

## Circular

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### **Short-form periodic questionnaire on the prevention of money laundering and terrorist financing**

#### Scope

*Payment institutions and electronic money institutions governed by Belgian law and central contact points in Belgium of payment institutions and electronic money institutions authorised in other Member States of the European Economic Area.*

#### Summary/Objectives

*In this circular, the National Bank of Belgium sets out the conditions under which payment institutions and electronic money institutions governed by Belgian law, and central contact points of payment institutions or electronic money institutions which are active in Belgium through agents or distributors, are invited, in accordance with the principle of proportionality, to annually fill in the periodic short-form questionnaire on the prevention of money laundering and terrorist financing, instead of the full questionnaire which is attached to Circular NBB\_2016\_42 of 26 October 2016. This circular provides detailed information about this short-form questionnaire, which 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.*

Dear Madam,

Dear Sir,

In accordance with Articles 48 and 105 of the Law of 21 December 2009 on the legal status of payment institutions and electronic money institutions, access to the activity of payment service provider, access to the activity of issuing electronic money, and access to payment systems, these institutions may be exempted from application of the provisions of this law under certain conditions. It should be noted, however, that this exemption does not cover the provisions of the Law of 11 January 1993 on preventing use of the financial system for purposes of laundering money and terrorism financing.

Payment institutions and electronic money institutions which are authorised in other Member States of the European Economic Area and which operate in Belgium through independent agents or distributors, are also subject to the provisions of the Law of 11 January 1993 with regard to all their activities in Belgium. Moreover, they must appoint a person responsible for AML/CFT who is established in Belgium and who represents them there for all matters relating to compliance with the said law (hereinafter a "central contact point" or "CCP"). In implementing this requirement, the Belgian authorities must nevertheless take

into account the principle of proportionality; this implies that the solutions implemented in this area can vary significantly depending on the specific characteristics of each individual establishment in Belgium.

The power to monitor compliance with the provisions of the Law of 11 January 1993 by the exempted institutions referred to above and by CCP's of European payment institutions and electronic money institutions has been assigned to the National Bank of Belgium by the said law.

Gathering adequate information on the measures taken by the financial institutions as regards anti-money laundering and anti-terrorist financing ("AML/CFT") is an essential prerequisite for carrying out risk-based monitoring to ensure compliance with their legal and regulatory obligations in this area.

By Circular NBB\_2016\_42 of 26 October 2016, the Bank introduced an obligation for financial institutions established in Belgium to annually fill in an electronic questionnaire on AML/CFT. Payment institutions and electronic money institutions, including branches and central contact points in Belgium of payment institutions and electronic money institutions authorised in other Member States of the European Economic Area, fall within the scope of this Circular NBB\_2016\_42 of 26 October 2016 and must therefore normally complete the full questionnaire annually.

However, in accordance with the principle of proportionality, the Bank has decided to ease its requirements regarding the periodic information which must be provided on the arrangements put in place by the institutions to meet the legal obligations regarding AML/CFT, taking into account the specific characteristics or the scale of the establishment in Belgium of the payment institution or electronic money institution concerned.

Are therefore exempted from the obligation to complete the full questionnaire attached to Circular NBB\_2016\_42 of 26 October 2016:

- Payment institutions and electronic money institutions governed by Belgian law which, by virtue of Articles 48 or 105 of the Law of 21 December 2009, are exempted from application of the provisions of this law,
- « Central contact points » in Belgium of European payment institutions
  - which have established in Belgium a network of fewer than 100 agents or distributors, and
  - which have executed in Belgium over the past year, through their agent network, less than 100,000 payment transactions on behalf of their clients,
- « Central contact points » in Belgium of European electronic money institutions,
  - which have established in Belgium a network of fewer than 100 agents or distributors, and
  - which have distributed, over the past year and through their network of distributors in Belgium, electronic money amounting to less than EUR 5,000,000, and which have executed, through their agent network in Belgium, less than 100,000 payment transactions on behalf of their clients.

However, payment institutions and electronic money institutions and central contact points which are exempted from the said obligation, are invited to annually fill in the short-form questionnaire attached as Annex 1 to this Circular.

The answers to this questionnaire, which can be downloaded from the Bank's website, must be sent to the Bank by 28 February 2017, based on the state of the internal procedures applied on 31 December 2016. The institutions concerned must send their replies to the Bank by mail (to the following address: National Bank of Belgium - Prudential policy and financial stability Service – AML/CFT Supervision – boulevard de Berlaimont 14 - 1000 Brussels - Belgium) or by e-mail (to the following e-mail address: [supervision.ta.aml@nbb.be](mailto:supervision.ta.aml@nbb.be)).

This circular replaces, with immediate effect, Circular NBB\_2015\_27 on the same subject.

Yours faithfully,

Jan Smets  
Governor

*Annex : 1*