



RISK AND COMPLIANCE SCREENING: UNDERSTAND YOUR DUTIES¹

In terms of the Namibian Financial Intelligence Act of 2012 (FIA) and the Namibian Prevention and Combating of Terrorist and Proliferation Activities Act of 2014 (PACOTPAA), Accountable and Reporting Institutions (AIs and RIs) are obliged to screen their clients as follows:

AIs and RIs must screen their individual and entity clients (which include all beneficial owners and persons acting on behalf of the client):

- 1. for compliance with United Nations sanctions² and**
- 2. for determining their client's risk profile (i.e. to assist them in understanding the money laundering / terrorist financing / proliferation financing risk the client poses and to obtain the correct information from the client and perform the required level of transaction / activity monitoring)³.**

1. Sanctions compliance

Sanctions compliance obligations must be fulfilled on an ongoing basis. This means that all clients must be screened continuously / every time changes to sanctions lists are published in the Government Gazette⁴.

2. Client risk profiling

AIs and RIs must determine the money laundering and terrorist / proliferation financing

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² *Legal Practitioners, Accountants / Auditors and Estate Agents:* It is imperative to note that all clients must be screened for sanctions compliance, not only the clients involved in activities as listed in FIA. Sections 25 and 39 of PACOTPAA makes this clear.

³ **Legal Practitioners, Accountants / Auditors and Estate Agents:* Only clients from listed activities have to be screened to determine a risk profile.

⁴ *Legal Practitioners, Accountants / Auditors and Estate Agents:* For once-off type transactions or services such as the buying and selling of real estate, the clients must be screened for sanctions compliance until the transaction has been fulfilled.

risk posed by their clients and fulfil their customer due diligence and monitoring activities accordingly. This means:

Als and RIs have to screen all their clients to -

- 2.1 identify Politically Exposed Persons
- 2.2 consider adverse media
- 2.3 consider involvement in criminal activities such as, fraud, money laundering, trafficking (of people, drugs, weapons and/or other items), terrorism or supporting terrorism, corruption and/or organised crime.

LET US HELP YOU: OUR SCREENING SERVICES

KYC NAMIBIA DUE DILIGENCE SERVICES⁵ offers a client list filtering system to assist all persons, including corporates, Als and RIs, to comply with their due diligence, anti-fraud, anti-money laundering, “know your customer” compliance requirements or other similar regulatory purposes or obligations.

The filtering system is an in-house solution which comprises a software application owned and operated by KYC NAMIBIA.

KYC NAMIBIA is an authorised distributor of Dow Jones Risk and Compliance Information and is permitted to pull the Dow Jones Information from Dow Jones servers using an API to display on the KYC NAMIBIA online service. This enables Authorised Subscriber clients of KYC NAMIBIA to access the Dow Jones Information within a closed access password protected environment.

Permitted Users of Authorised Subscribers will be able to perform single and bulk search queries via a search tool (access by encrypted data line).

The KYC NAMIBIA Online Service requires no installation of software or other infrastructure. All that is required for the use of the service is an internet connection and a password issued by KYC NAMIBIA.

KYC NAMIBIA provides the Permitted Users with a report on all search queries results to print or retain for their compliance purposes.

The service is delivered and installed by KYC NAMIBIA at it's customer site www.kycnamibia.com.

For queries, contact admin@kycnamibia.com or info@kycnamibia.com.

⁵ CC 2015 / 15179