

Publication of the decision of the National Bank of Belgium of 11 October 2022 regarding X, adopted pursuant to Article 93 § 1, 1° of the Law of 18 September 2017 on the prevention of money laundering and terrorist financing and on the restriction of the use of cash

The National Bank of Belgium (hereinafter the "Bank"), in its capacity as the authority tasked with ensuring compliance with the provisions laid down by and pursuant to the Law of 18 September 2017 on the prevention of money laundering and terrorist financing and on the restriction of the use of cash (hereinafter the "Anti-Money Laundering Law"), is responsible for ensuring that the institutions under its supervision have an adequate organisation and internal control system enabling them to contribute effectively to the preventive part of the fight against money laundering and terrorist financing.

The Bank made an evaluation of the organisation and internal control system that X, electronic money institution authorised in Belgium, has put in place to comply with the said provisions.

The controls conducted by the Bank lead to the conclusion that X's organisation and internal control system show serious shortcomings with regard to Articles 8, 11, 13 § 2, 16, 17 al 2, 26, 27, 30, 34 and 35 of the Anti-Money Laundering Law, that are such as to prevent it from fully meeting its obligations to prevent money laundering and terrorist financing.

The main shortcomings identified in the prevention of money laundering and terrorist financing concern :

- the inadequacy of the process of assessing agent-related risks;
- the lack of control over the process for entering into contractual relationships with new agents;
- the inadequate supervision on a continuous basis of agents including the supervision over the correct application by those agents of the procedures on identifying and verifying the identity of customers;
- the failure to comply with the legal obligations to identify and verify the identity of customers and the process of gathering information on the nature and purpose of the business relationship.

In order to remedy this situation and thus ensure that X cannot be used for money laundering or terrorist financing purposes, the Bank ordered it, on 11th October 2022, pursuant to Article 93, § 1, 1° of the Anti-Money Laundering Law, to comply fully with the above-mentioned legal provisions within a prescribed period. In the meantime, X has announced to have taken measures to this effect. The adequate character of these measures is subject of an assessment by the Bank.