



**Circular No 298/2023
Dated 17 Oct 2023**

To Members of the Malaysian Bar

**Invitation to Provide Feedback on Proposed Amendments to AML/CFT and TFS for
DNFBPs and NBFIs Policy Document &
Virtual Engagement Session with BNM (31 Oct 2023)**

(1) Invitation to Provide Feedback on Proposed Amendments to AML/CFT and TFS for
DNFBPs and NBFIs Policy Document

Bank Negara Malaysia (“BNM”) is presently conducting a review of the Anti-Money Laundering, Countering Financing of Terrorism and Targeted Financial Sanctions (“AML/CFT and TFS”) for Designated Non-Financial Businesses and Professions (“DNFBPs”) and Non-Bank Financial Institutions (“NBFIs”) Policy Document. This revision is being undertaken to align the policy with the latest international standards. BNM has also informed us of its intention to introduce minor amendments that are designed to enhance clarity in certain areas, thereby facilitating a more effective implementation of the stipulated requirements.

Click [here](#) to view the Policy Document Review Deck (see pages 3 to 19), and [here](#) to view and download the Feedback Template (see pages 20 to 28).

Send your responses directly to BNM **on or before 10 Nov 2023 (Friday)**. Please direct all submissions to:

Pengarah
Jabatan Perisikan Kewangan dan Penguatkuasaan
Email: amlpolicy@bnm.gov.my

Subject of email: Feedback on amendments to AML/CFT & TFS for DNFBPs & NBFIs Policy Document

Please note that the submissions received may be made public, unless confidentiality is specifically requested for the whole or part of the submission.

(2) Virtual Engagement Session with Bank Negara Malaysia

BNM is inviting Members of the Bar to attend a virtual engagement session to facilitate understanding of the proposed amendments.

Details of the session (for lawyers) are as follows:

Date: 31 Oct 2023 (Tuesday)

Time: 3:00 pm to 4:30 pm

Register [here](#), on or before **25 Oct 2023 (Wednesday)**.

Admission to this engagement session is free of charge, but advance registration is required.

Should you have any enquiries, please email BNM at amlpolicy@bnm.gov.my, or contact the following BNM Officers by telephone at 03-2698 8044:

- (1) Tengku Harith Ihsan b Tengku Feizaludin (ext: 7435 / harithihsan@bnm.gov.my);
- (2) Raja Zarina bt Raja Mohammad (ext: 8153 / rajazarina@bnm.gov.my);
- (3) Masya Zafira bt Supaat (ext: 8555 / masya@bnm.gov.my); and
- (4) Amarjit Kaur Paridam Singh (amarjit@bnm.gov.my).

Members are encouraged to provide feedback on the proposed amendments and to participate in the virtual engagement session.

Thank you.

Mohamad Ezri Abdul Wahab
Chairperson
Committee on AMLA

AML/CFT & TFS for DNFBPs & NBFIs Policy Document - Limited Review

Jabatan Perisikan Kewangan dan Penguatkuasaan

TERHAD



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

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Purpose

This deck highlights the proposed new and enhanced preventive measures for effective mitigation of money laundering (ML), terrorism financing (TF) and proliferation financing (PF) risks by reporting institutions (RIs) in the financial sector. These proposals are aimed at:

- a) aligning with the updated international standards by the Financial Action Task Force (FATF); and
- b) provide clarity for more effective implementation of the obligations in preserving the integrity of the financial system and the country.

Bank Negara Malaysia invites written feedback on the proposals in this deck. The written feedback should be supported with clear rationale, accompanying evidence or appropriate illustrations to facilitate an effective review of the proposals. RIs may also provide feedback on any other areas within the AML/CFT & TFS for DNFBPs & NBFIs Policy Document which may require clarity for more effective implementation.

Feedback must be submitted by **10 November 2023** to:

Pengarah,
Jabatan Perisikan Kewangan dan Penguatkuasaan

Email: amlpolicy@bnm.gov.my

Subject of email: Feedback on amendments to AML/CFT & TFS for DNFBPs & NBFIs Policy Document

Submissions received may be made public unless confidentiality is specifically requested for the whole or part of the submission.

In the course of preparing your feedback, you may direct any queries to amlpolicy@bnm.gov.my or the following officers at 03-26988044:

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2. Raja Zarina binti Raja Mohammad (Ext: 8153 / rajazarina@bnm.gov.my)
3. Masya Zafira binti Supaat (Ext: 8555 / masya@bnm.gov.my)
4. Amarjit Kaur Paridam Singh (amarjit@bnm.gov.my)





Agenda

1. Overview of Amendments
2. Specific Amendments
3. Next Course of Action

Overview of Amendments



Overview of Amendments to the AML/CFT and TFS for DNFBP & NBFIs Policy Document



A. Major Amendments

(Change in policy and/or additional requirements)

1. Proliferation Financing (PF)

- a) *Require RIs to identify, assess & mitigate PF risks*

2. AML/CFT Group-Wide Programme

- a) *Expand definition of financial group & application of group-wide programme*
- b) *Application of group-wide programme on DNFBP group & other DNFBP structures on risk-basis*

3. Targeted Financial Sanctions (TFS) Obligations

- a) *Clarity on the conduct of sanctions screening obligation, to ensure consistent implementation of TFS obligation by RIs*



B. Minor Amendments

Areas for better clarity in implementation or arising from changes in FATF definitions or minor updates, e.g, definition of BO, beneficiary (to align with FATF), clarity on submission of CTRs, record keeping, etc

Specific Amendments



1. Risk-based approach : Mandatory Institutional PF risk assessment

Expectation

- **RI**s to identify, assess and take effective action to mitigate their PF risks, i.e., risks of potential breaches, non-implementation or evasion of TFS related to PF, as contained in Recommendation 7 on TFS related to PF.

A. Mandatory expectation under paragraph 10 on Risk-based approach (RBA)

- Identify and assess PF risks:
 - document PF risk assessment;
 - Keep assessments up to date; and
 - Have appropriate mechanisms to provide PF risk assessment information to competent / supervisory authorities upon request;
- Have policies, controls and procedures approved by senior management to enable to manage and mitigate identified PF risks (by country or by FI / DNFBP);
- Monitor implementation and enhance where necessary;
- Take commensurate measures to manage and mitigate risks where higher risks identified, and where PF risks are lower, ensure measures to manage and mitigate the risks are commensurate with level of risk, while ensuring full implementation of TFS PF requirements under Recommendation 7

B. Expand training scope (under para 11 on Compliance Programme) to include PF related typologies, emerging trends and evasion techniques.

Rationale

To align with revised Recommendation 1 on Assessing Risks & Applying a Risk-based Approach in response to the growing threat of weapons of mass destruction (WMD) & PF, aimed at ensuring that RIs do not unwittingly support or become part of PF networks given emerging trends on PF risks & evasion techniques adopted by designated persons

Feedback required

- Please state if your institution currently undertakes PF risk assessment
- If yes to Q1,
 - what are the risk factors considered and its risk parameters / indicators;
 - is the assessment conducted on a stand-alone basis or embedded within existing methodology for ML/TF risk assessment; and
 - does your institution face any challenges when undertaking PF risk assessment, and if yes, what are the challenges?
- Please state areas of guidance required to facilitate the conduct of PF risk assessment.
- Does your institution's training scope currently include PF, e.g. typologies, emerging trends, red flags for detection of evasion, etc?



2A. AML/CFT Group-wide Programme for Financial Group for FIs: Expanded Applicability (1/2)

Enhance

Applicable to leasing and factoring companies with / without moneylender license

Expectation

- Application of **group-wide programme** requirement on FIs based on the **revised financial group definition** under Recommendation 18 on Internal Controls and Foreign Branches and Subsidiaries

Rationale

- To align with FATF's updated financial group definition in 2021, where FATF adopted **minor change to 'financial group' definition to expand application of group-wide programme on non-core principles FI activities on risk-basis;**

“Financial group is a group that consists of a parent company or of any other type of legal person exercising control & coordinating functions over the rest of the group ~~for the application of group supervision under the Core Principles~~, together with branches &/or subsidiaries that are subject to AML/CFT policies & procedures at the group level.”

What does this mean?

- Group-wide programme will no longer be confined to core principles FI activities, expanded to include other financial and non-financial activities, on risk-basis
 - Relevant for groups with mixed **core principles FIs activities** i.e., banks & insurance providers; and **non-core principles FI activities** e.g., leasing, factoring, MVTs & money lenders, as well as DNFBPs



2A. AML/CFT Group-wide Programme for Financial Group : Expanded applicability (2/2)

Enhance

Feedback required

Applicable to leasing and factoring companies with / without moneylender license

1. How is group-wide requirement implemented by your institution, i.e., application of AML/CFT policies and procedures (P&P) at group level, group compliance and audit
 - a) all branches and subsidiaries or risk-basis?
 - b) if risk-basis, please state the considerations.
 - c) if all branches and subsidiaries, does it extend to all financial and non-financial activities carried out by the group as listed under First Schedule of AMLA, domestic and cross border? or domestic only and cross-border subject to host country requirements? or domestic separated based on the purview of regulatory / supervisory authority? or others, please specify
2. In reference to Q1c), if it extends to financial and non-financial activities under the First Schedule of AMLA, please specify the sector(s) involved, e.g. group of leasing, factoring, moneylender, pawnbroker, etc
3. Does your institution foresee challenges to comply with group-wide requirements arising from the expanded definition? Please state why and suggestions (if any) to overcome the challenges
4. Please state your institution's P&P for sharing of information within group for purposes of CDD and ML/TF risk management.
 - a) the category of entity / division / department, etc. with which information is shared
 - b) the specific purpose and circumstances for sharing
 - c) type of information shared
 - d) established safeguards, including any restrictions

If no such P&P, please state the reason.

5. Does your institution understand or consider its ML/TF risks on a global basis or group level in addition to institutional level, i.e., based on information from branches, subsidiaries and other parts of business within an entity, including from overseas operations, for purposes of developing and implementing a single group-wide AML/CFT strategy?
 - for instance, information shared by a FI with group compliance on identified misuse of new or existing products or services and measures taken to mitigate the risks may help the group take a consistent approach in a multi-national environment, though the differing risk environment is arguable

If yes, please briefly describe the approach, extent (which entities included) and risk considerations

If no, please state why

2B. AML/CFT Group-wide Programme For DNFBPs (1/3)

New

Expectation

- Introduce **application of group-wide programme on DNFBP groups** (i.e. parent/subsidiary-branch structure) and **assess application on 'other DNFBP structures'** (Recommendation 23 on DNFBPs : Other Measures)
 - **Group-wide programme is a holistic AML/CFT risk assessment and management across a group / structure**, may include group-wide P&P, group risk assessment, the appointment of group compliance officer and group audit functions

Rationale

To align with updated FATF Recommendation 23 which aims to adequately mitigate ML/TF risks while reducing regulatory arbitrage, which states that

- **DNFBP Group** – group-wide requirements are also applicable to DNFBP groups operating under the same structure as financial groups;
- **For other DNFBP structures**, to consider applying requirements for group-wide programmes to DNFBPs operating in other structures **sharing common ownership, management or compliance control**
 - to the extent that **those structures could better mitigate ML/TF risks** by applying group-wide programmes
 - provided **there is some connection between entities in the structure that it is possible to set a group-wide programme, monitor its implementation and enforce compliance.**

What does this mean?

Group expectations apply to...

1. Entities **operating under parent / subsidiary-branch structure of DNFBPs**, e.g. casino; DPMS; REA, potentially large legal or accounting firms or company secretaries, trust companies
2. Entities **operating under parent / holding company under financial group** may fall within the **wider financial group definition**, e.g. trust companies, and subject to risk-based application of group-wide programme.
3. Other DNFBP structures the likes of **affiliation, network, on risk and relevancy basis**, e.g. legal or accounting or company secretary firms, DPMS

Group expectation **does not** apply to.....

Sole props or other independently operating businesses or professionals.



2B. AML/CFT Group-wide Programme for DNFBPs (2/3)

New

Group structure	DNFBP Group	Other DNFBP Structures
Definition	<p>A group that consist of a parent company or of any other type of legal person exercising control and coordinating functions over the rest of the group, together with branches and/or subsidiaries, domestic and overseas, that are subject to AML/CFT P&P at the group level</p>	<p>Do not operate like group but share common:</p> <ul style="list-style-type: none"> • ownership – shareholder (s) / partners (s) • management <ul style="list-style-type: none"> - there is a group governing / management body; - existing arrangements requiring two / more entities to implement and operate to common P&P; - responsibility for developing group P&P rests with one entity in the group / network; - group level reporting (directors / other senior management); - group audit / reporting function overseeing implementation of common P&P • compliance control <ul style="list-style-type: none"> - existing group-wide policies, compliance and audit functions; - an entity has obligation to periodically report to another connected individual/entity on compliance / risk management matters
Expectation	<p>Whole set of group-wide requirement (please see slide 17 for full requirement)</p> <ul style="list-style-type: none"> • Group level controls (internal P&P, including appropriate compliance management arrangements, adequate employee screening; employee training ; an independent audit function) • P&P for information sharing for purposes of CDD and ML/TF risk management, and safeguards on confidentiality and use of exchanged information • For overseas subsidiaries or branches, application of AML/CFT measures as per Malaysia’s regime. If host country requirements less stringent than Malaysia, to apply for stringent requirement to the extent possible 	<p>Depending on the type of structure and operations:</p> <ul style="list-style-type: none"> • Group structure level controls (internal P&P) • P&P for information sharing – scope and extent of information to be shared to be based on appropriateness, need and relevance to AML/CFT risk management, having regard to existing requirements to the group, sensitivity of the information, adequate safeguard measures



2B. AML/CFT Group-wide Programme for DNFBPs (3/3)

New

Feedback required

DNFBP / Mixed Financial-DNFBP group (e.g. trust companies part of financial group; DPMS and pawnbroker part of a group)

1. Is your institution part of formal group structure, i.e. parent / subsidiary-branch, sister company / related structure. Please state the type, including domestic and overseas.
2. If yes,
 - a) Is your institution the only RI under AMLA within the group?
 - b) Are there any other sectors of RIs within the same group? If yes, please state the sectors (Please see the list of RIs under AMLA at the following link [Are you a Reporting Institutions? - Anti Money Laundering / Countering Financing of Terrorism \(AML/CFT\) \(bnm.gov.my\)](https://www.bnm.gov.my/are-you-a-reporting-institution-anti-money-laundering-counter-terror-finance)).
 - c) Does your institution currently implement group-wide programme ? If yes, please briefly describe the current approach, e.g. group-wide P&P, allow sharing of customer information, group compliance / audit, etc; extent of application, i.e. branches domestically or also extends to overseas branches; subsidiaries
3. If no to Q2c),
 - please state why, e.g. branch / subsidiary operate independently, etc
 - does your institution foresee any challenges in implementing group-wide programme? Please state why and suggestions (if any) to overcome the challenges.

Other DNFBP structures

1. Does your institution have any international affiliation or network or association or similar structures? If yes, please list them, i.e. type, entity, location of entity / affiliation / network, purpose (table in word doc to include the 3 criteria, i.e. common shareholding, management or compliance controls)
2. For any of the above, does your institution share any client's information across the structures? If yes, please state the type of information shared and purpose (e.g. marketing or introduction of business, client due diligence and risk management, etc) and safeguards to manage confidentiality and use of exchanged information
3. If the purpose is marketing or introduction of business, how is customer due diligence (CDD) conducted on those clients? i.e. conduct fresh CDD, rely on affiliation firm, etc
4. In your current structure, is there any entity (with sufficient connection) to develop, implement and enforce group-wide programme?



3. Targeted Financial Sanctions (TFS): Clarity for effective sanctions screening

Expectation

- Screening for all customers and transactions, **regardless of CDD threshold or features of product and services**
- **Minimum data points for effective screening** (i.e., full name, official ID number, date of birth)

Rationale

- In response to observations from supervisory visits, the intent is to provide clarity on the expectation to ensure RIs do not unwittingly onboard sanctioned entities, and to prevent RIs from making funds available to sanctioned entities, directly or indirectly, that may support terrorism or PF activities
- To mitigate impact / reputational risk to Malaysia from the onboarding of sanctioned entities or seen as supporting terrorism or PF activities

Feedback required

1. In circumstances where simplified / standard CDD is not required, what is/are the minimum data points obtained from customers to facilitate sanctions screening?
2. Are these data points adequate for the effective conduct of sanctions screening?
3. Do you foresee challenges in obtaining the minimum data points stated above from customers for purposes of sanctions screening? Do you have any suggestions to overcome the challenges?
4. What is your institution's current practice in ensuring maintenance of up-to-date UNSCR and Domestic TF lists?

Next Course of Action



Next Course of Action from RIs

Provide written feedback on questions posed

Deadline: 10 November 2023

What's Required?

Feedback on :

- i. specific questions supported with relevant evidence
- ii. matters not covered in specific questions involving major amendments
- iii. other areas within the PDs for clarity or guidance required
- iv. examples of good practice to be included as guidance



Additional Information on Group-Wide Programme



Financial / DNFBP Group

- Entities operating under a parent /subsidiary – branch structure are required to implement **group-wide programmes** against ML/TF - **applicable and appropriate to all branches and subsidiaries of the group** - include the following measures:
 - (a) framework for AML/CFT Compliance programme at the group level;
 - (b) appoint a Group Compliance Officer at management level;
 - (c) policies and procedures for sharing information required for the purposes of CDD and ML/TF risk management;
 - (d) the provision of customer, account and transaction information from branches and subsidiaries when necessary for AML/CFT purposes (to group level compliance, audit and/or aml/cft functions) ; and
 - (e) safeguards on the confidentiality and use of information exchanged
- A Group Compliance Officer is responsible for developing, coordinating and making a group-wide assessment for the implementation of a single AML/CFT strategy, including mandatory policies and procedures, and the authorisation to give directions to all branches and subsidiaries

Foreign Branches and Subsidiaries

- Reporting institutions are required to closely monitor the reporting institution's foreign branches or subsidiaries operating in jurisdictions with inadequate AML/CFT laws and regulations as highlighted by the FATF or the Government of Malaysia.
- Reporting institutions and financial / DNFBP groups shall ensure that their foreign branches and subsidiaries apply AML/CFT measures in a manner that is consistent with the AML/CFT requirements in Malaysia. Where the minimum AML/CFT requirements of the host country are less stringent than those of Malaysia, the reporting institution must apply Malaysia's AML/CFT requirements, to the extent that host country laws and regulations permit.
- If the host country does not permit the proper implementation of AML/CFT measures in a manner that is consistent with the AML/CFT requirements in Malaysia, the reporting institution and financial / DNFBP group are required to apply additional measures to manage the ML/TF risks, and report to their supervisors in Malaysia on the AML/CFT gaps and additional measures implemented to manage the ML/TF risks arising from the identified gaps.

Feedback on the Proposed Amendments to the Anti-Money Laundering, Countering Financing of Terrorism and Targeted Financial Sanctions for Designated Non-Financial Businesses & Professions (DNFBPs) and Non-Bank Financial Institutions (NBFIs) Policy Document

Please provide your feedback on the proposed amendments in the table below. The feedback should be supported with clear rationale, accompanying evidence or appropriate illustrations to facilitate an effective review of the proposals. Reporting institutions (Ris) may also provide feedback on any other areas within the AML/CFT & TFS for DNFBPs & NBFIs Policy Document which require clarity for more effective implementation.

Feedback must be submitted by **10 November 2023** to:

Pengarah,

Jabatan Perisikan Kewangan dan Penguatkuasaan

Email: amlpolicy@bnm.gov.my

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4. Amarjit Kaur Paridam Singh (amarjit@bnm.gov.my)

Details of Institution:

Name	:	<input type="text"/>
Designation	:	<input type="text"/>
Company/Firm	:	<input type="text"/>
E-mail address	:	<input type="text"/>
Contact no	:	<input type="text"/>

No	Specific amendments	Questions	Feedback
1	<p>Risk-based approach: Mandatory Institutional PF risk assessment</p> <ul style="list-style-type: none"> • RIs to identify, assess and take effective action to mitigate their PF risks, i.e., risks of potential breaches, non-implementation, or evasion of TFS related to PF, as contained in Recommendation 7 on TFS related to PF. 	<p>1. Please state if your institution currently undertakes PF risk assessment.</p> <p>2. If yes to Q1,</p> <ol style="list-style-type: none"> a) what are the risk factors considered and its risk parameters / indicators; b) is the assessment conducted on a stand-alone basis or embedded within existing methodology for ML/TF risk assessment; and c) does your institution face any challenges when undertaking PF risk assessment. If yes, what are the challenges? <p>3. Please state areas of guidance required to facilitate conduct of PF risk assessment.</p> <p>4. Does your institution's training scope currently include PF, e.g., typologies, emerging trends, red flags for detection of evasion, etc.?</p>	

No	Specific amendments	Questions	Feedback
2A.	AML/CFT Group-wide Programme for Financial Group: Expanded Applicability <ul style="list-style-type: none"> Application of group-wide programme requirement on FIs based on the revised financial group definition under Recommendation 18 on Internal Controls and Foreign Branches and Subsidiaries. 	Applicable to leasing and factoring companies with / without moneylender license	
		1. How is group-wide requirement implemented by your institution, i.e., application of AML/CFT policies and procedures (P&P) at group level, group compliance and audit <ul style="list-style-type: none"> a) all branches and subsidiaries or risk-basis? b) if risk-basis, please state the considerations. c) if all branches and subsidiaries, does it extend to all financial and non-financial activities carried out by the group as listed under First Schedule of AMLA¹, domestic and cross border? or domestic only and cross-border subject to host country requirements? or domestic separated based on the purview of regulatory / supervisory authority? or others, please specify. 	
		2. In reference to Q1c), if it extends to financial and non-financial activities	

¹ Please see the list of RIs under AMLA at the following link: [Are you a Reporting Institutions? - Anti Money Laundering / Countering Financing of Terrorism \(AML/CFT\) \(bnm.gov.my\)](http://www.bnm.gov.my).

No	Specific amendments	Questions	Feedback																				
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		<p>3. Does your institution foresee challenges to comply with group-wide requirements arising from the expanded definition? If yes, please state why as well as suggestions (if any) to overcome the challenges.</p>																					
		<p>4. Please state your institution's P&P for sharing of information within group for purposes of CDD and ML/TF risk management.</p> <p>a) the category of entity / division / department, etc. with which information is shared;</p> <p>b) the specific purpose and circumstances for sharing;</p> <p>c) type of information shared; and</p> <p>d) established safeguards, including any restrictions.</p> <p>If no such P&P, please state the reason.</p>	<p>P&P for sharing of information within group:</p> <table border="1" data-bbox="1207 858 2094 1161"> <thead> <tr> <th data-bbox="1207 858 1279 1031">No</th> <th data-bbox="1279 858 1480 1031">Category of entity / division /department</th> <th data-bbox="1480 858 1715 1031">Specific purpose and circumstances for sharing</th> <th data-bbox="1715 858 1901 1031">Type of information shared</th> <th data-bbox="1901 858 2094 1031">Safeguards</th> </tr> </thead> <tbody> <tr> <td data-bbox="1207 1031 1279 1074">1.</td> <td data-bbox="1279 1031 1480 1074"></td> <td data-bbox="1480 1031 1715 1074"></td> <td data-bbox="1715 1031 1901 1074"></td> <td data-bbox="1901 1031 2094 1074"></td> </tr> <tr> <td data-bbox="1207 1074 1279 1117">2.</td> <td data-bbox="1279 1074 1480 1117"></td> <td data-bbox="1480 1074 1715 1117"></td> <td data-bbox="1715 1074 1901 1117"></td> <td data-bbox="1901 1074 2094 1117"></td> </tr> <tr> <td data-bbox="1207 1117 1279 1161"></td> <td data-bbox="1279 1117 1480 1161"></td> <td data-bbox="1480 1117 1715 1161"></td> <td data-bbox="1715 1117 1901 1161"></td> <td data-bbox="1901 1117 2094 1161"></td> </tr> </tbody> </table>	No	Category of entity / division /department	Specific purpose and circumstances for sharing	Type of information shared	Safeguards	1.					2.									
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2.																							

No	Specific amendments	Questions	Feedback
		<p>5. Does your institution understand or consider its ML/TF risks on a global basis or group level in addition to institutional level, i.e., based on information from branches, subsidiaries and other parts of business within an entity, including from overseas operations, for purposes of developing and implementing a single group-wide AML/CFT strategy?</p> <ul style="list-style-type: none"> - for instance, information shared by a FI with group compliance on identified misuse of new or existing products or services and measures taken to mitigate the risks may help the group take a consistent approach in a multi-national environment, though the differing risk environment is arguable. <p>If yes, please briefly describe the approach, extent (which entities included) and risk considerations.</p> <p>If no, please state why.</p>	

No	Specific amendments	Questions	Feedback
2B.	<p>AML/CFT Group-wide Programme for DNFBPs and NBFIs only</p> <ul style="list-style-type: none"> Introduce application of group-wide programme on DNFBP groups (i.e. parent / subsidiary-branch structure) and assess application on 'other DNFBP structures' (Recommendation 23 on DNFBPs: Other Measures) <ul style="list-style-type: none"> Group-wide programme is a holistic AML/CFT risk assessment and management across a group / structure, may include group-wide P&P, group risk 	<p>DNFBP / Mixed Financial-DNFBP group (e.g. 1. trust companies part of financial group; 2. DPMS and pawnbroker part of a group)</p> <p>1. Is your institution part of formal group structure, i.e. parent / subsidiary-branch, sister company / related structure. Please state the type, including domestic and overseas</p> <p>2. If yes,</p> <p>a) Is your institution the only RI under AMLA within the group?</p> <p>b) Are there any other sectors of RIs within the same group? If yes, please state the sectors (Please see the list of RIs under AMLA at the following link Are you a Reporting Institutions? - Anti Money Laundering / Countering Financing of Terrorism (AML/CFT) (bnm.gov.my)).</p> <p>c) Does your institution currently implement group-wide programme? If yes, please briefly describe the current approach, e.g. group-wide P&P, allow sharing of customer information, group compliance / audit, etc; extent of application, i.e.</p>	

No	Specific amendments	Questions	Feedback															
	<p>assessment, the appointment of group compliance officer and group audit functions</p>	<p>branches domestically or also extends to overseas branches; subsidiaries</p>																
<p>3. If no to Q2c), a) please state why, e.g, branch / subsidiary operate independently, etc b) does your institution foresee any challenges in implementing group-wide programme? Please state why and suggestions (if any) to overcome the challenges.</p>																		
<p>Other DNFBP structures</p>																		
<p>1. Does your institution have any international affiliation or network or association or similar structures? If yes, please list them, i.e. type, entity, location of entity / affiliation / network, purpose include the 3 criteria, i.e. common shareholding, management or compliance controls</p>	<p>Institutions' affiliation / network / association information. For each category, please state if there is any sharing of common: a) shareholder (S) b) management (M) c) compliance control (C)</p> <table border="1" data-bbox="1207 1198 2094 1461"> <thead> <tr> <th data-bbox="1207 1198 1429 1329">Type of structure</th> <th data-bbox="1429 1198 1650 1329">Sector of entity and location</th> <th data-bbox="1650 1198 1872 1329">Purpose</th> <th data-bbox="1872 1198 2094 1329">Common S, M, C</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		Type of structure	Sector of entity and location	Purpose	Common S, M, C												
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			<table border="1"> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </table>												
		<p>2. For any of the above, does your firm share any client's information across the structures? If yes, please state the type of information shared and purpose (e.g. marketing or introduction of business, client due diligence and risk management, etc) and safeguards to manage confidentiality and use of exchanged information</p>	<p>Sharing of information:</p> <table border="1"> <thead> <tr> <th data-bbox="1205 523 1429 608">Type of information</th> <th data-bbox="1429 523 1653 608">Purpose</th> <th data-bbox="1653 523 1870 608">Safeguards</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Type of information	Purpose	Safeguards									
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		<p>3. If the purpose is marketing or introduction of business, how is customer due diligence (CDD) conducted on those clients? i.e. conduct fresh CDD, rely on affiliation firm, etc</p>													
		<p>4. In your current structure, is there any entity (with sufficient connection) to develop, implement and enforce group-wide programme</p>													
3.	Targeted Financial Sanctions (TFS):	1. In circumstances where simplified / standard CDD is not required, what													

No	Specific amendments	Questions	Feedback
	<p>Clarity for effective sanctions screening</p> <ul style="list-style-type: none"> Screening for all customers and transactions, regardless of CDD threshold or features of product and services. Minimum data points for effective screening (i.e., full name, official ID number, date of birth) 	<p>is/are the minimum data points obtained from customers to facilitate sanctions screening?</p>	
		<p>2. Are these data points adequate for the effective conduct of sanctions screening?</p>	
		<p>3. Do you foresee challenges in obtaining the minimum data points stated above from customers for purposes of sanctions screening? Do you have any suggestions to overcome the challenges?</p>	
		<p>4. What is your firm's current practice in ensuring maintenance of up-to-date UNSCR and Domestic TF lists?</p>	