

Circular

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Contact person:

Benoît Bienfait

Phone +32 2 221 36 42 – fax +32 2 221 31 04

benoit.bienfait@nbb.be

Periodic questionnaire on the prevention of money laundering and terrorist financing

Scope

- *all credit institutions, including EU and non-EU branches;*
- *all stockbroking firms, including EU and non-EU branches;*
- *all insurance companies authorised to conduct life insurance business, including EU and non-EU branches;*
- *all payment institutions and electronic money institutions, including EU and non-EU branches, with the exception, however, of institutions which, by virtue of Articles 48 or 105 of the Law of 21 December 2009, are exempted from the application of the provisions of this law;*
- *all central contact points in Belgium of payment institutions and electronic money institutions to which authorisation has been granted in other member states of the European Economic Area, with the exception, however, of those which are subject, under Circular NBB_2016_43, to the obligation to complete the short-form questionnaire attached to this circular;*
- *settlement institutions, including EU and non-EU branches.*

Summary/Objective

With this circular, the National Bank of Belgium aims to provide the financial institutions with detailed information about the periodic questionnaire on the prevention of money laundering and terrorist financing, which they will have to complete annually. This questionnaire aims to provide the Bank with systematic and standardized information which will enable it to strengthen its risk-based approach in exercising its legal supervisory powers in the area of the prevention of money laundering and terrorist financing.

Structure

1. *Background*
2. *Updated version of the periodic questionnaire*
3. *Deadline*
4. *Practical aspects*

Dear Madam,
Dear Sir,

Attached to this circular, you will find the new periodic questionnaire on the prevention of money laundering and terrorist financing.

This circular replaces, with immediate effect, Circular NBB_2015_26 on the same subject. The changes mainly concern the data to be reported.

1. Background

The "International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation (the FATF Recommendations)", which were adopted in February 2012, strongly emphasize the importance of the implementation of a risk-based approach.

These international standards require the relevant supervisory authorities to use a supervisory model for the prevention of money laundering or terrorist financing or proliferation, which allows them to exercise their supervisory powers based on the risks to which the financial institutions are exposed.

In this context, the National Bank of Belgium considers it necessary to gather more systematic information on the situation, in this respect, of each individual financial institution subject to its supervision, and to obtain this information in a way which allows it to compare between financial institutions and over time.

To this end, and in close consultation with Assuralia and Febelfin, the Bank has developed an electronic questionnaire on the prevention of money laundering and terrorist financing, which will have to be completed annually by the financial institutions. This obligation applies to all financial institutions which are subject to the Law of 11 January 1993 and which fall within the scope of the supervision of the Bank, including branches of both European and non-European financial institutions.

Given the specific characteristics of payment institutions and electronic money institutions to which authorisation has been granted in other member states of the European Economic Area and which are established in Belgium through the establishment of a limited network of agents, and of payment institutions and electronic money institutions which, by virtue of Articles 48 and 105 of the Law of 21 December 2009, are exempted from the application of the provisions of this law, these institutions are subject to the obligation to complete the short-form questionnaire, in accordance with Circular NBB_2016_43 of 26 October 2016.

The attached questionnaire is complemented by a "methodology note", which provides more details on the objectives and modalities.

2. Updated version of the periodic questionnaire

In the past few years, the Bank has already sent three electronic questionnaires to the financial institutions. A first version of the questionnaire was attached to circular NBB_2013_10 of 25 September 2013, a second version of the questionnaire was attached to circular NBB_2014_11 of 14 October 2014, and a third version of the questionnaire was attached to circular NBB_2015_26 of 7 October 2015. The financial institutions were asked each time to fill in this electronic questionnaire based on the situation (inter alia the internal procedures) on 31 December of 2013, 2014 and 2015 respectively.

Attached to this circular you will find a new version of the questionnaire. The first six chapters of the questionnaire remain unchanged compared to the questionnaire that had to be filled in by the institutions at the start of 2016. Chapter 7, 'Figures', which was introduced in last year's questionnaire, has been removed and therefore does not have to be completed as a separate chapter of the periodic questionnaire at the start of 2017.

However, this does not mean that the financial institutions will be exempted from their obligation to provide the Bank with certain figures in the course of 2017. Indeed, the information requested in 2016 in the now removed chapter 7 will, in 2017, be requested by the Bank through a new format that the financial institutions will include as an addendum to their annual money laundering report. Moreover, this addendum will include a request for additional information regarding the business conducted by financial institutions in Belgium. Later this year, the Bank will, through a separate circular, provide the financial institutions with further information related to this new reporting obligation, including all practical modalities.

As in previous years, the Bank will make the electronic form which must be used to complete the updated questionnaire available in the first days of 2017 through OneGate. This form will offer the possibility to reuse the answers that were given in 2016, to complete the questionnaire 2017. It goes without saying that the use of this functionality does not exempt the financial institution from the obligation to verify the correctness of each answer.

3. Deadline

The answers to the questionnaire must be submitted through OneGate between 1 January and 28 February 2017, based on the situation (e.g. the progress of internal procedures) on **31 December 2016**.

4. Practical aspects

In order to allow you to already gather the information needed to complete the questionnaire in a timely manner, paper versions of the questionnaire and the methodology note are annexed hereto.

For any questions regarding this questionnaire, please contact the new anti-money laundering and counter-terrorist financing supervisory team using the following e-mail address: supervision.ta.aml@nbb.be.

Yours faithfully,

Jan Smets
Governor

Annexes: 2