of the SFI. Where applicable, the reported figures should include full time, part time, temporary and contractual employees; and should include management and junior staff, unless otherwise indicated.

Data should only be entered in the white cells; all other cells contain formulas and are protected.

- i. Number of Total Staff in your institution
  - The number of management and non-management employees, as at the end of the reporting period.
  
- ii. Number of Staff who participated in AML/CFT training during the last 12 months
  - The data in the grey cell is automatically calculated.
  - Input the breakdown of the number of staff who participated in AML/CFT training during the reporting period, by non-management and management.
  - Exclude the number of staff that were no longer employed with the institution as at 31<sup>st</sup> December.
  - AML/CFT training relates to the on-going training related to AML/CFT policies and procedures and legislation.
  
- iii. Number of Agents' Staff
  - The number of staff your agents employ that operate on behalf of your institution, inclusive of non-management and management.
  
- iv. Number of Agents' Staff who participated in AML/CFT training during the last 12 months
  - AML/CFT training relates to the on-going training related to AML/CFT policies and procedures and legislation.
  - Exclude the number of agents' staff that were no longer employed with the agent as at 31<sup>st</sup> December.
  
- v. Number of Persons on the Board of Directors of your institution
  - The number of board directors as at 31<sup>st</sup> December.

- vi. Number of Board Directors who participated in AML/CFT training during the last 12 months
  - AML/CFT training relates to the on-going training related to AML/CFT policies and procedures and legislation.
  - The number of members of the Board of Directors that participated in AML/CFT training during the reporting period.
  - Exclude the number of directors that were no longer with the institution as at 31<sup>st</sup> December.
  
- vii. Number of Staff in your institution's Compliance Unit
  - The number of staff in the institution's compliance unit should include only the SFI's **local** Compliance personnel.
  
- viii. Number of staff in your institution with AML/CFT qualifications
  - The number of staff that have AML/CFT qualifications including those related to certifications such as the Certified Anti-Money Laundering Specialists (CAMS) designation and/or diplomas from the International Compliance Association (ICA) in Anti-Money Laundering, Governance, Risk and Compliance or equivalent.
  
- ix. Date of last AML/CFT/CFP related training
  - Self-explanatory.
  - Ensure the date is inputted in the format (dd/mm/yyyy)