



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

**Common Issues Arising Regarding Completion of
The Anti-Money Laundering,
Countering the Financing of Terrorism
and Financial Sanctions Risk Evaluation Questionnaire**

2023

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1. Anti-Money Laundering ('AML'), Countering the Financing of Terrorism ('CFT') and Financial Sanctions ('FS') Risk Evaluation Questionnaire ('REQ') Framework

The Criminal Justice (Money Laundering and Terrorist Financing) Act 2010-2021('CJA 2010') requires Credit and Financial Institutions ('firms') to have AML/CFT preventive measures in place, including policies, procedures and processes, to ensure compliance with the CJA 2010. There is also an obligation to comply with EU Council Regulations that set out FS measures.

The REQ seeks to consider:

- Information on the way in which a firm has assessed the AML/CFT/FS risks posed by its business model (based on high level information provided by the firm); and
- Information on the AML/CFT/FS framework put in place by the firm.

2. Purpose of this Common Issues Arising regarding Completion of the REQ

The purpose of this Common Issues Arising regarding Completion of the REQ document ('CID') is to highlight the most frequently reoccurring issues that the Central Bank has observed in its review of REQs submitted by firms.

This CID also includes responses to some common queries firms might have regarding the technical submission of the REQ via the Central Bank's Portal.

Please note that this CID does not replace the "Instructions and Guidance for Completion of the REQ" (REQ Guidance). The REQ Guidance contains detailed guidance which should be taken into account by firms when completing the REQ. The REQ Guidance also contains step by step instructions regarding upload and submission of the REQ via the Portal

Please note: Firms should at all times refer to the REQ Guidance when completing the REQ.

3. Reoccurring Issues Observed in REQ Submissions

3.1 Understand and answer each question correctly

Please ensure that you read and understand all the questions in the REQ. If you are unsure of how to answer a question, please refer to the REQ Guidance. Please also ensure that all questions are answered correctly and accurately and provide a true reflection of your activities. The Central Bank will check the veracity to the information provided by firms in their REQ submissions as part of other supervisory engagements such as desk based reviews, inspections or meetings with firms.

If you are unclear of what is being sought / asked by any individual question or sections within the REQ, please contact the Central Bank at the following email address:

Contact: REQreturns@centralbank.ie

3.2 Assets

All sectors subject to the Central Bank's AML/CFT Supervision must complete and return the REQ return. However as the REQ is a generic return, not all fields in the REQ apply to each sector.

In Question 6, regarding Assets, the fields below should only be populated if applicable to the firm's business model:

- Assets Under Management
- Assets Under Administration

In addition the 'Money Throughput' field should only be populated by Payment Institutions.

3.3 Financial Figures

All financial figures should be reported in Euro thousands ('000) and be rounded to the nearest thousand. For example, €325,652 should be stated as 326 (i.e. $325,652/1000 = 326$). Any '€' and 'k' symbols should be omitted when keying in this data and only numerical values should be input. The following are the REQ questions where financial figures are required:

- Question 5: Turnover;
- Question 6: Total Assets; and
- Question 60: Suspicious Transaction Reporting.

3.4 Customer Due Diligence

Question 32 requests information regarding the total number of customers and numbers of customers for which Simplified Due Diligence measures were applied.

The Central Bank has noted instances whereby REQs have been submitted indicating that Simplified Customer Due Diligence has been applied to the majority of customers. During subsequent supervisory engagement with firms, the Central Bank found that many firms who indicated this was the case are in fact applying Standard Customer Due Diligence to those customers.

3.5 Customer Types

Question 34 requests information on the top five customer types. Examples of customer types (for illustration purposes only) may include but are not limited to:

- Natural Persons (non-business).
- Non-cash businesses & professionals.
- Cash intensive businesses (e.g. pubs, restaurants, petrol stations, gambling firms etc.).
- Legal structures (e.g. trusts, company structures, etc.).
- Charities.
- Offshore corporations.

Please note that account types (e.g. personal accounts, single/ joint accounts, dormant accounts, current accounts, foreign accounts, savings accounts etc.) should **not** be reported as customer types.

3.6 AML/CFT Outsourcing

Question 54 requests information on AML/CFT outsourcing arrangements.

AML/CFT outsourcing includes all third-party outsourcing and/or inter-group/company AML/CFT arrangements.

In the case of branches operating in Ireland via the freedom of establishment ('FOE'), AML/CFT outsourcing includes any AML/CFT outsourcing arrangements put in place by the branch's head office which relates to the activities of the branch.

4. Common Queries regarding Upload and Submission of the REQ

4.1 When should a firm submit an REQ?

The Central Bank will issue a notification letter by e-mail to the firm on an annual basis requesting submission of the REQ. The notification letter and covering e-mail provides two key dates i.e.

- Submission date: This is the date by which the firm needs to submit the REQ to the Central Bank via the Portal.
- Reporting date: This is the date that the REQ return can be accessed within the Portal. This is the date that must be used in naming the firm's REQ return prior to upload to the Portal.

4.2 REQ Naming Convention

The Portal requires that the REQ is named using the following format:

- CCCCCC_YYYYMMDD_REQ.xlsx

The file naming convention for the REQ is provided in the notification letter. This must be used by the firm. If it is not used, the Portal will not allow the upload of the REQ. Please note that the date used in the file name is the reporting date as referred to in section 4.1 above.

Example: A firm with an institution code of C50001 and a reporting date of 14/08/2023 will name the file C50001_20230814_REQ.xlsx

4.3 Uploading the REQ to the Portal

Uploading the REQ to the Portal for submission is a three step process:

1. Step one is the initial upload of REQ to the Portal, the status of the return will now be 'Valid' and a confirmation email will be received.
2. Step two is to 'Finalise' the REQ return.
3. Step three is to 'Sign Off' the return. The firm is required to confirm that the information provided within the REQ is complete and accurate. A second confirmation email is sent at this stage.

When uploading the REQ to the Portal for submission, please ensure to 'Finalise' and 'Sign-Off' the REQ return. These steps are critical and must be completed to ensure successful completion and transmission of the REQ.

