



# Sixth Follow-Up Report

## Guyana

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## GUYANA – SIXTH FOLLOW-UP REPORT

### I. Introduction

1. This report presents an analysis of Guyana’s report to the Caribbean Financial Action Task Force (CFATF) Plenary regarding progress made to correct the deficiencies identified in its third round Mutual Evaluation Report (MER). The third round MER of Guyana was adopted by the CFATF Council of Ministers in May 2011 in Honduras. Guyana was placed on expedited follow-up and required to report every Plenary. In May 2013, the Plenary placed Guyana on a list of jurisdictions with strategic anti-money laundering/combating the financing of terrorism (AML/CFT) deficiencies that had not made sufficient progress in addressing the deficiencies and required Guyana to take specific steps to address these deficiencies by November 2013. As a result of the assessment of measures in the Fifth Follow-Up Report, Plenary in November 2013, agreed that Guyana be identified in a formal CFATF statement as not taking sufficient steps to address its AML/CFT deficiencies and that CFATF Members be called upon to consider implementing counter measures to protect their financial systems from the ongoing money laundering and terrorist financing risks emanating from Guyana. Guyana has submitted information in the attached matrix on measures taken since the Mutual Evaluation to comply with the examiners’ recommendations. Guyana was rated partially compliant or non-compliant on 16 Core and Key Recommendations and 25 other Recommendations. The Core and Key Recommendations are indicated in italics in the table below.

**Table 1; Ratings of Core and Key Recommendations**

<b>Rec.</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>10</b>	<b>13</b>	<b>23</b>	<b>26</b>	<b>35</b>	<b>36</b>	<b>40</b>	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>V</b>
<b>Rating</b>	<b>PC</b>	<b>PC</b>	<b>PC</b>	<b>PC</b>	<b>PC</b>	<b>NC</b>	<b>NC</b>	<b>NC</b>	<b>PC</b>	<b>NC</b>	<b>PC</b>	<b>PC</b>	<b>PC</b>	<b>NC</b>	<b>PC</b>	<b>NC</b>

2. With regard to the remaining Recommendations, Guyana was rated partially compliant or non-compliant on twenty-seven (27) as indicated below:

**Table 2: Non Core and Key Recommendations rated Partially Compliant and Non-Compliant**

<b>Partially Compliant (PC)</b>	<b>Non-Complaint (NC)</b>
R. 6 (Politically exposed persons)	R. 8 (New technologies & non face-to-face business)
R. 9 (Third parties and introducers)	R. 12 (DNFBP – R.5,6,8-11)
R. 15 (Internal controls, compliance & audit)	R. 16(DNFBP – R.13-15 & 21)
R. 17 (Sanctions)	R. 19 (Other forms of reporting)
R. 28 (Powers of competent authorities)	R. 21 (Special attention for higher risk countries)
R. 29 (Supervisors)	R.22 (Foreign branches & subsidiaries)
R. 33 (Legal persons – beneficial owners)	R. 24 (DNFBP – regulation, supervision and monitoring)
R. 39 (Extradition)	R. 25 (Guidelines & Feedback)
SR. VI (AML requirements for money value transfer services)	R. 27 (Law enforcement authorities)
SR. IX (Cross-border Declaration &	R. 30 (Resources, integrity and training)

Disclosure)	
	R. 31 (National co-operation)
	R. 32 (Statistics)
	R. 34 (Legal arrangements – beneficial owners)
	R. 37 (Dual criminality)
	R. 38 (MLA on confiscation and freezing)
	SR. VII (Wire transfer rules)
	SR. VIII (Non-profit organizations)

3. The following table gives some idea of the level of risk in the financial sector by indicating the size and integration of the sector in Guyana.

**Table 3: Size and integration of the jurisdiction's financial sector  
As at September 30, 2013**

(US\$ Million)

		Banks	Other Credit Institutions*	Securities**	Insurance	TOTAL
<b>Number of institutions</b>	Total #	6	4	2	15	27
<b>Assets</b>	US\$M	1,938	298	84	197	2,517
<b>Deposits</b>	Total: US\$	1,632	240	NIL	NIL	1,873
	% Non-resident	% of deposits				
		3	23		0	4
<b>International Links</b>	% Foreign-owned:	% of assets	% of assets	% of assets	% of assets^	% of assets
		53	1	0	19	49
	#Subsidiaries abroad	Nil	Nil	Nil	Nil	Nil

\* Includes merchant banks, trust companies, building society

\*\* Includes stockbrokers and investment company

^ Includes local parents and overseas subsidiary data since separate balance sheet data is not available

Exchange Rate: US\$1.00 = G\$205.50. (BOG mid-rate at 30.9.13)

## II. Summary of progress made by Guyana

4. Since the MER, the authorities in Guyana have been assessing various means to achieve compliance. Some of these measures under consideration include the issuing of directives to relevant financial institutions and appropriate training programs. The authorities advised that since the on-site visit the Anti-Money Laundering and Countering the Financing of Terrorism Regulations 2010 (AMLCFTR) was enacted in September 2010. The AMLCFTR was enacted to supplement the legislative provisions of the Anti-Money Laundering and Countering the Financing of Terrorism Act (AMLCFTA) and dealt with identification, record keeping, reporting, and training procedures. The Anti-Money Laundering and Countering the Financing of Terrorism (AMLCFT) (Amendment) Bill 2013 was presented in Parliament on April 22, 2013 a week before its deadline of April 30, 2013. The Bill seeks to address the legislative amendments required by the examiners' recommended actions in the core and key Recommendations and a majority of the remaining outstanding Recommendations. Following the legislative debate process in Parliament the AMLCFT (Amendment) Bill 2013 was rejected by Parliament in November 2013. The AMLCFT (Amendment) Bill was reintroduced in Parliament in December

2013 and has been subject to consideration by a Parliamentary Special Select Committee which has yet to complete its deliberations for the Parliament to enact the legislation.

5. In March 2013, the Bank of Guyana (BOG) issued the Anti-Money Laundering (AML) Guidelines for insurance business and the AMLCFT Examinations Manual for the Bank Supervision Division was finalized. In June 2013, the BOG issued the BOG AML/CFT Guidelines to licensed financial institutions under the Financial Institutions Act (FIA), the Money Transfer Agencies (Licensing) Act (MTALA) and the Dealers in Foreign Currency (Licensing) Act (DFCLA).

6. The Financial Intelligence Unit (FIU) has also been involved in providing training to relevant Government agencies, supervisory authorities and reporting entities to increase awareness and understanding of their respective responsibilities and obligations under the AMLCFTA and the AMLCFTR. Additionally, the human and physical resources of the FIU have been substantially increased as part of a plan to improve the capacity of the FIU to fulfill its legislative responsibilities. As a result of measures put in place, the examiners' recommended actions for Recommendations 10, 19, and 28 have been met.

7. Minimal improvement was reported in the last report in the level of compliance with Recs. 5, 8, 9, 13, 15, 21, 22, 25, , 30, 31, 35, 36, 40, SR.IV, SR.VII, and SR. VIII.

8. The Plenary in November 2013 decided that all members in the follow-up process will be required to complete their reform measures by the November 2014 Plenary. In accordance with present procedures the following is a report on measures taken by Guyana since November 2013 to deal with the recommended actions in those Financial Action Task Force (FATF) Recommendations rated partially compliant (PC) or non-compliant (NC).

## **Core Recommendations**

### **Recommendation 1**

9. As reported in the Follow-Up Report of May 2012, two of the three recommendations made by the examiners had been met. One of these recommendations is ongoing and requires the submission of data to demonstrate continued implementation. The first recommendation to amend money laundering offences in the AMLCFTA to include "assisting any person who is involved in the commission of such an offence or offences to evade the legal consequences of his actions" in accordance with the Vienna and Palermo Conventions has been included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. Consequently this recommendation remains outstanding.

10. In relation to the last recommendation which stipulates that systems should be put in place to effectively implement the AMLCFTA and relevant Government entities made aware of the legislation and its applicability, the FIU has advised that it has been sensitizing the relevant Government entities on the legislation and its applicability through continuous trainings/discussions and follow-up meetings. This was demonstrated by the submission of information on meetings and training sessions with relevant Government agencies, financial institutions and DNFBPs held in 2010, 2011, and 2012 and up to September 2013 in previous follow-up reports. As submitted for this report, the FIU has been holding meetings and arranging training for specific sectors and individual financial institutions. Meetings were held with individual financial institutions in September, October and December 2013 and January, February and March 2014 dealing with AML/CFT reporting obligations and deficiencies in suspicious transactions reports (STRs) submitted to the FIU. Training on AML/CFT obligations for insurance companies was held on October 9, 2013, pawnbrokers and money lenders training was

held on December 18, 2013, and on April 22, 2014. Customs officers were given follow-up training on foreign currency reporting in September 2013 and April 2014. Meetings were also held with the Guyana Revenue Authority (GRA) in September and October to discuss and clarify AML/CFT issues. The staff of the FIU received training on a Standard Operating Procedure which was prepared for the FIU with technical assistance being received from the Canadian government. Follow up meetings to provide AML/CFT guidance to the CCDO, supervisory authority for Cooperatives and Friendly Societies and the Compliance officer of the Guyana Gold Board, supervisory authority for gold dealers were held on February 17, 2014 and March 20, 2014 respectively. AML/CFT Supervision Training for DNFBBPs was held on April 10-11, 2014 and an Advanced AML/CFT Financial Investigative Techniques Training was held for officers of FIU, GPF, DPP, GRA and BOG on April 15-16, 2014.

11. Given the above, one of the examiners' recommendations (included in the Amendment Bill) remains outstanding.

### **Recommendation 5**

12. As noted in the Follow-Up Report of November 2011 four of the nine examiners' recommendations were met by legislative provisions. The outstanding recommendations are as follows:

- a) Reporting entities should be required to determine the natural persons that ultimately own or control the customer.
- b) A definition of beneficial ownership in relation to legal entities should be set out in the AMLCFTA
- c) Reporting entities should be required to perform enhanced due diligence for higher risk categories of customers
- d) Reporting entities should be prohibited from opening an account or commencing a business relationship or performing a transaction in the absence of satisfactory evidence of identity as stipulated in criteria 5.3 to 5.6 and required to consider making a suspicious transaction report.
- e) Reporting entities should be required to terminate a business relationship due to the inability to obtain information set out in criteria 5.3 to 5.6 and consider making a suspicious transaction report.

13. The authorities have advised that the above outstanding recommendations have been included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly.

14. The authorities advise that the requirement for reporting entities to perform enhanced due diligence for higher risk categories of customers has also been included in section 5.2 of the AML/CFT Guidelines issued by the BOG in June 2013 to licensed financial institutions under the FIA, the MTALA and the DFCLA. Breaches of the requirements of the AML/CFT Guidelines by the BOG are offences under regulation 19(1) of the AMLCFTR. It should however be noted that the BOG AML/CFT Guidelines are not applicable to the insurance and securities sectors nor to credit unions. .

15. Given the above, one recommendation has been partially met while the other four (included in the Amendment Bill) remain outstanding.

**Recommendation 13**

16. As reported in the Follow-Up Report of November 2011, one of the three recommendations made by the examiners had been met. With regard to the other two recommendations that the reporting requirement for terrorist financing in the AMLCFTA should include funds suspected of being linked, or related to, or to be used for terrorism, terrorist acts or by terrorist organizations, and that the requirement to report suspicious transactions should apply to tax matters, the authorities have advised that the recommendations have been included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly.

17. The requirement that the reporting of suspicious transactions should apply regardless of whether they are thought among other things to include tax matters has also been set out in section 7.2 of the BOG AML/CFT Guidelines. However, as already mentioned these Guidelines are not applicable to the insurance and securities sectors nor to credit unions.

18. Given the above, one recommendation remains outstanding and the other has been partially met. These are both included in the Amendment Bill.

**Special Recommendation II**

19. There are three outstanding recommendations first two of which are as follows:

- i. The definition of property should include assets of every kind, whether tangible or intangible, legal documents or instruments in any form, including electronic or digital evidencing title to, or interest in assets of every kind.
- ii. Terrorist financing offences should be extended to any funds whether from a legitimate or illegitimate source

20. The authorities have advised that the above outstanding recommendations have been included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. Consequently these recommendations remain outstanding.

21. With regard to the other recommendation that the competent authorities should ensure that the relevant entities are aware and trained as to their obligations under the AMLCFTA to report and investigate SARs and where applicable prosecute those in breach of financing of terrorism (FT), as noted in the section of this report dealing with Rec. 1 the FIU provided AML/CFT training for insurance companies, pawnbrokers and money lenders in October and December 2013 respectively. Training was also provided for customs officers on foreign currency reporting and meetings were held with the GRA to clarify AML/CFT issues.

22. Given the above, one recommendation has been met and two (included in the Amendment Bill) are outstanding.

**Special Recommendation IV**

23. With regard to the two outstanding recommendations for the reporting requirement for terrorist financing in the AMLCFTA to include funds suspected of being linked, or related to, or to be used for terrorism, terrorist acts or by terrorist organizations, and the requirement to report suspicious transactions to apply regardless of whether they are thought, among other things to involve tax matters, the authorities have advised that the recommendations have been included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of

the National Assembly. As noted in the section of this report under Recommendation 13 the second recommended action has also been set out in section 7.2 of the BOG AML/CFT Guidelines. However, as already mentioned these Guidelines are not applicable to the insurance and securities sectors nor to credit unions. Consequently one recommendation has been partially met and the other is outstanding. These are both included in the Amendment Bill.

### **Key Recommendations**

#### **Recommendation 3**

24. The first recommendation requires the definition of property liable for confiscation in the AMLCFTA to be amended to include indirect proceeds of crime including income, profits or other benefits from proceeds of crime and property held by third persons and assets of every kind, whether tangible or intangible. At present, the authorities have advised that this recommendation has been included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. Consequently this recommendation remains outstanding.

25. The other recommendation requires competent authorities to provide resources to ensure that the requisite agencies are trained under the recent legislation in order to enable effective implementation. The authorities continue to provide updates on training provided to relevant agencies. This recommendation has since been met. The authorities should continue to submit information on details of the training being provided to all agencies in future follow-up reports. Given the above one of the examiners' recommendations (which is included in the Amendment Bill) remains outstanding.

#### **Recommendation 4**

26. With regard to the recommendation for the Guyana Securities Council (GSC) to have power to access information relevant to AML/CFT matters from registrants of the Securities Industry Act (SIA), the authorities have advised that this recommendation has been included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. As such this recommendation remains outstanding. .

27. As noted in the follow-up report of May 2013 the recommendation for the Chief Co-operative Development Officer (CCDO) to be able to share information from a society registered under the Co-operative Societies Act (CSA) with local and international competent authorities has been addressed with the appointment of the CCDO as the designated AML/CFT supervisory authority for co-operative societies.

28. Given the above, one of the recommended measures remains outstanding. This is included in the Amendment Bill.

### **Recommendations 23**

29. There are four outstanding recommendations, three of which are as follows:

1. Amend the SIA and the CSA to provide for their relevant authorities to take necessary measures to prevent criminals or their associates from holding or being the beneficial owners of a significant or controlling interest or holding a management function in financial institutions.

2. The Insurance Act (IA) should be amended to provide for the relevant authorities to take necessary measures to prevent criminal or their associates from holding or being beneficial owners of a significant or controlling interest in financial institutions
3. Amend the SIA and the CSA to provide for the directors and senior management of financial institutions to be evaluated on the basis of “fit and proper” criteria

30. The authorities have advised that the appropriate amendments implementing the above recommendations have been included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly.

31. The last recommendation requires that the Commissioner of Insurance (COI), the GSC and the Division of Co-operatives and Friendly Societies (DCFS) to implement AML/CFT supervision for their relevant institutions. As indicated in the last report the BOG was designated supervisory authority for insurance companies in December 2012 and had begun implementing AML/CFT supervision of insurance companies. An AML/CFT work plan for the insurance sector was submitted. The plan outlined preliminary steps towards the establishment of an AML/CFT supervision regime for insurance companies including the issuance of guidelines which was completed in March 2013, training of stakeholders which was tentatively scheduled for June 2013, the commencement of onsite examination by October 2013 and timelines for the drafting and presentation of an amended Insurance Act to Parliament by September 30, 2013. As already noted training was provided to insurance companies in October 2013. The BOG has advised that no on-site examination was conducted on insurance companies during 2013 since the BOG is not empowered to do so under the present Insurance Act. However, insurance companies continue to submit quarterly AML/CFT reports to the BOG in accordance with the commencement of off-site surveillance. Annual reports for 2013 have also been submitted. Given the above, AML/CFT supervision by the BOG of the insurance sector has only partially commence with off-site examination since on-site examination are not legally possible at this time.

32. With regard to whether the GSC or the DCFS have commenced AML/CFT supervision of their licensees, the FIU has been working with these entities to prepare them to commence AML/CFT supervision. A Supervision Manual has already been drafted for these authorities. Further, a decision was taken at the AML/CFT National Oversight Committee in October 2013 to provide all relevant human and financial resources for the newly appointed supervisory authorities to fulfill their obligations under the AMLCFTA and Regulations.

33. Given the above three of the examiners’ recommendations (included in the Amendment Bill) remain outstanding and one (relating to the implementation of AMLCFT supervision by the GSC and DCFS) is partially outstanding.

#### **Recommendation 26**

34. As indicated in the last follow-up report as a result of the examiners’ recommendation for the FIU to issue guidelines in accordance with the AMLCFTA on the manner of STR reporting to all reporting entities and to consider issuing to the wider public, a circular concerning money laundering and the financing of terrorism, the FIU issued Guidelines on Suspicious Transaction Reporting to financial institutions in January 2013. An advisory to the wider public concerning money laundering and the financing of terrorism was issued by the FIU in February 2014. Reporting entities were advised to post the advisory in a prominent location at their place of business and the advisory was also posted on the FIU website. Given the above, this recommendation has been met.



35. The recommendation requiring the FIU to urgently implement its plans for new personnel and facilities and consider safeguards to reduce the vulnerability of its database was dealt with by measures set out in the November 2011 Follow-Up Report. These measures complied fully with this examiners' recommendation.

36. The recommendation for the authorities to reconsider their policy regarding the FIU releasing public reports and allowing for the issuing of periodic reports which include statistics, typologies and trends was agreed by the relevant authority. The FIU issued its first statistical reports on its website on January 31, 2013. Statistical reports for 2011 and 2012 and the Annual Report of the FIU for the same years have also been posted on the website. Information on typologies and trends were not included. Given the above, two of the examiners' recommendations has been met while one (relating to the provision of information on typologies and trends) remains partially met.

### **Recommendations 35**

37. The authorities have advised that with regard to the examiners' recommendation for the competent authorities to take steps to fully implement the Vienna, Palermo and Terrorist Financing Conventions that Guyana continuously seeks to implement the relevant measures. The basis for this particular recommendation as indicated in the text of Guyana's MER was gaps in the legislative framework in relation to the enactment of various articles of the UN Conventions. These articles as identified in the MER were as follows;

- Articles 7, 8, 10 and 11 of the Vienna Convention
- Articles 7, 18, 19, 20, 24, 25, 29 of the Palermo Convention
- Article 1(1) of the Terrorist Financing Convention.

38. The authorities have advised that Articles 8 of the Vienna Convention and Article 25 of the Palermo Convention and Article 1(1) of the Terrorist Financing Convention requires further deliberations as it is a policy issue.

39. Articles 7 of the Vienna Convention and Article 18 of the Palermo Convention are concerned with the requirements of mutual legal assistance. These have been incorporated in the Mutual Assistance in Criminal Matters Act No 38 of 2009 (MACMA) which was assented to in June 2010. However, it is noted that there are outstanding recommended actions under recommendations 36, 37 and 38 which deal with mutual legal assistance which are relevant to fully comply with the designated articles. The authorities have advised that relevant amendments to the MACMA were included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. As such, these articles are still partially outstanding.

40. Article 10 of the Vienna Convention requires parties to co-operate directly or through competent international or regional organizations to assist and support transit states and in particular developing countries in need of such assistance and support, to the extent possible, through programmes of technical co-operations or interdiction and other related activities. Guyana has advised that being considered a transit state, it has received assistance under the US funded Caribbean Basin Security Initiative (CBSI) through various projects including financial crimes, anti-narcotics training and maritime security and benefitted from the United Nations Office on Drugs and Crime (UNODC) Container Control Programme in relation to port security. Details on the above mentioned assistance with regard to dates and the relevant agencies in Guyana should be provided.

41. Article 11 of the Vienna Convention along with Article 20 of the Palermo Convention deals with controlled delivery. Article 11 addresses controlled delivery at the international level and Article 20 deals with it at both international and domestic levels. The authorities have advised that though there is no legislation dealing with the issue, law enforcement agencies can use controlled delivery at the national and international level on a case-by-case basis. However, the authorities have advised that to date no controlled delivery operations have been conducted by law enforcement agencies in Guyana. As such this issue remains outstanding.

42. Article 19 of the Palermo Convention requires States to consider concluding bilateral or multilateral agreements whereby in relation to matters that are the subject of investigations, prosecutions or judicial proceedings in one or more States, the competent authorities can establish joint investigative bodies or allow for joint investigations by agreement on a case-by-case basis. The authorities have advised that joint investigations have been facilitated through MACMA and undertaken by agreement on a case-by-case basis. Such cases include two (2) each in 2011 and 2012 and three (3) in 2013 dealing mostly in trafficking in narcotics and included agencies from Jamaica, Canada, The Netherlands and Trinidad and Tobago. This fully complies with the requirements of Article 19.

43. Article 20 of the Palermo Convention in addition to addressing controlled delivery as already mentioned also dealt with other special investigative techniques such as electronic or other forms of surveillance and undercover operations to be used at the international level either through appropriate bilateral or multilateral agreements or on a case-by-case basis. The authorities have advised that electronic or other forms of surveillance is provided for under section 4(1) of the Interception of Communications Act no 21 of 2008 which provides for the application for a warrant to intercept and record via means of public or private telecommunications systems. Additionally, electronic surveillance and undercover operations have been implemented at the international level on a case-by-case basis. This complies with Article 20 of the Palermo Convention.

44. Article 24 of the Palermo Convention requires States to take appropriate measures to provide effective physical protection of witnesses where necessary and to permit witness testimony in a manner that ensured the safety of the witness. The authorities advise that section 73A of the Evidence Act (per Evidence (Amendment) Act No.19 of 2008) allows for the taking of oral evidence and making submissions to the Court by audio visual link. A copy of the Evidence Act with the relevant provision has been submitted for this report. The authorities have advised that there are no specific laws in respect of protection of witnesses but the law enforcement agencies have implemented in-house arrangements that would result in the safety of witnesses, however no data is available to verify this. As such, this article has been partially met. Given the above while two articles have been met, some have been partially met, others need additional information for verification and some are outstanding. The authorities have advised that a United Nations Convention bill has been drafted which has incorporated certain of the outstanding articles of the Palermo, Vienna and Terrorist Financing Convention. At present, the authorities have advised that research is being conducted to ensure that the provisions of the proposed bill do not duplicate existing legislation. As such, this Recommendation remains largely outstanding.

### **Recommendation 36**

45. The first recommendation requires that the range of possible mutual legal assistance should include freezing, seizure or confiscation of assets of corresponding value. The authorities have advised that this was addressed by amending MACMA accordingly in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly.

46. The other recommendation requires clear and efficient processes for the execution of mutual legal assistance requests in a timely way and without undue delay should be developed and implemented. The authorities have submitted a letter from the Ministry of Home Affairs the Central Authority of Guyana outlining the processes for the execution of mutual legal assistance which includes the various functions of the relevant agencies and gives approximate timelines for the completion of each stage of the process. The authorities have submitted information which demonstrate timely response for those parts of the mutual legal process which are under their control. Given the above one recommendation has been met while the other (included in the Amendment Bill) is outstanding.

#### **Recommendation 40**

47. The first recommendation requires the development of procedures for spontaneous exchange of information. The FIU has submitted formal documented procedures outlining steps for the spontaneous exchange of information. These procedures comply with the examiners' recommendation.

48. The last recommendation that the COI should have confidentiality obligations that include exchanged information has been included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. Given the above, one recommendation has been met and one (included in the Amendment Bill) remains outstanding.

#### **Special Recommendation I**

49. The recommendations for the AML/CFT legislation to be amended to comply with S/RES/1267(1999) and S/RES/1373(2001) for freezing funds of designated persons/organizations and for competent authorities to provide or issue guidance to financial institutions with regard to obligations to freeze assets of persons listed by the UNSCR 1267 Committee were included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. Once the necessary amendments have been enacted, the relevant guidelines will be issued.

50. With regard to the recommendation for training for the relevant entities to be aware of their obligations under legislation, information has been provided under Rec. 1 in this report. Given the above, two recommendations (included in the Amendment Bill) remain outstanding.

#### **Special Recommendation III**

51. The recommendations for the competent authorities to amend the legislation to comply with the requirements of S/RES/1267/(1999) and S/RES/1373(2001) for freezing funds of designated persons/organizations and for the development and implementation of procedures for delisting requests, unfreezing funds and providing access to frozen funds was included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly.

52. The recommendation for the issuing of guidance to financial institutions with respect to obligations under the freezing mechanisms required by S/RES/1267/(1999) and S/RES/1373(2001) has also been included in the AMLCFT (Amendment) Bill 2013 mentioned above.. The authorities have submitted copies of circulars issued by the BOG to all licensed financial institutions, money transfer agencies and non-bank foreign exchange dealers under its supervision informing them of the list established and maintained by the 1267 Committee. The circulars require these institutions (a) to identify and freeze all financial assets belonging to persons and entities on the list, (b) prohibit payments to and from listed persons and entities and

(c) report to the BOG promptly any assets identified and any requests for payments. It is noted that the circulars refers to Guyana being a signatory of the UN Conventions as the authority for imposing the above mentioned obligation since they are not legislative requirements. Given the above, these circulars are not enforceable. As such this recommendation remains outstanding until the necessary amendment as outlined above has been enacted. With regard to the recommendation for training for the relevant entities to be aware of their obligations under legislation, information has been provided under Rec. 1 in this report. Given the above, three recommendations (included in the Amendment Bill) remain outstanding.

### **Special Recommendation V**

53. The examiners' recommended action stated that the measures noted with regard to Recs. 36, 37, 38, 39 and 40 should also apply to terrorist financing. The authorities have advised that the AMLCFTA and/or Amendment Bill that deal with money laundering is also applicable to terrorist financing. As such, all examiners' recommended measures under Recs. 36, 37, 38, 39 and 40 which will be dealt with by the enactment of the AML/CFT (Amendment) Bill 2013 remain outstanding.

### **Other Recommendations**

#### **Recommendation 6**

54. The authorities have advised that the examiners' recommendation that reporting entities be required to obtain senior management approval to continue a business relationship with a customer who is subsequently found to be a politically exposed person (PEP) or becomes a PEP has been included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly.

55. With regard to the recommendation for supervisory authorities to ensure that all financial institutions are aware of the legal requirements concerning PEPs the authorities advised in the previous follow-up report that programs to ensure that financial institutions are aware of the requirements of the AML/CFT legislation including the provisions dealing with PEPs were ongoing. The FIU has circulated the FATF Guidance Note on PEPs and issued a circular dated February 25, 2014 to reporting entities regarding their obligations in relation to PEPs. The circular is also posted on the FIU website. Given the above, one of the examiners' recommendations (included in the Amendment Bill) remains outstanding.

#### **Recommendations 8**

56. The deficiencies as stated in the MER include no requirement for financial institutions to have policies in place to take such measures to prevent the misuse of technological developments in ML or TF schemes and no requirement for financial institutions to have policies and procedures in place to address specific risks associated with non-face to face business relationships or transactions. The authorities advise that the examiners' recommendations were included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly.

57. The authorities have also indicated that the examiners' recommendations have been included in the BOG AML/CFT Guidelines in sections 6.3, and 5.3.5 respectively. While the examiners' recommendations have been included in the BOG AML/CFT Guidelines, as already mentioned these are not applicable to the insurance and securities sectors nor to credit unions. As such, the examiners' recommendations have only been partially met. These are included in the Amendment Bill.

**Recommendation 9**

58. The authorities have advised that the first recommendation for financial institutions to be required to satisfy themselves that third parties are regulated and supervised in accordance with Recommendation 23, 24 and 29 and have measures in place to comply with customer due diligence requirements set out in Recommendation 5 has been included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. This recommendation has also been included in section 5.3.6 of the BOG AML/CFT Guidelines which, as already mentioned are not applicable to the insurance and securities sectors nor to credit unions. As such, this recommendation remains partially outstanding.

59. With regard to the recommendation that competent authorities should determine and inform financial institutions in which countries third parties that meet the conditions can be based by taking into account information available on whether these countries adequately apply the FATF Recommendations, the authorities indicate that this has been included in section 5.3.6 of the BOG AML/CFT Guidelines. However, the section only advises that the BOG will make available information on countries that do not adequately apply the FATF recommendations. The recommendation specifically requires that the authorities should inform financial institutions in which countries third parties that meet conditions can be based not just those countries that do not adequately apply the FATF Recommendations.

60. The authorities have also advised that the FIU has also issued circulars informing financial institutions of the public statements issued by the FATF identifying jurisdictions with strategic deficiencies in their AML/CFT regimes. The last issued circular was dated October 28, 2013. The same criticism noted with regard to the BOG's measure in the previous paragraph is also applicable here. As such this recommendation remains outstanding. Given the above, one of the examiners' recommendations (included in the Amendment Bill) has been partially met while the other (requiring the authorities to inform financial institutions in which countries third parties that meet conditions can be based) remains outstanding.

**Recommendation 12**

61. The recommended action with regard to the appointment of a designated supervisory authority to oversee the compliance of designated non-financial businesses and professions (DNFBPs) with the AML/CFT requirements was dealt with by the appointment of designated authorities on December 20, 2012 for casinos, dealers in precious and semi-precious stones, dealers in gold bullion, trust or company service providers. The authorities advised that the FIU had started training the newly appointed supervisory authorities on their roles and obligations under the AMLCFTA and the AMLCFTR as indicated in the last report. Additionally, through technical assistance received from the Government of Canada, a supervisor's manual for supervisory authorities has been drafted for on-site and off-site examinations procedures, processes for identifying and recording reporting entities, file management, issuing compliance questionnaires, applying risk based approach for compliance examinations, on-site review techniques, preparing reports and implementing sanctions. An AML/CFT directive for all reporting entities including DNFBPs has been drafted. This directive will be issued once the AMLCFT Amendment Bill has been enacted as some of the content of the directive is based on provisions of the bill. Further information on the establishment and operations of these designated authorities in overseeing the compliance of the DNFBPs should be submitted in future follow-up reports to ensure implementation. Given the above, this recommendation has been partially met.

**Recommendation 15**

62. The authorities advised in a previous follow-up report that directives to address the recommendation that competent authorities should ensure that all financial institutions update their current policies and that the update versions are based on the AMLCFTA will be addressed by the issuance of guidelines. As indicated in the last report the BOG issued their AML/CFT Guidelines in June 2013 to their licensees incorporating all the requirements stipulated in the AMLCFTA. To date the authorities have prepared an AMLCFT Directive that addresses this recommendation. However, the authorities are awaiting the passage of the Amendment Bill before issuing the Directives to the reporting entities as some elements of the Directives are based on provisions in the Bill

63. As noted in a previous follow-up report, the recommendation that the training obligation of financial institutions should be ongoing and include new developments, such as information on current ML and FT techniques, methods and trends, clear explanations of all aspects of AML/CFT laws and obligations, and in particular requirements concerning CDD was partially met by regulations 16, 17 and 18 of the AMLCFTR. These provisions include all the examiners' recommendation except for information on current ML and FT techniques, methods and trends. It is noted that the examiners' recommendation has been fully incorporated in section 3.6.1 of the BOG AML/CFT Guidelines and also part of the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly.

64. The recommendations that the requirements of Rec. 15 should be applicable to individuals who carry on business solely or with staff and management of less than five persons and that the compliance officer and appropriate staff have timely access to customer identification data and other CDD information, transaction records and other relevant information necessary to carry out all their functions have also been included in the AMLCFT (Amendment) Bill 2013.

65. The authorities advised that the recommendation for financial institutions to be required to ensure that their audit function is adequately resourced and independent and compliance testing of procedures, policies and controls include sample testing is included in section 3.4 of the BOG AML/CFT Guidelines. However, the section while incorporating most of the recommendation does not specify that the audit function must be independent. This recommendation has also been included in the AML/CFT (Amendment) Bill 2013. Given the above, three recommendations are partially met while two are outstanding. These are all dependent on the passage of the Amendment Bill.

**Recommendation 16**

66. As noted in the last follow-up report the recommended action with regard to the appointment of a designated supervisory authority to oversee the compliance of DNFBPs with the AML/CFT requirements was dealt with by the appointment of designated authorities on December 20, 2012 for casinos, dealers in precious and semi-precious stones, dealers in gold bullion, trust or company service providers. As noted in the section of this report under Recommendation 12 arrangements are being put in place to implement oversight of the compliance of DNFBPs with AML/CFT requirements. Information on the establishment and operations of these designated authorities in overseeing the compliance of the DNFBPs need to be submitted in future follow-up reports to ensure implementation. Given the above, this recommendation has been partially met.

### **Recommendations 17**

67. The authorities advise that the examiners' recommendations were included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. As such, all examiners' remain outstanding.

### **Recommendation 21**

68. With regard to the recommendation that effective measures should be established to ensure that financial institutions are advised of concerns about AML/CFT weaknesses in other countries, the authorities have submitted copies of circulars based on the FATF public statements published on June 22, 2012, October 19, 2012, February 22, 2013, June 21, 2013 and October 18, 2013 which were issued to reporting entities on August 17, 2012, November 1, 2012, March 4, 2013, July 3, 2013, October 28, 2013 and March 5, 2014. This measure will be ongoing.

69. The recommendation that the background and purpose of all transactions having no apparent economic or visible lawful purpose with persons from or in countries which do not or insufficiently apply the FATF Recommendations should be examined and written findings made available to assist competent authorities and auditors is included in the requirement for the same obligation to be applicable to all transactions having no apparent economic or visible lawful purpose as set out in section 7.1 of the BOG AML/CFT Guidelines. As already noted, the BOG AML/CFT Guidelines is not applicable to the insurance and securities sectors and credit unions.

70. The recommendation for provisions to allow for the application of countermeasures to countries that do not or insufficiently apply the FATF Recommendations has been included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. As such, one recommendation (requiring that financial institutions be advised of concerns about AML/CFT weaknesses in other countries) is ongoing, and one (requiring the issuance of Guidelines to reporting entities) has been partially met while another one (included in the Amendment Bill) remains outstanding.

### **Recommendation 22**

71. The first recommendation requires designated supervisory authorities to impose the obligations of section 22(2) of the AMLCFTA on their respective reporting entities. Section 22(2) of the AMLCFTA provides for the imposition of obligations on reporting entities to ensure that their foreign branches and subsidiaries adopt and enforce measures consistent with the Act to the extent that local laws and regulations so permit. While all supervisory authorities have been informed of the requirement to impose the obligations stipulated in section 22(2) of the AMLCFTA, only the BOG has issued in section 1.5 of the BOG AML/CFT Guidelines, a requirement that its supervised financial institutions ensure that their foreign branches and subsidiaries implement at a minimum the measures in the BOG AML/CFT Guidelines. The referenced section does not include all applicable provisions of the AMLCFTA, the governing statute as stated in the recommendation. While the BOG AML/CFT Guidelines may include all relevant provisions of the AMLCFTA, there is need to specify the Act. Given the above, this recommendation has been partially met.

72. The authorities advise that the recommendation for financial institutions to be required to ensure that their foreign branches and subsidiaries observe AML/CFT measures consistent with

FATF Recommendations to the extent that host country laws and regulations permit is stipulated in section 1.5 of the BOG AML/CFT Guidelines. The referenced section, while outlining the requirement, refers only to the measures in the BOG AML/CFT Guidelines and does not include all applicable provisions of the AMLCFTA, the governing statute. While the BOG AML/CFT Guidelines maybe comprehensive, there is need to include those provisions of the AMLCFTA which are applicable to all financial institutions. Additionally, the BOG AML/CFT Guidelines are only applicable to the licensees of the BOG and does not cover the insurance and securities sectors and credit unions. As such this recommendation has only been partially met.

73. The recommendation for financial institutions to be required to pay particular attention that the principle stated in section 22(2) of the AMLCFTA is observed with respect to branches and subsidiaries in countries which do not or insufficiently apply the FATF Recommendations has been set out in section 1,5 of the BOG AML/CFT Guidelines. The concerns as noted above with regard to the application of the BOG AML/CFT Guidelines being limited to the licensees of the BOG is also relevant. Consequently this recommendation is partially met.

74. The last recommendation for financial institutions to be required to ensure that branches and subsidiaries in host countries apply the higher standard where minimum AML/CFT obligations of home and host countries differ has been included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. The recommendation has also been included in section 1.5 of the BOG AML/CFT Guidelines with qualifications already mentioned being applicable. Given the above, all four of the examiner's recommendations have been partially met (one included in the Amendment Bill and three requiring the issuance of a General Guideline to all financial institutions).

#### **Recommendations 24**

75. The recommendation that casinos be subject to a comprehensive regulatory and supervisory regime that ensures effective implementation of AML/CFT measures has been initially addressed by the appointment on December 20, 2012 of the Gaming Authority as the supervisory authority for supervising compliance of casinos with AML/CFT laws and regulations. As noted in the last report the FIU had started training the newly appointed supervisory authorities on their roles and obligations under the AMLCFTA and the AMLCFTR. Additionally, the Government of Canada was providing technical assistance to help supervisory authorities develop operational capacity to carry out their functions. Information on the implementation of a comprehensive regulatory and supervisory regime by the Gaming Authority should be submitted in future follow-up reports. As such, this recommendation has been partially met.

76. With regard to the recommendation that the Gaming Authority be required to assess the integrity of an applicant, partner, shareholder, directors, office holders of an applicant and beneficial owner on the basis of fit and proper criteria on a regular basis, the authorities advised that this was addressed by legislative amendment and included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly.

77. The recommended action for the appointment of a designated supervisory authority to oversee the compliance of DNFbps with the AML/CFT requirements has already been dealt with under Recommendation 12 in this report. With regard to the recommendation for re-examining the sanctions of supervisory authorities with a view to making the sanctions more effective and applicable to directors and senior management of DNFbps, the authorities have advised that this was included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. As such one of the examiners' recommended actions (appoint of supervisory authority for Casinos) has been met, two (included in the Amendment



Bill) are outstanding, and one (relating to the implementation of AML/CFT measures by the supervisory authority) is partially met.

#### **Recommendation 25**

78. The authorities advise that the first recommendation requiring that the AMLCFTA be amended to require either competent authorities or the FIU to provide financial institutions and DNFBPs that are required to report suspicious transactions with adequate and appropriate feedback having regard to the FATF Best Practices Guidelines on Providing Feedback to Reporting Financial Institutions and Other Persons has been included in the AMLCFT Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly.

79. The other recommendation requires that guidelines to assist financial institutions to implement and comply with their respective AML/CFT requirements be issued. The authorities advise that the BOG AML/CFT Guidelines were issued to licensed financial institutions on June 28, 2013. These guidelines are only applicable to the licensees of the BOG. AMLCFT Guidelines for the insurance companies were issued on March 26, 2013. Guidelines for securities sectors, credit unions and DNFBPs should also be issued by their respective supervisory authorities. Given the above, one of the examiners' recommended actions (the issuance of Guidelines for securities sectors, credit unions and DNFBPs) has been partially met while the other (included in the Amendment Bill) remains outstanding.

#### **Recommendations 27**

80. With regard to the examiners' recommended action for written laws or measures authorizing the GPF to postpone or waive the arrest of suspected persons and/or the seizure of money for the purpose of identifying persons involved in money laundering or for evidence gathering, the authorities have formalized the common law practice of postponing the arrest of suspected persons and/or seizure of money for the purpose of identifying persons involved in ML or TF or for evidence gathering, by establishing a Standard Operating Procedure of the Police Force on the Postponement or Waiver of Arrest or Seizure of Money. This SOP takes effect from May 6, 2014 and is to be implemented by the Guyana Police Force. Consequently, this recommendation has been met.

#### **Recommendation 28**

81. With regard to the recommendation for a law or measure to allow for the taking of witnesses' statements for use in investigations and prosecutions of ML, FT and other underlying predicate offences or in related actions, section 12 of the Police Standing Order no. 64 dealing with the investigation of crime requires that statements should be taken from all available witnesses of any crime under investigation. This measure complies with the recommendation.

#### **Recommendation 29**

82. With regard to the recommendation for the GSC to have the power to compel production or obtain access to all records, documents or information relevant to monitoring of compliance the authorities advise that the GSC being a designated AML/CFT supervisory authority has such powers under section 22(2) of the AMLCFTA. However, while section 22(2) of the AMLCFTA allows for a supervisory authority to examine and supervise reporting entities, to issue instructions, guidelines or recommendations and corporate and share information there is no specific power to compel production or obtain access to all records, documents or information relevant to monitoring of compliance. The authorities have advised that this recommendation has

been included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly.

83. With regard to the recommendation that the CCDO should have enforcement or sanctioning powers for failure of co-operatives to comply with AML/CFT obligations, the authorities advise that with the appointment of the CCDO on December 20, 2012 as a supervisory authority to check compliance of co-operatives with AML/CFT obligations, that the CCDO will be able to apply the sanctions that are available under section 23 of the AMLCFTA to designated supervisory authorities. While this meets the requirements of the recommendation it should be noted that one of the deficiencies indicated under Recommendation 17 is that sanctions of the designated supervisory authorities under the AMLCFTA are not dissuasive, proportionate or effective or applicable to directors and senior management of reporting entities. The authorities have advised that this recommendation was included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. Given the above, one of the recommendations (included in the Amendment Bill) remains outstanding.

### **Recommendation 30**

84. The first recommendation is for the FIU to urgently implement its plan for new personnel and facilities. Since the first Follow-Up Report in November 2011, the FIU has been implementing its plan for new personnel and facilities. As indicated in the last report the FIU had in its employ, one Director, one Legal Adviser, two Financial Analysts, one Database Administrator and one Administrative Officer. The FIU has employed another person due to commence work in March 2014 as the legal adviser responsible for the newly appointed supervisory authorities for DNFBPs. The functions of the position include ensuring compliance by DNFBPs/reporting entities with the AML/CFT legal obligations, contributing to the implementation and maintenance of AML/CFT supervision and compliance manuals, policies, procedures and systems for DNFBPs/reporting entities, overseeing AML/CFT staff training programs by DNFBPs/reporting entities and examining and supervising DNFBPs/reporting entities.

85. With regard to the recommendations for the provision of trained financial investigators for the Guyana Police Force (GPF) and Customs Anti-Narcotics Unit (CANU) and appropriate ML/FT training for the staff of the GPF and CANU, the authorities advised in the last follow-up report that funds had been made available through the CBSI to provide training and equipment for the GPF and CANU. A work plan and draft Terms of Reference had been prepared. The Terms of Reference (TOR) was signed on October 25, 2012 and was due to expire on September 30, 2013. In January 2013 discussions were held between the FIU and the representatives from the US Department of Treasury's Office of Technical Assistance to formalize the work plan. One of the main objectives of the work plan is training for the staff of GRA, CANU, GPF, the Office of the Director of Public Prosecutions (DPP), FIU and the Judiciary/Magistracy. Staff of the GPF and CANU benefitted from a AML/CFT workshop held in April 2013 and another held from September 12-13, 2013. A TOR was signed in September 2013 and will continue until all work plan activities are completed. These activities include training of financial investigators. The first of such training is due to start from April 28 – May 2, 2014 and will include officers from the FIU, DPP, CANU, GRA and GPF.

86. In addition, under a separate TOR signed with the Government of Canada for technical assistance, officers from the DPP, CANU, GRA, FIU, AG Chambers and the GPF were trained in financial investigative techniques during September 2013. Further, a Special Organised Crime Unit (SOCU) was established within the GPF to be exclusively responsible for the investigation of financial/economic crime, particularly money laundering and the financing of terrorism. The staff will include a Head, a deputy Head and three (3) investigators and SOCU will be under the

command of the Commissioner of Police (COP). The FIU will submit reports to the Head of SOCU and consult on investigation targets. A sub-committee of the National Oversight Committee on AMLCFT has been established to review applications and interview persons for employment with SOCU and to assess effectiveness of SOCU once it is operational. Relevant staff of SOCU are expected to be in place by the end of March 2014. Policies and guidelines for SOCU will be developed by another sub-committee of the national Oversight Committee on AMLCFT. Training of staff will commence as soon as staff is in place.

87. With regard to the recommendations for the authorities to consider measures to deal with the integrity problems of the GPF, the GPF advised that measures to address integrity problems include an Office of Professional Responsibility (OPR) and vetted units that acquire intelligence and investigate organized crime. The functions of the Office of Professional Responsibility include the investigations of alleged misconduct against the members of the GPF, monitor investigations of personnel complaints in divisions and branches and work to increase level of public confidence in the integrity and professionalism of the GPF.

88. As a result of the MER recommendation, the OPR was decentralized from September 2012 with one Head Office with ten (10) officers to include units in other divisions in the GPF with a staff of seventeen (17) bringing the overall staff to twenty-seven (27). A reform program involving integrity testing training and other related training in professional standards was to be undertaken during 2013. Additionally, as part of a capacity building exercise, GPF Standing Orders had been disseminated and lectures on interview techniques, statement taking, report writing, evidence and procedure, judges rule and adhering to the general powers of arrest were conducted for officers of the GPF. The above measures should help to promote the level of professionalism of the GPF.

**Table 4: Complaints received and dealt with by the Office of Professional Responsibility**

<b>Year</b>	<b>No, of complaints Received</b>	<b>Charged Dismissed</b>	<b>&amp; Departmental Discipline</b>	<b>Warned</b>
2011	244	6	20	37
2012	291	6	18	52
2013	628	10	53	44

**for the period 2011 - 2013**

89. The figures in the above table particularly the increase in the year 2013 suggest that the problem of integrity in the GPF has not been effectively resolved.

90. The recommendation for the staff of the DPP to be provided with ML training is also expected to be included as part of the technical assistance being negotiated for the GPF and the CANU as indicated above. This also similarly applies for the recommendation for relevant AML/CFT training for the staff of the GSC, BOG and the DCFS. The authorities advise that the staff of the DPP also benefitted from the April AML/CFT Workshop and another workshop on seizure and confiscation of the proceeds of crime conducted in June, 2013 and the workshop held during September 12-13, 2013. . Staff of the GSC, BOG and the DCFS also attended a workshop

on supervisory authority's obligations in July 2013 and a follow-up workshop during September 10-11, 2013. AMLCFT Supervision training was provided for all appointed supervisory authorities (GSC, BOG and the DCFS) included on April 10-11, 2014. An advanced AMLCFT Financial Investigative Techniques training was conducted on April 14-16, 2014 for officers of the FIU, AG Chambers, DPP, GPF, GRA and BOG.

91. With regard to the recommendation that adequate staff and resources should be provided to the GSC and the DCFS, the authorities have advised that the staff of the DCFS has been increased from five to eight and there are plans for additional staff before the end of 2014. No information about the GSC in relation to this recommendation has been submitted for this report.

92. With regard to the recommendation for the authorities to consider increasing the number of Customs outposts to ensure security at borders, the authorities have advised that the GRA has established two (2) customs outposts, one at Mabura and another at Kurupukari. It was noted in the last report that the GRA was awaiting approval of the Government for the establishment of another outpost at Morawhanna. The authorities have reported that there is no further development on the establishment of another Outpost at Morawhanna.

93. In relation to the recommendation for relevant staff of the GRA to be provided with AML/CFT training, it was noted in a previous report that follow-up training on currency reporting was provided to customs officers of the GRA in October 2012. The last report indicated that eleven Customs officers stationed at Cheddi Jagan International Airport attended training in August 2013 and training on cross border declaration was conducted for nine (9) more Customs officers at the same airport on September 27, 2013. As a result of the above, four recommendations have been met, and five are partially outstanding (ongoing).

### **Recommendation 31**

94. The examiners' first recommendation was for the consideration of the establishment of a national body comprised of relevant AML/CFT agencies to facilitate co-operations and co-ordination in implementing AML/CFT policies. The authorities have advised of the formation on July 15, 2013 of the National Oversight Committee on AML/CFT (the Committee) consisting of members of the Cabinet sub-committee on justice and security and other stakeholders. The Committee is chaired by the Head of the Presidential Secretariat and the Committee members are:

- Minister of Home Affairs
- Minister of Finance
- Minister within the Ministry of Finance
- Attorney General & Minister of Legal Affairs
- Commissioner General of Guyana Revenue Authority
- Commissioner of Police
- Director of Public Prosecutions
- Governor, Central Bank of Guyana
- Head of FIU

- Head of CANU

95. The first meeting of the Committee was held on July 30, 2013. The Committee will meet every two months thereafter. The functions of the Committee are to:

- a) Set the national AML/CFT strategy for Guyana
- b) Facilitate co-ordination among the competent authorities, financial and other sectors represented on the Committee
- c) Study and follow international developments in the fight against money laundering and terrorist financing, and issue recommendations to the relevant government authorities regarding the improvement of the regulatory instructions and controls issued by the supervisory authorities in Guyana and suggest legislative amendments in line with those developments.
- d) Monitor the implementation of legal and institutional framework by competent authorities in the fight against money laundering and terrorist financing.
- e) Review the AML/CFT systems in Guyana.

96. The above Committee complies with the examiner's recommendation. The Committee held its second meeting on October 31, 2013. At this meeting it was decided that the necessary human and financial resources will be provided for the newly appointed supervisory authorities to enable them to fulfill their obligations under the AMLCFTA and the Regulations. Additionally, it was decided that a post/function with the responsibility for the maintenance of statistics in accordance with Rec. 32 and statistics related to anti-corruption and human trafficking should be established within all relevant agencies and that relevant officers receive AML/CFT training. The authorities have reported that there were no formal meetings of the Committee since October 2013. However, the committee members continue to carry out their functions as it relates to the development plans for a Country Risk Assessment and the staffing and operation of the SOCU. In the area of the Country Risk Assessment, the authorities have advised that four members of the oversight Committee (representatives from FIU, DPP, BOG and GPF) attended a National Risk Assessment Workshop in Barbados on March 25-28, 2014. Further, with assistance from the Canadian Government work has begun to develop a national strategy document called "The National AMLCFT Road Map for 2014-2018". There is a first draft which the authorities are currently reviewing.

97. With regard to SOCU, advertisement for the vacancies at the SOCU office was placed in newspapers. Job description for the Head and other staff of SOCU were prepared and persons were interviewed for the positions of Head and Deputy Head of the Unit. Further, there were consultations with experts in the area for assistance on the operational side. The authorities have further advised that it is anticipated that SOCU will be fully operational within the next six months and that training for the FIU staff has already begun. From March 3-7, 2014, the Senior Financial Analyst, FIU attended a Strategic Analysis Training for FIUs sponsored by EGMONT. Among the topics covered were, identifying ML/TF related trends and patterns to help establish policies and goals and the link between the FIU and the AMLCFT investigators as it relates to information sharing. Consequently this examiners' recommendation has been met.

98. The last recommendation was for competent authorities to consider establishing explicit mechanisms for consultation between competent authorities, the financial and other sectors including DNFBNs. As already noted above, one of the functions of the Committee includes facilitating co-ordination among the competent authorities, financial and other sectors represented

on the Committee. At present, the authorities have advised that the Committee is in the process of establishing mechanisms for consultation between competent authorities. However while the Committee allows for consultation among the competent authorities represented on the Committee the examiners; recommendations also refers to consultation with the financial sector and others including the DNFBPs subject to AML/CFT obligations. Given the above, one of the examiners' recommended action (the establishment of a national AMLCFT Oversight Body) has been met and one (the establishment of explicit mechanisms for consultation between competent authorities, the financial sector and DNFBPs) is partially outstanding.

### Recommendation 32

99. The first recommendation requires the GRA to maintain statistics on the number of declarations collected and the number of false declarations detected and the amounts of currency involved or resultant cash seizures. The following tables gives a monthly breakdown of foreign currency declarations received by the GRA during first six months of 2013;

**Table 4: Monthly Foreign Currency Declarations for last six months of 2013 – GRA**

Months	Year 2013
	No of Declaration Forms
July	52
August	69
September	96
October	76
November	80
December	56
<b>TOTAL</b>	<b>429</b>

100. No false declarations or cash seizures have been reported for the period. With regard to the recommendation for statistics on formal requests for assistance made or received by the FIU or the supervisory authorities or spontaneous referrals to be maintained, the FIU submitted the following information for the period January to July 2013.

**Table 5: Request for Information made to FIU for July to December 2013**

	DATE OF REQUEST	AGENCY REQUESTING INFORMATION	NATURE OF REQUEST	INFORMATION REQUESTED
1	December 31, 2013	FIU – Trinidad and Tobago	Request for FIU intelligence	Whether subject was in FIU's database.

**Table 6: Request for Information made by FIU – Guyana for 2012**

	<b>DATE OF REQUEST</b>	<b>AGENCY REQUESTING INFORMATION</b>	<b>NATURE OF REQUEST</b>	<b>INFORMATION REQUESTED</b>
1	August 12, 2013	Financial Investigations Division - Jamaica	Request for FIU Intelligence	Whether subject was featured in the FID's database.

101. With regard to spontaneous exchange of information the FIU advised that it made a spontaneous referral in October 2013 to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) and received a spontaneous referral from the FIU in Trinidad in December 2014. No requests for assistance were made or received by supervisory authorities nor were there any spontaneous referrals for the period July to December 2013.

102. In relation to the recommendation for the maintenance of statistics on mutual legal assistance or other international requests for co-operation, the authorities have advised that the Ministry of Home Affairs is responsible for and does maintain these statistics. Following on from the figures presented in the last report the Ministry of Home Affairs has advised that during the period June to December 2013, three mutual legal assistance requests were received and one was sent. Two of the received mutual legal assistance requests are pending whilst the other has been met. The requested mutual legal assistance has been satisfied.

103. In response to the recommendation for the maintenance of statistics on extradition the Ministry of Home Affairs has advised that no extradition requests have been received since the last follow-up report.

104. With regard to the recommendation for the authorities to implement a regular review of the AML/CFT systems in Guyana, the authorities advised in the last report that this function was to be performed by the Committee as set out in the section of this report dealing with Recommendation 31. The authorities advised that at a meeting of the Committee on October 31, 2013 it was decided to establish a post/function within each of the relevant agencies to be responsible for the maintenance of statistics in accordance with Rec. 32 requirements and statistics related to anti-corruption and human trafficking. No information has been submitted for this report on whether the first review of the AML/CFT system has been undertaken. As such this recommendation is outstanding. There has been improved compliance with one of the examiners' recommendations. The authorities should note that recommendations relating to statistics require information to be submitted for each follow-up report to demonstrate continuing implementation.

**Recommendations 33**

105. The recommendation requiring that the Company Act (CA) be amended to provide the Registrar of Companies with the requisite legal authority to ascertain the beneficial ownership of all companies and to ensure that information about beneficial ownership in the register of companies is adequate, accurate and current has been included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly.

106. With regard to the last recommendation for the authorities to consider prohibition of nominee shareholders and directors unless measures are taken to ensure that adequate, accurate and complete beneficial information is made available to the Registrar of Companies, the authorities have advised that the amendment referred to in paragraph 97 above will also address this recommendation since it will require measures to ensure that adequate, accurate and complete beneficial information is made available to the Registrar of Companies. Consequently the two examiners' recommendations (included in the Amendment Bill) remain outstanding.

**Recommendation 34**

107. Two recommendations were made requiring Guyana to implement measures to ensure that its commercial laws require adequate transparency concerning the beneficial ownership of trusts and other legal arrangements and that adequate, accurate and timely information is available to law enforcement authorities concerning the beneficial ownership and control of trusts. The Attorney General's Chambers asserts that the legislative network requires and provides for the documentation of trusts of all types including trustees and debentures and that this information is stored at the Deeds and Commercial Registry Authority. However, the submitted legislation deals with deeds and legal instruments governing the sale and ownership of land and movable property rather than trust funds. The authorities have advised that the recommendation requiring adequate transparency concerning the beneficial ownership and control of trusts and other legal arrangement was since included in the Amendment Bill which is before the National Assembly. Regarding the recommendation for adequate, accurate and timely information to be made available for law enforcement authorities concerning the beneficial ownership and control of trusts, the authorities have advised that since there are no laws prohibiting members of the GPF from having ready access to information, documents and assistance of whatever kind pursuant to an investigation of any matter this recommendation will be satisfied once the above is enacted. As such, these recommendations (included in the Amendment Bill) remain outstanding.

**Recommendations 37**

108. The recommendations will be addressed by amending MACMA accordingly in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. Given the above, this Recommendation remains outstanding.

**Recommendation 38**

109. As noted in the previous follow-up report three of the examiners' recommendations had been met with two still outstanding. The recommendation for guidelines or procedures in regard to timelines to facilitate an expeditious response to mutual legal assistance to be developed and implemented was outlined in a letter from the Ministry of Home Affairs the Central Authority of



Guyana. This set out the various functions of the relevant agencies and the approximate timelines for the completion of each stage of the process. Consequently this recommendation has been met.

110. In relation to the recommendation that the authorities should put in place arrangements regarding coordinating seizure and confiscation actions with other countries/jurisdictions in relation to ML or FT matters the authorities submitted a letter from the Ministry of Home Affairs which sets out procedures and probable timelines for seizure and confiscation actions at the request of other countries/jurisdictions. There is no reference to what type of measures are taken to coordinate these actions with the requesting country if necessary. The Minister of Home Affairs in another letter advised that existing legislation prescribes strict legal requirements and conditions that inform any coordinating measures agreed to between Guyana and the requesting state. There is need to stipulate the above referenced legal requirements. Given the above only one recommendation remains outstanding.

### **Recommendation 39**

111. The examiners' recommended action requires that procedures or measures be put in place to facilitate the timely response to requests for extradition and proceedings relating to ML and FT and to ensure such requests are handled without undue delay. The authorities advise that under the auspices of the Fugitive Offenders Act adequate arrangements are in place for the expeditious handling of extradition requests and proceedings relating to ML and FT. The Ministry of Home Affairs has submitted in a letter extradition procedures that the Central Authority which is the Ministry of Home Affairs follows. As noted in the letter the parts of the procedures under the control of the Central Authority are handled in a timely fashion while those requiring adjudication of the courts have been lengthy. It is noted that two known cases of extradition were successful only because the persons so accused volunteered to be extradited. The authorities submitted statistics in a previous report regarding extradition for the period 2005 to June 2012. The authorities have advised that no request for extradition was made or received for August to December 2013. The authorities have further advised that the administrative elements of the process i.e. receipt and processing of request and submission of necessary applications do not exceed one month from the date of receipt of a request. Consequently, this recommendation has been largely met.

### **Special Recommendations VI**

112. The first recommendation requires that a system for monitoring money transfer agencies/agents for compliance with AML/CFT requirements be implemented as soon as possible. In the previous follow-up report The BOG advised that a system for monitoring money transfer agencies/agents was implemented since 2011 and that all money transfer agencies and a few agents had been inspected. From December 2010 to March 2012, the BOG inspected 6 money transfer agencies and 8 money transfer agents. The BOG has advised that 5 money transfer agencies and 2 money transfer agents were inspected for the year 2012. For this report, the BOG has advised that all 5 money transfer agencies and 12 money transfer agents have been inspected for 2013. No AML/CFT breaches were detected except for one agency which began to comply as instructed before the completion of the examination. The above demonstrates continuing compliance with the examiners' recommendation. The authorities should seek to ensure ongoing implementation for future Follow-Up Reports.

113. As noted in the previous Follow-Up Report the recommendation that money transfer agencies be required to maintain a current list of their agents which must be made available to the designated competent authority has been met.

114. The last recommendation requires the amendment of the penalties in the MTALA to make them dissuasive, proportionate and applicable to directors and senior management of money transfer agencies. The authorities have advised that the recommendation was included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. Given the above, only one recommendation (included in the Amendment Bill) remains outstanding.

### **Special Recommendation VII**

115. The authorities have advised that five of the examiners' recommendations including that originator information be defined in the AMLCFTA in accordance with SR VII, that subsections 20(3) and 20(4) of the AMLCFTA be amended in accordance with the exemptions in SR VII, that record-keeping requirements and effective risk-based procedures for wire transfers be imposed on financial institutions and that sanctions for breaches of wire transfer provisions in section 20 of the AMLCFTA be dissuasive and proportionate and applicable to directors and senior management of reporting entities were included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly.

116. The recommendations for financial institutions to have effective risk-based procedures in place to identify wire transfers lacking complete originator information has also been included in section 5.4.3.2 of the BOG AML/CFT Guidelines in the second paragraph on page 66. Additionally, section 5.4.3 of the BOG AML/CFT Guidelines in the first paragraph on page 61 requires receiving intermediary financial institutions to keep records for seven years of all information received from an ordering financial institution in a situation where technical difficulties prevent the full originator information accompanying a cross-border wire transfer from being transmitted along with a related domestic wire transfer. While these measures comply with the requirements of two of the five recommendations referred to in the previous paragraph as already mentioned the BOG AML/CFT Guidelines are not applicable to the insurance and securities sectors nor to credit unions. As such these recommendations are partially met.

117. With regard to the recommendation for measures to be put in place to effectively monitor compliance with the requirements of SR VII, as already noted the BOG was appointed the designated supervisory on December 20, 2013 for money transfer agencies. As indicated an inspection regime has been established by the BOG for these entities and its other licensees including the commercial banks. This regime includes checking for compliance with the obligations of the AMLCFTA which include provisions dealing with the requirements of SR VII. As such, the above demonstrates that the BOG has put in place measures to effectively monitor compliance with the requirements of SR VII. The SR. VII requirements as stated in section 20 of the AMLCFTA are applicable only to financial institutions under the FIA and money transfer agencies which are all under the supervision of the BOG. Consequently, this recommendation has been met.

118. Given the above, three recommendations remain outstanding (included in the Amendment Bill), two have been partially met (included in the Amendment Bill) and one has been met.

### **Special Recommendation VIII**

119. With regard to the recommendations concerning NPOs, the authorities have advised that on December 20, 2012, the Registrar of Friendly Societies was appointed the supervisory authority for all charities registered under section 11 of the Friendly Societies Act (FSA). Registered charities include all friendly societies/NPOs, benevolent societies, working men's clubs and other authorized societies. The authorities advise that with the appointment of the

supervisory authority all of the recommendations in relation to NPOs will be dealt with accordingly. It was indicated in the last report that the FIU had started training the newly appointed supervisory authorities on their roles and obligations under the AMLCFTA and the AMLCFTR. Additionally, through technical assistance being received from the Government of Canada, a supervisor's manual for supervisory authorities was drafted for on-site and off-site examinations procedures, processes for identifying and recording reporting entities, file management, issuing compliance questionnaires, applying risk based approach for compliance examinations, on-site review techniques, preparing reports and implementing sanctions.

120. The authorities have advised that the FIU continues to provide training to the CCDO and team with the aim of equipping the CCDO with the necessary resource and skill to carry out its functions. A follow-up meeting was held with the CCDO on February 17, 2014 and the CCDO and Registrar benefitted from an AML/CFT Supervision training held for supervisory authorities on April 10-11, 2014. It was reported that the process of regularizing NPOs for AML/CFT purposes had started and approximately 898 of 1,400 friendly societies/NPOs were identified for cancellation for violation of the FSA. The number of staff with the CCDO has increased from 5 to 8 between August 2013 and February 2014 and there are plans for further staff increases. Training and awareness sessions for NPOs are planned for later in 2014. The CCDO has been urged to complete a work plan outlining measures for bringing NPOs in compliance with their obligations as reporting entities. A copy of the FATF Best Practices on Combating the abuse of NPOs was distributed to NPOs. While the above measures begin the process for putting in place the examiners' recommendations, information on continued efforts should be submitted in future reports. Consequently, this recommendation (requiring the implementation of supervision of NPOs) remains largely outstanding.

### **Special Recommendation IX**

121. The recommendation for the extension of the implementation of the cross-border declaration system to include bearer negotiable instruments was included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly.

122. With regard to the recommendation that sanctions for false declarations should be extended to legal persons, their directors and senior management and should be dissuasive, proportionate and effective, the authorities advise that this recommendation was included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly.

123. The recommendation for Guyana to enhance its ability to freeze the assets of persons designated pursuant to S/RES/1267/(1999) and S/RES/1373/(2001) as recommended in section 2.4 of the MER to ensure that it can do so effectively in the cross-border context was also included in the AMLCFT (Amendment) Bill 2013 which is presently before a Special Select Committee of the National Assembly. The authorities have further advised that once the Amendment Bill is enacted, directives will be issued by the Minister of Finance addressing this recommendation.. Consequently, this Recommendation remains outstanding.

### **III. Conclusion**

124. Since the previous Follow-Up Report there has been compliance with Recs. 27 and 28 and improvement in the level of compliance with Recs. 26, 32, 34, 36 and 39 . The authorities in Guyana have continued in their efforts to comply with the recommendations in the MER, mostly through continued implementation of measures noted in previous reports. Most proposed

measures include legislative amendments in particular the AMLCFT (Amendment) Bill and issuance of guidelines.

125. It is noted that Guyana is presently debating in Parliament the AMLCFT (Amendment) Bill 2013 which seeks to address the legislative amendments required in the examiners' recommended actions in the Core and Key Recommendations 1, 3, 4, 5, 13, 23, 36, 40, SR. I, SR. II, SR. III, SR. IV and SR. V and the remaining Recommendations 6, 7, 8, 9, 11, 14, 15, 17, 21, 22, 25, 29, 33, 37, SR. VI, SR. VII and SR. IX. The AMLCFT (Amendment) Bill is designed to address 90 % (62 of the 69) separate outstanding examiners' recommendations. Consequently the enactment of the AMLCFT (Amendment) Bill 2013 should substantially enhance the level of compliance of a majority of the outstanding Recommendations, particularly the Core and Key Recommendations.

126. There is need for the authorities to demonstrate continued implementation by submitting information for each report regarding the provision of training both to the competent authorities and the financial institutions, the on-site AML/CFT inspection activity of the BOG, GSC and CCDO and the various statistical information required under Rec. 32.

127. Guyana is likely to be identified by the FATF ICRG for prima facie review by the ICRG at its next meeting as Guyana is ranked number one among jurisdictions in the ICRG pool. As indicated above, Guyana has not taken sufficient steps to address its significant AML/CFT deficiencies. Given the formal CFATF statement in November 2013 requesting CFATF Members to consider implementing counter measures against Guyana and the protracted inability to enact the AMLCFT (Amendment) Bill necessary to address a substantial number of identified AMLCFT deficiencies, it is recommended that the Plenary considered approving a referral of Guyana for a prima facie review by the FATF ICRG. Given the above, it is also recommended that Guyana remains in enhanced follow-up and be required to report to the next Plenary in November 2014.

**Matrix with Ratings and Follow Up Action Plan 3rd Round Mutual Evaluation  
Guyana**

Forty Recommendations	Rating	Summary of factors underlying rating	Recommended Actions	Undertaken Actions
<b>Legal systems</b>				
1. ML offence	PC	<ul style="list-style-type: none"> <li>• ML offences in the AMLCFTA are not consistent with the requirements of the Vienna and the Palermo Conventions.</li> </ul>	<ul style="list-style-type: none"> <li>• Amend the ML offences in the AMLCFTA to include “assisting any person who is involved in the commission of such an offence or offences to evade the legal consequences of his actions” in accordance with the Vienna and Palermo Conventions.</li> </ul>	<ul style="list-style-type: none"> <li>i. The AMLCFT (Amendment) Bill No. 12 of 2013 was published, introduced in the National Assembly and read a first time on April 22, 2013. It was debated and read a second time on May 7, 2013 following which it was committed for consideration to a Special Select Committee (SSC) by the National Assembly. The SSC consists of 9 members (5 members from the combined opposition and 4 members from the Government). During the period of May 8, 2013 to August 5, 2013 the SSC had 15 meetings to consider the Bill. At these meetings the Bill was reviewed clause by clause and further amendments were made to the Bill based on feedback/comments received from CFATF, and other Stakeholders (see <b>matrix with these amendments attached</b>). At the 15<sup>th</sup> meeting of the SSC held on August 5, 2013 a motion was put and carried by a majority vote, to adjourn the meeting of the SSC to a date in October 2013. Parliament recessed on August 8, 2013 and will reconvene on October 10, 2013. A Draft Report of the SSC was prepared by the Chairperson for approval of the SSC and presentation to Parliament when it reconvenes (see <b>copy of Draft Report attached</b>). It is anticipated that the Special Select Committee will complete its deliberations on the Bill and make recommendations to Parliament when it reconvenes in October 2013. While we cannot predict the decisions of our democratic Parliament we anticipate that the Bill will be reviewed and concluded in</li> </ul>

				<p>Parliament before November 30, 2013. We will update ICRG and CFATF on a weekly basis or as needed on all developments pertaining to the Bill. <b>Also attached hereto is a copy of the Draft Minutes of the 15<sup>th</sup> Meeting of the SSC.</b></p> <p><i>The AMLCFT Amendment Bill No. 12 of 2013 which contained modifications that were reviewed by CFATF was rejected by Parliament on November 14, 2013. This Bill was again published on December 10, 2013 and re-introduced in the National Assembly as AMLCFT (Amendment) Bill No. 22 of 2013. The Bill was read a first time on December 12, 2013. It was then debated and read a second time on December 19, 2013. Following the second reading, the Bill was committed to a Parliamentary Special Select Committee (PSSC), by the National Assembly, for consideration. Members to comprise the PSSC to consider the Bill were nominated at a meeting held on December 20, 2013. The PSSC met on 15 occasions between January 19, 2014 and February 27, 2014.</i></p> <p><i>At its 9<sup>th</sup> meeting held on February 9, 2014 the PSSC concluded its work on the AMLCFT Amendment Bill and the Bill with minor amendments were approved by the Committee. Further amendments to the Principal AMLCFT Act 2009 were then proposed at subsequent meetings. These proposed amendments were conveyed to the Chief Parliamentary Council (CPC) for drafting.</i></p> <p><i>At the 14<sup>th</sup> meeting of the Committee held on February 26, 2014 the CPC sought further clarification on several issues related to the proposed amendments. These were provided and the CPC was asked to prepare the draft</i></p>
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		<ul style="list-style-type: none"> <li>• Illicit trafficking in stolen and other goods and smuggling are not criminalized as a serious offence and are therefore not a predicate offence to ML.</li> </ul>	<ul style="list-style-type: none"> <li>• Illicit trafficking in stolen and other goods and smuggling should be criminalized as a serious offence and a predicate offence to ML.</li> </ul>	<p><i>amendments and submit to the Committee for consideration on February 27, 2014.</i></p> <p><i>At the 15<sup>th</sup> meeting of the Committee held on February 27, 2014, the Committee received a letter from the CPC requesting more time to draft the proposed amendments. The next meeting of the Committee was then scheduled for March 5, 2014, where the Committee will review the draft amendments.</i></p> <p><i>The work of the committee was therefore not completed in time for the Bill to be brought back to the main Parliament which convened on February 27, 2014.</i></p> <p><i>We will update CFATF on all developments pertaining to the Bill as they occur.</i></p> <p><b><u>See attached the PSSC Chairman’s Draft Report of the AMLCFT Amendment Bill.</u></b></p> <p>ii.(a) In Guyana, illicit trafficking in stolen and other goods falls under the offence of ‘Receiving where principal is guilty of felony’. The Criminal Law (Offences) Act Cap. 8:01 provides at s.236          (1) “<i>Everyone who receives any chattel, money, valuable security, or other property, the stealing, taking, extortion, obtaining, embezzling, or otherwise disposing whereof amounts to a felony, either at common law or by virtue of this Act or of any other written law for the time being in force, knowing it to have been feloniously stolen, taken, extorted, obtained, embezzled, or disposed or, shall be guilty of felony, and may be indicted and convicted wither as an accessory after the fact, or for a substantive felony; and, in the latter case, whether the principal felony has or</i></p>
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				<p><i>has not been previously convicted or is or is not amenable to justice.</i></p> <p><i>(2) Every receiver aforesaid, however convicted, shall be liable to imprisonment for fourteen years.”</i></p> <p>ii.(b) The offence of smuggling falls under the Customs Act Cap. 82:01 of the Laws of Guyana. s.218(d)(e) provides <i>“Every person who knowingly acquires possession of or is in any way knowingly concerned in carrying, removing, depositing, concealing, or in any manner dealing with any goods with intent to defraud the revenue of any duties thereon, or to evade any prohibition or restriction of or applicable to such goods; or is in any way knowingly concerned in any fraudulent evasion or attempt at evasion of any import or export duties of customs, or of the laws, and restrictions of the customs relating to the importation, unloading, warehousing, delivery, removal, loading and exportation of goods, shall be liable for each such offence to a fine of treble the value of the goods or ten thousand dollars at the election of the Comptroller; and to imprisonment for one year and all goods in respect of which any such offence shall be committed shall be forfeited.”</i></p> <p>As evident from the above, the penalties for the above offences are imprisonment for fourteen years, and a fine of treble the value of the goods or ten thousand dollars ...and to imprisonment for one year and all goods in respect of the offence being forfeited, respectively. These are therefore serious offences under the AMLCFTA which states <i>““serious offence” means a serious offence against a provision of-</i></p>
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		<ul style="list-style-type: none"> <li>The recent enactment of the AMLCFTA precludes assessment of effective implementation of the legislation.</li> </ul>	<ul style="list-style-type: none"> <li>Systems should be put in place to effectively implement the AMLCFTA and relevant Government entities made aware of the legislation and its applicability.</li> </ul>	<p><i>(a) any law in Guyana, for which the maximum penalty is death or imprisonment for life or other deprivation of liberty of not less than six months;</i></p> <p><i>(b) any offence listed in Second Schedule ; or</i></p> <p><i>(c) a law of a foreign state, in relation to an act or omission, which had it occurred in Guyana, would have constituted an offence for which the maximum penalty is death, or imprisonment for life or other deprivation of liberty for a period of not less than six months and includes money laundering and terrorist financing or an offence listed in the Second Schedule". (This recommendation was met – see paragraph 9 Guyana 1st Follow up Report).</i></p> <p>iii. FIU has been sensitizing the relevant Government entities on the legislation and its applicability through ongoing training/discussions and follow up meetings. <i>(This recommendation was met – see paragraphs 5 and 6 Guyana 3rd Follow up Report).</i></p>
2. ML offence – mental element and corporate liability	LC	i. The recent enactment of the AMLCFTA precludes assessment of effective implementation of the legislation and minimal resources limit implementation.		
3. Confiscation and provisional measures	PC	<ul style="list-style-type: none"> <li>The definition of property liable for confiscation does not include assets of every kind, whether tangible or intangible, or indirect proceeds of crime including income, profits or other benefits from proceeds of crime or property held by third persons.</li> <li>Unable to assess effective implementation since there has been no restraint, forfeiture or production orders or search warrants granted under the AMLCFTA due to its recent enactment</li> </ul>	<ul style="list-style-type: none"> <li>The definition of property liable for confiscation in the AMLCFTA be amended to include indirect proceeds of crime including income, profits or other benefits from proceeds of crime and property held by third persons and assets or every kind, whether tangible or intangible.</li> <li>The competent authorities should provide resources to ensure the requisite agencies are trained under the recent legislation in order to enable effective implementation.</li> </ul>	<p>i. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>ii. On June 19, 2013 a workshop on the Confiscation of the Proceeds of Crime was hosted by the Director of Public Prosecutions. The workshop was facilitated by representatives from the office of the</p>

				<p>Caribbean Criminal Asset Recovery Programme (CCARP). A Guideline on the Confiscation of the Proceeds of Crime which was prepared by CCARP was also handed over to the staff of the DPP at the workshop. Participants of the workshop were, the staff of the DPP Chambers, Magistrates, Judges and police prosecutors.</p> <p><i>This recommendation was met – see paragraph 19 of Guyana’s 5th Follow-up Report).</i></p>
<b>Preventive measures</b>				
4. Secrecy laws consistent with the Recommendations	PC	<ul style="list-style-type: none"> <li>No provision for the GSC to access information relevant to AML/CFT matters from registrants of the SIA.</li> <li>No provision for the CCDO to share information from a society registered under the CSA with local and international competent authorities</li> </ul>	<ul style="list-style-type: none"> <li>The GSC should have the power to access information relevant to AML/CFT matters from registrants of the SIA.</li> <li>The CCDO should be able to share information from a society registered under the CSA with local and international competent authorities.</li> </ul>	<p>i. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>ii. The CCDO was on December 20, 2012 appointed as the AML/CFT supervisory authority for co-operative societies registered under the CSA. By virtue of this appointment the CCDO now has the power under s.22(2) (c &amp; d) of the AMLCFT Act to share information as recommended with local and international competent authority. <i>(This recommendation was met – see paragraph 19 Guyana 4th Follow up Report).</i></p>
5. Customer due diligence	PC	<ul style="list-style-type: none"> <li>Threshold for the application of CDD measures for occasional transactions has not been prescribed, leaving such determination to the discretion of the reporting entities.</li> </ul>	<ul style="list-style-type: none"> <li>A threshold for the application of CDD measures for occasional transactions should be prescribed in accordance with the FATF standard.</li> </ul>	<p>i. Regulation 4(2) (b) already makes provision for this recommendation. It stipulates “<i>Customers shall include persons, whether natural, legal, or legal arrangements, who are or who seek to be engaged in one or more occasional transactions with the reporting entity when the total value of the transactions equals or exceeds one million dollars.</i>” <i>(This recommendation was met – see paragraph 10 Guyana 1st Follow up Report).</i></p>

		<ul style="list-style-type: none"> <li>• No requirement for reporting entities to obtain information on the ownership of customers who are legal persons or legal arrangements.</li> <li>• No requirement for reporting entities to determine who are the natural persons that ultimately own or control the customer.</li> <li>• No requirement for the verification of legal</li> </ul>	<ul style="list-style-type: none"> <li>• Reporting entities should be required to obtain information on the ownership of customers who are legal persons or legal arrangements.</li> <li>• Reporting entities should be required to determine who are the natural persons that ultimately own or control the customer.</li> <li>• Reporting entities should be required to verify</li> </ul>	<p>ii. S. 15(4)(a-c) of the AMLCTFA already makes provision for REs to obtain information on the ownership of customers who are legal persons or legal arrangements. This section provides <b><i>“Without limiting the generality of subsection (2), a reporting entity shall-</i></b></p> <ul style="list-style-type: none"> <li><b><i>(a) when establishing a business relationship, obtain information on the purpose and nature of the business relationship;</i></b></li> <li><b><i>(b) if the transaction is conducted by a natural person, ....</i></b></li> <li><b><i>(c) if the transaction is conducted by a legal entity, adequately identify the beneficial owner, take reasonable measures to identify and verify its beneficial ownership and control structure, including information relating to-</i></b> <ul style="list-style-type: none"> <li><b><i>(i) the customer's name, legal form, address and directors;</i></b></li> <li><b><i>(ii) the principal owners and beneficiaries and control structure;</i></b></li> <li><b><i>(iii) provisions regulating the power to bind the entity; and to verify that any person purporting to act on behalf of the customer is so authorised, and identify those persons.” (This recommendation was met – see paragraph 12 Guyana 1st Follow up Report).</i></b></li> </ul> </li> </ul> <p>iii. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>iv. Regulation 4(5)(a) &amp;(c) of the Regulations</p>
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		<p>status of specific legal arrangements such as trusts.</p> <ul style="list-style-type: none"> <li>• No definition of beneficial ownership with regard to legal entities.</li> <li>• No requirement for reporting entities to perform enhanced due diligence for higher risk categories of customers.</li> </ul>	<p>the legal status of specific legal arrangements such as trusts.</p> <ul style="list-style-type: none"> <li>• A definition of beneficial ownership with regard to legal entities should be set out in the AMLCFTA.</li> <li>• Reporting entities should be required to perform enhanced due diligence for higher risk categories of customers.</li> </ul>	<p>made under AMLCFTA already makes provision for the verification of legal status of specific arrangements such as trusts. It provides that <i>“A reporting entity shall ensure that it knows the true identity of its customers...For customers who are legal persons or legal arrangements, the reporting entity shall obtain and verify –</i></p> <p><i>(a) the customer’s name and legal form, including obtaining proof of incorporation or similar evidence of establishment or existence such as a certificate of incorporation or a trust instrument.”</i></p> <p><i>(b) ...</i></p> <p><i>(c) the legal provisions that set out the power to bind the customer such as the memorandum and articles of association or trust instrument...”</i>  <i>(This recommendation was met – see paragraph 15 Guyana 1st Follow up Report).</i></p> <p>v. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>vi. Same action as above. It should be noted that despite being included in the Amendment Bill this recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 5.2, page 41 of the attached AML/CFT Guidelines. <b>(This recommendation is partly met – see paragraph 11 of Guyana’s 5th Follow-up Report).</b></p>
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		<ul style="list-style-type: none"> <li>No requirement that reporting entities verify the identity of the customer and beneficial owner before or during the course of establishing a business relationship or conducting transactions for occasional customers.</li> <li>No requirement prohibiting reporting entities from opening an account or commencing a business relationship or performing a transaction in the absence of satisfactory evidence of identity as stipulated in criteria 5.3 to 5.6 and being required to consider making a suspicious transaction report.</li> <li>Except in the case of customers at the time of the enactment of the AMLCFTA, there is no requirement for financial institutions to terminate a business relationship due to the inability to obtain information set out in criteria 5.3 to 5.6 and consider making a suspicious transaction report.</li> </ul>	<ul style="list-style-type: none"> <li>Reporting entities should be required to verify the identity of the customer and beneficial owner before or during the course of establishing a business relationship or conducting transactions for occasional customers.</li> <li>Reporting entities should be prohibited from opening an account or commencing a business relationship or performing a transaction in the absence of satisfactory evidence of identity as stipulated in criteria 5.3 to 5.6 and being required to consider making a suspicious transaction report.</li> <li>Reporting entities should be required to terminate a business relationship due to the inability to obtain information set out in criteria 5.3 to 5.6 and consider making a suspicious transaction report.</li> </ul>	<p>vii.S.15(2) of the AMLCTFA provides <b><i>“Reporting entities shall establish and verify the identity of any customer of the reporting entity by requiring the applicant to produce an identification record or such other reliable, independent source document as the Financial Intelligence Unit may request”</i></b></p> <p>The phrase “establish and verify the identity of <u>any customer</u> of the reporting entity” is all-inclusive and thereby includes ‘occasional customers conducting transactions.’ Further, Regulation 4(2)(b) of the Regulation made under the AMLCTFA defines a customer thus <b><i>“Customers shall include persons, whether natural, legal, or legal arrangements, who are or who seek to be engaged in one or more occasional transactions with the reporting entity.”</i></b> (This recommendation will be fully satisfied once the term “beneficial ownership” is defined in the AMLCFT Act. This will be done as stated at Rec 5(v) above).</p> <p>viii. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>ix. Same action as above.</p>
<p>6. Politically exposed</p>	<p>PC</p>	<ul style="list-style-type: none"> <li>No requirement for reporting entities to</li> </ul>	<ul style="list-style-type: none"> <li>Reporting entities should be required to obtain</li> </ul>	<p>i. This recommendation will be addressed by</p>

persons		<p>obtain senior management approval to continue a business relationship with a customer or beneficial owner who is subsequently found to be a PEP or becomes a PEP.</p> <ul style="list-style-type: none"> <li>Limited awareness by financial institutions about the legal requirements concerning PEPs.</li> </ul>	<p>senior management approval to continue a business relationship with a customer who is subsequently found to be a PEP or becomes a PEP.</p> <ul style="list-style-type: none"> <li>The supervisory authorities should ensure that all financial institutions are aware of the legal requirements concerning PEPs</li> </ul>	<p>legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>ii. Financial institutions are regularly being sensitized on various sections of the AMLCFT Act (particularly s.15 (4)(d)) which deals with PEPs, as well as the AMLCFT Regulations. These sensitization programmes are ongoing. Reporting entities are reminded of the legal requirements concerning PEPs at every meeting/training. <b>(This recommendation was met – see paragraph 45 of Guyana’s 4th Follow-up Report). The FIU has circulated the FATF Guidance Note on PEPs as well as a Circular on PEPs to reporting entities. See copy of Circular attached.</b></p> <p>It should be noted that the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013 also addressed this recommendation. See Section 5.3.8, page 55 of the attached AML/CFT Guidelines.</p>
7. Correspondent banking	LC	<ul style="list-style-type: none"> <li>No requirement for financial institutions to ascertain whether a respondent institution has been subject to a money laundering or terrorist financing investigation or regulatory action.</li> <li>No requirement for financial institutions to</li> </ul>	<ul style="list-style-type: none"> <li>Financial institutions should be required to ascertain whether a respondent institution has been subject to a money laundering or terrorist financing investigation or regulatory action.</li> <li>Financial institutions should have to ascertain</li> </ul>	<p>i. This recommendation will be addressed by legislative amendment and the issuance of Guidelines. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>It should be noted that despite being included in the Amendment Bill this recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 5.4.1 page 59, of the attached AML/CFT Guidelines.</p> <p>ii. Same action as above. It should be noted that</p>

		ascertain for themselves that the AML/CFT controls of a respondent institution are adequate and effective.	for themselves that the AML/CFT controls of a respondent institution are adequate and effective.	despite being included in the Amendment Bill this recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 5.4.1, page 60 of the attached AML/CFT Guidelines.
8. New technologies & non face-to-face business	NC	<ul style="list-style-type: none"> <li>No requirement for financial institutions to have policies in place or take such measures to prevent the misuse of technological developments in ML or TF schemes.</li> <li>No requirement for financial institutions to have policies and procedures in place to address specific risks associated with non-face to face business relationships or transactions.</li> </ul>	<ul style="list-style-type: none"> <li>Financial institutions should be required to have policies in place or take such measures to prevent the misuse of technological developments in ML or TF schemes.</li> <li>Financial institutions should be required to have policies and procedures in place to address specific risks associated with non-face to face business relationships or transactions. These policies and procedures should apply when establishing customer relationships and conducting ongoing due diligence.</li> <li>Financial institutions should also be required to have measures for managing risks including specific and effective CDD procedures that apply to non-face to face customers.</li> </ul>	<ul style="list-style-type: none"> <li>This recommendation will be addressed by legislative amendment and the issuance of Guidelines. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply. It should be noted that despite being included in the Amendment Bill this recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 6.3, page 81 of the attached AML/CFT Guidelines. <i>(This recommendation was partly met – see paragraph 50 of Guyana’s 5th Follow-up Report).</i></li> <li>Same action as above. It should be noted that despite being included in the Amendment Bill this recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 5.3.5, page 50 of the attached AML/CFT Guidelines. <i>(This recommendation was partly met – see paragraph 50 of Guyana’s 5th Follow-up Report).</i></li> <li>Same action as above. It should be noted that despite being included in the Amendment Bill this recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the</li> </ul>

				Bank of Guyana on June 28, 2013. See Section 5.3.5, page 50 of the attached AML/CFT Guidelines. <i>(This recommendation was partly met – see paragraph 50 of Guyana’s 5th Follow-up Report).</i>
9. Third parties and introducers	PC	<ul style="list-style-type: none"> <li>• Authorities have issued no guidance in relation to which countries third parties that meet FATF conditions can be based.</li> <li>• Financial institutions are not required to satisfy themselves that third parties are regulated and supervised in accordance with Recommendations 23, 24 and 29 and have measures in place to comply with CDD requirements set out in Recommendation 5.</li> </ul>	<ul style="list-style-type: none"> <li>• Financial institutions should be required to satisfy themselves that third parties are regulated and supervised in accordance with Recommendations 23, 24 and 29 and have measures in place to comply with CDD requirements set out in Recommendation 5.</li> <li>• Competent authorities should determine and inform financial institutions in which countries third parties that meet the conditions can be based by taking into account information available on whether these countries adequately apply the FATF Recommendations</li> </ul>	<p>i. This recommendation will be addressed by legislative amendment and the issuance of Guidelines. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply. It should be noted that despite being included in the Amendment Bill this recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 5.3.6, page 51 of the attached AML/CFT Guidelines. <i>(This recommendation was partly met – see paragraph 51 of Guyana’s 5th Follow-up Report).</i></p> <p>ii. This recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 5.3.6, page 51 of the attached AML/CFT Guidelines. <i>Please note that the FIU has commenced the practice of informing financial institutions of Reports and Reviews concerning AML/CFT published by FATF. This is done by the issuance of Circulars to financial institutions. See copy of most recent Circular on this matter attached.</i></p>



10. Record keeping	PC	<p>i. No requirement for financial institutions to ensure that all customer and transaction records and information are available on a timely basis to domestic competent authorities upon appropriate authority.</p>	<p>i. All financial institutions should be required to ensure that all customer and transaction records and information are available on a timely basis to domestic competent authorities upon appropriate authority</p>	<p>i. Regulation 9(1) of the Regulations made under AMLCFTA makes provision for reporting entities to ensure that any records required to be maintained under these Regulations are capable of retrieval in legible form without undue delay.</p> <p>In addition, the FIU has since 2006, implemented a system whereby when requesting information from reporting entities, such information is required within seven (7) days from the date of request.</p> <p>Further, s. 9(4)(o) of the AMLCFTA provides “<i>The Financial Intelligence Unit shall, in respect of the entities for which it has been designated, exercise the powers set out in section 18 and in relation to this, may enter the premises of any reporting entity during ordinary business hours to inspect any record kept by the reporting entity, and ask any question relating to such record, make notes and take copies of whole or any part of the record.</i>” <b>(This recommendation was met – see paragraph 21 Guyana 1st Follow up Report).</b></p>
11. Unusual transactions	LC	<ul style="list-style-type: none"> <li>• Findings on complex, unusual, large transactions or unusual patterns of transactions with no apparent or visible economic or lawful purpose are available only to the FIU and not all competent authorities and auditors.</li> <li>• No requirement that findings on background and purpose of transactions should be kept available for at least five years.</li> </ul>	<p>i. Guyana should amend its legislation so as to require financial institutions to make the findings on complex, unusual, large transactions or unusual patterns of transactions with no apparent or visible economic or lawful purpose available to all competent authorities and auditors for at least five years.</p>	<p>i. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p>

<p>12. DNFBP – R.5, 6, 8-11</p>	<p>NC</p>	<p>i. The deficiencies identified in section 3 in relation to Recs. 5, 6 and 8 – 11 are also applicable to DNFBPs.</p>	<p>i. It is recommended that a designated supervisory authority be appointed as soon as possible for the DNFBPs to oversee compliance with the requirements of the AMLCFTA.</p>	<p>Supervisory Authorities were appointed for the following DNFBPs on December 20, 2012.</p> <ul style="list-style-type: none"> <li>- Casinos</li> <li>- Dealers in precious and semi precious stones</li> <li>- Dealers in gold bullion</li> <li>- Trust or company service providers.</li> </ul> <p>Supervisory Authorities were also appointed on the same date for the following</p> <ul style="list-style-type: none"> <li>- Registered Charities</li> <li>- Cooperatives</li> <li>- Financial Leasing</li> <li>- Money Transfer Agencies</li> <li>- Insurance Companies</li> </ul> <p><b>(See copy of appointment letter attached and marked Appendix B).</b></p> <ul style="list-style-type: none"> <li>• The FIU has commenced sensitizing the newly appointed supervisory authorities on their roles and obligations under the AMLCFT Act and Regulations. <b>Please see attached a schedule of meetings and workshops held with SAs to date and follow up meetings and workshops planned for the remainder of the 2013.</b> In addition, it should be noted that though technical assistance being received from the Government of Canada, a Supervisor’s Manual for supervisory authorities is currently being drafted for on and offsite examinations procedures, processes for identifying and recording reporting entities, file management, issuing compliance questionnaires, applying risk based approached for compliance examinations, onsite reviews techniques, preparing reports and implementing sanctions. <i>(This recommendation was partly met – see</i></li> </ul>
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				<p><i>paragraph 53 of Guyana’s 5th Follow-up Report).</i></p> <p><i>The FIU has employed another person (Legal Adviser – AMLCFT Compliance) to be responsible for the newly appointed supervisory authorities for DNFbps. The person will commence work from March 3, 2014. Her functions will include ensuring continuing compliance by DNFbps/REs with the obligations of the AML/CFT Act and Regulations; contributing to the, implementation and maintenance of AML/CTF supervision and compliance manuals, policies, procedures and systems for DNFbps/REs; overseeing the AML/CTF staff training program by DNFbps/REs; examining and supervising DNFbps/REs, and regulating and overseeing effective compliance with the obligations under the AMLCFT Act and Regulations and any other preventive measures in relation to combating money laundering and terrorist financing.</i></p> <p><i>With assistance from the Canadian Government, an AML/CFT Directive for all reporting entities including DNFbps and an Examination Manual for DNFbps Supervisors were drafted. The Authorities are awaiting the passage of the AMLCFT Bill before issuing these as some of their contents are based on provisions of the Amendment Bill.</i></p>
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13. Suspicious transaction reporting	NC	<ul style="list-style-type: none"> <li>Requirement to make a STR does not apply to funds from the designated predicate offence of illicit trafficking in stolen or other goods and smuggling.</li> <li>Reporting requirement for terrorist financing does not include funds suspected of being linked, or related to, or to be used for terrorism, terrorist acts or by terrorist organisations</li> <li>No provision specifying that the requirement to report suspicious transactions should apply regardless of whether they are thought, among other things, to involve tax matters.</li> <li>Unable to assess effectiveness of the reporting system due to the unavailability of statistics on suspicious transaction reporting.</li> </ul>	<ul style="list-style-type: none"> <li>Illicit trafficking in stolen and other goods and smuggling should be criminalized as a serious offence and a predicate offence to ML.</li> <li>Reporting requirement for terrorist financing in the AMLCFTA should include funds suspected of being linked, or related to, or to be used for terrorism, terrorist acts or by terrorist organisations.</li> <li>The requirement to report suspicious transactions should apply regardless of whether they are thought, among other things, to involve tax matters.</li> </ul>	<p>i. <i>Already dealt with at Rec. 1(ii) above. (This recommendation was met – see paragraph 9 Guyana 1st Follow up Report).</i></p> <p>ii. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>iii. Same action as above. It should be noted that despite being included in the Amendment Bill this recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 7.2, page 88 of the attached AML/CFT Guidelines. <i>(This recommendation was partly met – see paragraph 13 of Guyana’s 5th Follow-up Report).</i></p>
14. Protection & no tipping-off	LC	i. No specific requirement that the protection of staff of financial institutions for reporting STRs is available even if the staff of financial institutions did not know precisely what the underlying criminal activity was, and regardless of whether illegal activity actually occurred.	i. The protection of staff of financial institutions for reporting STRs should be explicitly available even if the staff of financial institutions did not know precisely what the underlying criminal activity was, and regardless of whether illegal activity actually occurred.	i. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.
15. Internal controls, compliance & audit	PC	<ul style="list-style-type: none"> <li>No requirement for individuals who carry on business solely or with a staff and management of less than five persons to comply with the requirements of Rec. 15.</li> <li>Access to information is restricted to the reporting function and only to compliance officers appointed at management level rather than to all</li> </ul>	<ul style="list-style-type: none"> <li>The requirements of Rec. 15 should be applicable to individuals who carry on business solely or with a staff and management of less than five persons.</li> <li>The AMLCFTA should provide that the compliance officer and appropriate staff have timely access to customer identification data and other CDD information, transaction records</li> </ul>	<p>i. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>ii. Same action as above.</p>

		<p>appropriate staff engaged in the compliance function.</p> <ul style="list-style-type: none"> <li>No requirement for the audit function of financial institutions to be adequately resourced and independent and compliance testing of procedures, policies and controls to include sample testing.</li> <li>The training obligation of financial institutions is not ongoing and does not include new developments, including information on current ML and FT techniques, methods and trends; clear explanation of all aspects of AML/CFT laws and obligations, and in particular, requirements concerning CDD.</li> </ul>	<p>and other relevant information necessary to carry out all their functions.</p> <ul style="list-style-type: none"> <li>Financial institutions should be required to ensure that their audit function is adequately resourced and independent and compliance testing of procedures, policies and controls include sample testing.</li> <li>The training obligation of financial institutions should be ongoing and include new developments, including information on current ML and FT techniques, methods and trends; clear explanation of all aspects of AML/CFT laws and obligations, and in particular, requirements concerning CDD.</li> <li>The competent authorities should ensure that all financial institutions update their current policies and that the updated versions are based on the AMLCFTA.</li> </ul>	<p>iii. Same action as above. It should be noted that despite being included in the Amendment Bill this recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 3.4, page 19 of the attached AML/CFT Guidelines. <i>(This recommendation was partly met – see paragraph 57 of Guyana’s 5th Follow-up Report).</i></p> <p>iv. Same comment at Rec. 3(ii) above. This recommendation was also addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 3.6.1, page 22 of the attached AML/CFT Guidelines. <i>(This recommendation was partly met – see paragraph 57 of Guyana’s 5th Follow-up Report).</i></p> <p>v. This recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 5.4.3.5, page 69 of the attached AML/CFT Guidelines. <i>(This recommendation was partly met – see paragraph 57 of Guyana’s 5th Follow-up Report).</i></p>
16. DNFBP – R.13-15 & 21	NC	i. The deficiencies identified in section 3 in relation to Recs. 13, to 15, and 21 are also applicable to DNFBPs.	i. It is recommended that a designated supervisory authority be appointed as soon as possible for the DNFBPs to oversee compliance with the requirements of the AMLCFTA.	i. This recommendation is addressed at recommendation 12(i) above. <i>(This recommendation was partly met – see paragraph 58 of Guyana’s 5th Follow-up Report). Please also refer to comments at Rec. 12 above).</i>
17. Sanctions	PC	• Fines applicable to corporate bodies for	• Fines applicable to corporate bodies for	i. This recommendation will be addressed by

		<p>breaches of AML/CFT obligations under the AMLCFTA are not dissuasive.</p> <ul style="list-style-type: none"> <li>Sanctions of designated supervisory authorities under the AMLCFTA are not dissuasive, proportionate or effective and are not applicable to directors and senior management of reporting entities.</li> </ul>	<p>breaches of AML/CFT obligations under the AMLCFTA should be dissuasive.</p> <ul style="list-style-type: none"> <li>Sanctions of designated supervisory authorities under the AMLCFTA should be dissuasive, proportionate and effective and should be applicable to directors and senior management of reporting entities.</li> </ul>	<p>legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>ii. Same action as above.</p>
18. Shell banks	LC	<p>i. No requirement that financial institutions satisfy themselves that respondent financial institutions in a foreign country do not permit their accounts to be used by shell banks.</p>	<ul style="list-style-type: none"> <li>Financial institutions should be required to satisfy themselves that respondent financial institutions in a foreign country do not permit their accounts to be used by shell banks.</li> <li>In order to remove any ambiguity with regard to the possible establishment of shell banks in Guyana provision allowing for the registration of shell banks in the Company Act should be repealed.</li> </ul>	<p>i. This recommendation was reviewed – We are of the opinion that s.15(7)(c) of the AMLCFT Act satisfies this recommendation. It states “<i>Banks or financial institutions shall not maintain any business relationship with other banks that do not maintain a physical presence under the laws of which they were established, unless they are part of a financial group subject to effective consolidated supervision.</i>”</p> <p>It should be noted that despite being included in the Amendment Bill this recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 5.3.9, page 58 of the attached AML/CFT Guidelines.</p> <p>ii. We are of the opinion that this recommendation is addressed in the provisions of the Companies Act No. 29 of 1991 which requires that both local and external companies should have a physical presence in Guyana. Section 5 (1)(b) requires a registered office to be situated in Guyana and sections 310 (2) (a) and (d) and 316 (1) (l) require an external company to have a principal office in Guyana from which it regularly transacts its business. Section 8(1) of the Financial Institutions Act prohibits the use of the word “bank” in business names,</p>

				<p>unless an entity is licensed by the Bank of Guyana to conduct banking business and the Registrar of Companies is aware of this. The onsite examination by the Bank of Guyana and ongoing documentary requirements banks are required to satisfy, would not allow for the operation of a shell bank. (see copy of these sections attached and marked 'Appendix C').</p> <p><b>Note: We observed that no mention of the above submission was made in Guyana's 2nd or 3rd Follow-up Reports.</b></p>
19. Other forms of reporting	NC	<p>i. No documentary evidence of the decision not to implement a system for the reporting of all currency transactions above a fixed threshold to a national central agency.</p>	<p>i. The authorities should provide documentation recording the decision not to implement a system for the reporting of all currency transactions above a fixed threshold to a national central agency.</p>	<p>i. There was no decision not to implement a system for the reporting of all currency transactions above a fixed threshold to a national central agency. For example, Regulation 12 of the Regulations made under the AMLCFTA (which was enacted after the MEV) provides:</p> <p><i>(3) Without prejudice to the generality of the foregoing provisions, a reporting entity shall report to the Financial Intelligence Unit as soon as practicable -</i></p> <p><i>(a) where the reporting entity is a money transfer agency, any money transfer over two hundred thousand dollars;</i></p> <p><i>(b) where the reporting entity is a cambio, a purchase over four hundred thousand dollars and a sale over one million dollars; and</i></p> <p><i>(c) any cash transaction over two million dollars. (This recommendation was met – see paragraph 57 Guyana 1st Follow up Report).</i></p>
21. Special attention for higher risk countries	NC	<ul style="list-style-type: none"> <li>There are no measures in place to ensure that financial institutions are notified about AML/CFT weaknesses in other countries.</li> </ul>	<ul style="list-style-type: none"> <li>Effective measures should be established to ensure that financial institutions are advised of concerns about AML/CFT weaknesses in other countries.</li> </ul>	<p>i. Circulars based on the public statement issued on June 22, 2012 and October 19, 2012 by FATF were issued to reporting entities on August 20, 2012 and November 5,</p>

		<ul style="list-style-type: none"> <li>• Only complex, unusual large transactions with no apparent economic or visible lawful purpose from countries which do not or insufficiently apply the FATF Recommendations are examined and written findings kept.</li> <li>• There are no provisions in place that allow the authorities to apply counter measures to countries that do not or insufficiently apply the FATF Recommendations</li> </ul>	<ul style="list-style-type: none"> <li>• The background and purpose of all transactions having no apparent economic or visible lawful purpose with persons from or in countries which do not or insufficiently apply the FATF Recommendations should be examined and written findings made available to assist competent authorities and auditors.</li> <li>• There should be provisions to allow for the application of countermeasures to countries that do not or insufficiently apply the FATF Recommendations.</li> </ul>	<p>2012 respectively. The FIU will continue to advise reporting entities of concerns about AML/CFT weaknesses in other countries. <u><i>See copy of most recent Circular sent to financial institutions advising of concerns about AML/CFT weaknesses in other countries.</i></u> (This recommendation is ongoing – see paragraph 60 of Guyana’s 5th Follow-up Report).</p> <p>ii. This recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 7.1, page 85 of the attached AML/CFT Guidelines. (This recommendation was partly met – see paragraph 62 of Guyana’s 5th Follow-up Report).</p> <p>iii. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p>
22. Foreign branches & subsidiaries	NC	<ul style="list-style-type: none"> <li>• Supervisory authorities have not imposed the requirements for foreign branches and subsidiaries of section 22(2) of the AMLCFTA on their respective reporting entities.</li> </ul>	<ul style="list-style-type: none"> <li>• Designated supervisory authorities should impose the obligations stipulated in section 22(2) of the AMLCFTA on their respective reporting entities.</li> </ul>	<p>i. Notice was sent to all supervisory authorities informing them of the requirement to impose the obligations stipulated in section 22(2) of the AMLCFTA on their respective reporting entities. The Bank of Guyana which is the supervisory authority for Licensed Financial Institutions, Money Transfer Agencies, Cambios, Insurance Companies, and Trust Companies Service providers continues to impose the obligations stipulated in s. 22(2) of the AMLCFTA. <b>Attached hereto are the Bank of Guyana’s Work Plan and Progress Report/Update, AMLCFT Guidelines for Insurance Companies, AMLCFT Work Plan for Insurance and AMLCFT Examination Manual for Bank of Guyana.</b></p>



		<ul style="list-style-type: none"> <li>• No requirement for financial institutions to ensure that their foreign branches and subsidiaries observe AML/CFT measures consistent with FATF Recommendations to the extent that host country laws and regulations permit.</li> <li>• No requirement for financial institutions to pay particular attention that the principle stated in section 22(2) of the AMLCFTA is observed with respect to branches and subsidiaries in countries which do not or insufficiently apply the FATF Recommendations.</li> <li>• No requirement for financial institutions to ensure that branches and subsidiaries in host countries apply the higher standard where minimum AML/CFT obligations of home and host countries differ.</li> </ul>	<ul style="list-style-type: none"> <li>• Financial institutions should be required to ensure that their foreign branches and subsidiaries observe AML/CFT measures consistent with FATF Recommendations to the extent that host country laws and regulations permit.</li> <li>• Financial institutions should be required to pay particular attention that the principle stated in section 22(2) of the AMLCFTA is observed with respect to branches and subsidiaries in countries which do not or insufficiently apply the FATF Recommendations.</li> <li>• Financial institutions should be required to ensure that branches and subsidiaries in host countries apply the higher standard where minimum AML/CFT obligations of home and host countries differ.</li> </ul>	<p>With regards to the other designated supervisory authorities please refer to the comment at Rec 12 above. <i>(This recommendation was partly met – see paragraph 63 of Guyana’s 5th Follow-up Report).</i></p> <p>ii. This recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 1.5, page 7 of the attached AML/CFT Guidelines. <i>(This recommendation was partly met – see paragraph 64 of Guyana’s 5th Follow-up Report).</i></p> <p>iii. This recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 1.5, page 7 of the attached AML/CFT Guidelines. <i>(This recommendation was partly met – see paragraph 65 of Guyana’s 5th Follow-up Report).</i></p> <p>iv. This recommendation will be addressed by legislative amendment and the issuance of Guidelines. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>It should be noted that despite being included in the Amendment Bill, this recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 1.5, page 7 of the attached AML/CFT Guidelines. <i>(This recommendation was partly met – see</i></p>
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				<i>paragraph 66 of Guyana's 5th Follow-up Report).</i>
23. Regulation, supervision and monitoring	NC	<ul style="list-style-type: none"> <li>• No designated supervisory authority has been assigned to ensure that co-operative societies adequately comply with AML/CFT requirements.</li> <li>• The SIA and the CSA do not provide for their relevant authorities to take necessary measures to prevent criminals or their associates from holding or being the beneficial owners of a significant or controlling interest or holding a management function in financial institutions.</li> <li>• The IA does not provide for necessary measures to prevent criminals or their associates from holding or being the beneficial owners of a significant or controlling interest in financial institutions.</li> <li>• The SIA and the CSA do not provide for directors and senior management of financial institution to be evaluated on the basis of “fit and proper” criteria.</li> <li>• Neither the COI, the GSC or the DCFS have implemented AML/CFT supervision for their relevant financial institutions</li> </ul>	<ul style="list-style-type: none"> <li>• A designated supervisory authority should be assigned to ensure that co-operative societies adequately comply with AML/CFT obligations.</li> <li>• The SIA and the CSA should be amended to provide for their relevant authorities to take necessary measures to prevent criminals or their associates from holding or being the beneficial owners of a significant or controlling interest or holding a management function in financial institutions.</li> <li>• The IA, should be amended to provide for the relevant authorities to take necessary measures to prevent criminals or their associates from holding or being the beneficial owners of a significant or controlling interest in financial institutions.</li> <li>• The SIA and the CSA should be amended to provide for directors and senior management of financial institution to be evaluated on the basis of “fit and proper” criteria.</li> <li>• The COI, the GSC and the DCFS should implement AML/CFT supervision for their relevant financial institutions</li> </ul>	<p>i. A supervisory authority for Co-operatives was appointed on December 20, 2012. (See comment at Rec. 12 above) (<b><i>This recommendation was met – see paragraphs 22 and 26 of Guyana's 5th Follow-up Report.</i></b>)</p> <p>ii. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>iii. Same action as above.</p> <p>iv. Same action as above.</p> <p>v. The Bank of Guyana (BOG) was designated supervisory authority for Insurance companies on December 20, 2012, and has commenced implementing AML/CFT supervision of insurance companies. (Please refer to comments at Recs. 12 and 22(i) above). <b><i>See attached update on Supervision by the BOG for their respective financial institutions. These include, the number of on-sight AML/CFT Examinations</i></b></p>

				<i>conducted, AML/CFT Training conducted, and AML/CFT Guidelines issued for reporting period.</i>
24. DNFBP – regulation, supervision and monitoring	NC	<ul style="list-style-type: none"> <li>Casinos are not subject to a comprehensive regulatory and supervisory regime that ensures they are effectively implementing the AML/CFT measures required under the FATF Recommendations.</li> <li>The provision for the Gaming Authority to assess the integrity of an applicant is discretionary, limited to licensing, does not include beneficial owners, and does not specify fit and proper criteria.</li> <li>No designated supervisory authority appointed for DNFbps to oversee compliance with AML/CFT requirements.</li> <li>Sanctions of designated supervisory authorities under the AMLCFTA are not dissuasive, proportionate or effective and are not applicable to directors and senior management of DNFbps.</li> </ul>	<ul style="list-style-type: none"> <li>Casinos should be subject to a comprehensive regulatory and supervisory regime that ensures they are effectively implementing the AML/CFT measures required under the FATF Recommendations.</li> <li>The Gaming Authority should be required to assess the integrity of an applicant, partner, shareholder, directors, office holders of an applicant and beneficial owner on the basis of fit and proper criteria on a regular basis.</li> <li>A designated supervisory authority should be appointed for DNFbps to oversee compliance with AML/CFT requirements as soon as possible.</li> <li>Sanctions of designated supervisory authorities under the AMLCFTA should be dissuasive, proportionate and effective and applicable to directors and senior management of DNFbps.</li> </ul>	<p><i>conducted, AML/CFT Training conducted, and AML/CFT Guidelines issued for reporting period.</i></p> <p>i. The Gaming Authority was appointed supervisory authority for Casinos on December 20, 2012. With this appointment Casinos will be monitored to ensure that they are effectively implementing the AML/CFT measures required under the AMLCFT Act and by extension the FATF Recommendations. (Please refer to comment at Rec. 12 above). <b><i>(This recommendation was partly met – see paragraph 67 of Guyana’s 5th Follow-up Report). Please also refer to comments at Rec. 12 above).</i></b></p> <p>ii. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>iii. This issue is already addressed at Rec. 12 above.</p> <p>iv. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p>
25. Guidelines & Feedback	NC	<ul style="list-style-type: none"> <li>No requirement for competent authorities or the FIU to provide financial institutions and DNFbps that are required to report suspicious transactions with adequate and appropriate feedback.</li> </ul>	<ul style="list-style-type: none"> <li>The AMLCFTA should be amended to require competent authorities or the FIU to provide financial institutions and DNFbps that are required to report suspicious transactions with adequate and appropriate feedback having regard to the FATF Best Practices Guidelines on Providing Feedback to Reporting Financial</li> </ul>	<p>i. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p>

		<ul style="list-style-type: none"> <li>No guidelines to assist financial institutions and DNFBPS to implement and comply with their respective AML/CFT requirements have been issued</li> </ul>	<p>Institutions and Other Persons.</p> <ul style="list-style-type: none"> <li>Guidelines to assist financial institutions to implement and comply with their respective AML/CFT requirements should be issued.</li> </ul>	<ul style="list-style-type: none"> <li>The AML/CFT Guidelines were issued to the Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. <b>(See copy of AML/CFT Guidelines attached).</b> <i>(This recommendation was partly met – see paragraph 71 of Guyana’s 5th Follow-up Report).</i></li> </ul>
<b>Institutional and other measures</b>				
26. The FIU	NC	<ul style="list-style-type: none"> <li>No guidelines regarding the manner of STRs reporting have been issued to financial institutions and other reporting entities.</li> <li>Minimal security arrangements for custody of information with the main vulnerability being IT support provided by personnel not in the employ of the FIU.</li> </ul>	<ul style="list-style-type: none"> <li>In accordance with the AMLCFTA requirement the FIU should issue guidelines on the manner of STRs reporting to all reporting entities. A circular to the wider public concerning money laundering and financing of terrorism could also be considered.</li> <li>The FIU should urgently implement its plans for new personnel and facilities and consider safeguards to reduce the vulnerability of its database.</li> </ul>	<ul style="list-style-type: none"> <li>Guidelines on Suspicious Transaction Reporting were issued to financial institutions and other reporting entities in January 2013. <i>(This recommendation was partly met – see paragraph 27 of Guyana’s 5th Follow-up Report).</i> <b>An Advisory to the wider public concerning money laundering and the financing of terrorism was issued. Reporting entities were advised to post the Advisory in a prominent location at their place of business. This Advisory was also posted on the FIU’s website. (See copy attached)</b></li> <li>The FIU currently has in its employ an IT Specialist; hence the vulnerability of its database is no longer at risk. Please find below information on safeguards implemented to reduce the vulnerability of the database.  <u>Internet Security</u> There are two (2) desktop computers which have direct internet access. These computers are independent of the network which users use to connect to the database. There are six (6) additional desktop computers which are on the network to access the database on a server housed in a separate room equipped with security cameras and accessed only by the Database</li> </ul>

		<ul style="list-style-type: none"> <li>• No requirement to publicly release periodic reports to include statistics, typologies and trends.</li> <li>• While lack of statistics limits assessment of effectiveness, the operations of the FIU are adversely affected by lack of resources.</li> </ul>	<ul style="list-style-type: none"> <li>• The authorities should reconsider their policy regarding the FIU releasing public reports and allow for the issuing of periodic reports which include statistics, typologies and trends.</li> </ul>	<p>Administrator and the Director. The server housing the database is strictly prohibited from having internet access hence, a significant reduction of its vulnerability. Further, there is no direct digital input from the internet.</p> <p><u>Database</u> The server housing the database is located in a room equipped with security cameras (only the Director and the Database Administrator have access to this room). There are six (6) desktop computers which access the database. Access to the database is controlled by means of login credentials which were assigned for the sole purpose of data input by the entry operators. Access of historical data is only granted to the Director of the FIU and the Database Administrator.</p> <p>The programming of network policies on server and each of the desktop computers connecting to the database has been implemented to <u>not register</u> storage devices such as flash drives for data transfer.</p> <p>All events are recorded in a log file which is only viewed by the Director or the Database Administrator. In addition, sensitive information is backed up regularly and stored offsite at a secured location. <i>(This recommendation was met – see paragraph 34 Guyana 2nd Follow up Report).</i></p> <p>iii. The FIU has commenced releasing public reports and allowing for the issuing of periodic reports which include statistics, typologies and trends. Statistics on STRs, foreign currency reports and threshold reports were published on FIUs website on January 31, 2013. <i>(This recommendation was partly met – see paragraph 29 of Guyana’s 5th</i></p>
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				<b><i>Follow-up Report). (The FIU has published its Annual Reports for 2011 and 2012. These Reports are also published on the FIU's website) See attached updated statistics on STRs, LCRTs and foreign currency declaration reports.</i></b>
27. Law enforcement authorities	NC	<ul style="list-style-type: none"> <li>• No written laws or measures authorising the GPF to postpone or waive the arrest of suspected persons and/or the seizure of money for the purpose of identifying persons involved in money laundering or for evidencing gathering.</li> <li>• Lack of trained financial investigators limits effective implementation of ML/FT investigations.</li> </ul>	<p>i. There should be written laws or measures authorising the GPF to postpone or waive the arrest of suspected persons and/or the seizure of money for the purpose of identifying persons involved in money laundering or for evidencing gathering.</p>	<p>i. This recommendation was reviewed by the Attorney General's office which has advised as follows: <i>"The Common Law of Guyana invests in the investigative arm of the State, i.e., the Guyana Police Force, the Prosecution arm of the State, i.e., the Director of Public Prosecutions, with a sufficiently wide latitude of power which allows both agencies in the discharge of their respective functions, to use persons suspected of being involved in criminal activities, to assist, both in the investigation of the alleged crimes which they are suspected of committing and the prosecution of those offences.</i></p> <p><i>The facility of rewarding such persons, in the form of withholding prosecution against them absolutely, or entering in to plea bargaining arrangements exists. In fact, plea bargaining has been codified into statute law."</i></p> <p><b>Attached hereto are a copy of the AG's letter dated August 21, 2103 and a copy of the Criminal Procedure (Plea Bargaining and Plea Agreement) Act No. 18 of 2008.</b></p> <p>ii. The Attorney General's office has further advised that the investigation of all crimes is a designated responsibility of the Guyana Police Force under the Police Act (Cap 16:01) and that step are currently being taken to establish a unit, the Serious Organised Crimes Unit (SOCU), within the Guyana Police Force, which will be adequately and separately staffed and resourced, and be</p>

				assigned the exclusive responsibility of carrying out all investigations under the AMLCFT Act. <b>A detailed report on these recommendations will be provided by March 21, 2014.</b>
28. Owners of competent authorities	PC	i. No written law or measure for the taking of witnesses' statements for use in investigations and prosecutions of ML, FT and other underlying predicate offences or in related actions.	i. There should be a law or measure to allow for the taking of witnesses' statements for use in investigations and prosecutions of ML, FT and other underlying predicate offences or in related actions.	i. <i>This recommendation was satisfied by Section 12 of the Police Standing Order No. 64 (see paragraph 73 of Guyana's 5th Follow up Report).</i>
29. Supervisors	PC	<ul style="list-style-type: none"> <li>• GSC does not have power to compel production or obtain access to all records, documents or information relevant to monitoring of compliance.</li> <li>• CCDO does not have enforcement or sanctioning powers for failure of co-operatives to comply with AML/CFT obligations</li> </ul>	<ul style="list-style-type: none"> <li>• GSC should have the power to compel production or obtain access to all records, documents or information relevant to monitoring of compliance.</li> <li>• The CCDO should have enforcement or sanctioning powers for failure of co-operatives to comply with AML/CFT obligations</li> </ul>	<p>i. This recommendation was reviewed - The GSC being a AML/CFT supervisory authority has such powers under s.22(2) of the AMLCFT Act. This recommendation will also be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>ii. On December 20, 2012 the CCDO was appointed the AML/CFT supervisory authority for Co-operatives. The sanctioning powers available to supervisory authorities under s. 23 of the AMLCFT Act are therefore available to the CCDO. The AMLCFT Bill also contains a provision which make sanctions by supervisory authorities dissuasive, proportionate and applicable to directors and senior managers of reporting entities. <i>(This recommendation was met – see paragraph 75 of Guyana's 5th Follow-up Report).</i></p>

<p>30. Resources, integrity and training</p>	<p>NC</p>	<p>i. Lack of trained financial investigators in the GPF and CANU</p>	<p>i. The authorities should provide trained financial investigators for the GPF and CANU.</p>	<p>i. Through the Caribbean Basin Security Initiative (CBSI), a US and Caribbean partnership designed to advance citizen security in the region, the Guyana Government in April 2011, received a sum US\$98,000 of which \$40,000 is to be spent on AMLCFT and \$58,000 for law enforcement. In May 2012 Guyana again received from the US a sum of \$500,000. \$150,000 to be used for providing training and equipment for the GPF and CANU to improve the capabilities in counter narcotics/terrorism operations; \$100,000 to be used to provide assistance to the FIU, strengthening the rule of law and increasing effectiveness of the judicial system and assisting government entities to enforce the AMLCFT legislation; and \$250,000 to be used to strengthen counternarcotics control capabilities in Guyana.</p> <p>To date a work plan and a draft TOR have been prepared which are currently being reviewed. Based on the approval of the work plan and TOR, it is anticipated that training for GPF and CANU will commence by the end of September, 2012. The TOR was signed on October 25, 2012 and will expire on September 30, 2013. On January 23, 2013, two representatives from the US Department of Treasury Office of Technical Assistance met with the FIU to further discuss and formalize the work plan. One of the objectives of the work plan is training for the relevant staff of GRA, CANU, GPF, DPP, FIU, and the Judiciary/Magistracy. <i>The TOR was signed in September 2013 and is to continue until all Work Plan activities agreed to are completed. Among the activities contained in the Work Plan is training for financial investigators. The first</i></p>
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				<p><i>set of training is scheduled to take place from April 28-May 2, 2014. Officers from FIU, DPP, CANU, GRA and GPF are to benefit. <u>See copy of training agenda attached.</u></i></p> <p><i>In addition, under a separate TOR signed with the Canadian Government for technical assistance, officers from DPP, CANU, GRA, FIU, AG Chambers and GPF were trained during September 13-13, 2013 on Financial Investigative Techniques.</i></p> <p><i>Further, a Special Organised Crime Unit (SOCU) was established within the Guyana Police Force to be exclusively responsible for investigation of financial/economic crimes, particularly/specifically money laundering and the financing of terrorism. See attached Cabinet Decision creating SOCU. The staff of the Unit will include a Head, a deputy Head and 3 investigators. SOUU will be under the command of the Commissioner of Police. <u>See attached Documents on operationalisation and constituting the SOCU.</u></i></p> <p><i>The FIU will submit reports to the Head of the Unit and consult with the Head on investigation targets to be addressed.</i></p> <p><i>To date, advertisements were placed in the daily newspapers for crime investigators for the Unit and a number of applications were received. A sub-Committee of the AMLCFT Oversight Committee was established to be responsible for reviewing applications and interviewing persons for employment with the Unit as well as assessing the effectiveness of the Unit. The relevant staff for the Unit are expected to be in place by</i></p>
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		<p>ii. No ML training of staff of the DPP</p> <p>iii. No ML/FT training of staff of GPF and CANU</p> <p>iv. Integrity of GPF is in doubt</p>	<p>ii. Staff of the DPP should be provided with ML training.</p> <p>iii. Staff of the GPF and CANU should be provided with appropriate ML/FT training.</p> <p>iv. The authorities should consider measures to deal with the integrity problems of the GPF.</p>	<p><i>March 2014. Policies and guidelines for SOCU will be developed by another sub-committee of the National Oversight Committee. Training of investigators of the SOCU is to commence as soon as the staff are in place.</i></p> <p>ii. Staff of the DPP will benefit from training provided to GPF and CANU under the project at Rec. 30 (i) above. (While to date the work plan referred to in Rec 30 (i) above was not agreed upon, staff of the DPP have benefitted from an Workshop held on April 17, 2013 Re: Guyana and the CFATF and FATF ICRG Process, and another Workshop on seizure and confiscation of the proceeds of crime, held on June 19, 2013). <i>(This recommendation was met – see paragraph 83 of Guyana’s 5th Follow-up Report).</i></p> <p>iii. Staff of the GPF and CANU will benefit under the project at Rec. 30 (i) above. (Staff of the GPF and CANU also benefitted from the AML/CFT Workshop held on April 17, 2013) <i>(This recommendation was met – see paragraph 83 of Guyana’s 5th Follow-up Report).</i></p> <p>iv. This recommendation was referred to the <b>Guyana Police Force</b> (GPF) and this Agency has responded as follows – The Police have several measures in place to address integrity problems which include an office of Professional Responsibility and vetted units that acquire intelligence and investigate organised crimes. Efforts will be made to develop the capacity of the Office of Professional of Responsibility. <b>Information on the power and functions of the Office of the Professional Integrity and the results of its operation is attached and marked</b></p>
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		<p>v. GSC and DCFS do have adequate staff and resources to carry out their functions.</p> <p>vi. Staff of GSC and DFSC have not received AML/CFT training.</p> <p>vii. The FIU is inadequately staffed.</p> <p>viii. Insufficient AML/CFT training of staff of BOG.</p>	<p>v. Adequate staff and resources should be provided to the GSC and DCFS to carry out their functions.</p> <p>vi. Adequate and relevant AML/CFT training should be provided to the staff of GSC, the DCF and the BOG.</p> <p>vii. The FIU should urgently implement its plans for new personnel and facilities.</p>	<p><b>‘Appendix H’</b> <i>(This recommendation was partly met – see paragraph 71 of Guyana’s 5th Follow-up Report). (See statistics on the number of officers charged and dismissed for 2011 to 2013 attached).</i></p> <p>v. This recommendation is still being reviewed by GSC and DCFS for implementation. <b>Staff of the Friendly Society has been increased from 5 to 8. There are plans for additional staff before the end of 2014.</b></p> <p>vi. The staff of GSC, DCF and the BOG will benefit from AMLCFT training which will be conducted under the CBSI project mentioned at Rec. 30(i) above. (A Workshop on Supervisory Authority’s obligations was held on July 18, 2013 and a Follow-up Workshop is scheduled for September 10-11, 2013. <b>(See Workshop presentation attached). (This recommendation was partly met – see paragraph 83 of Guyana’s 5th Follow-up Report).</b></p> <p>vii. FIU has already commenced implementation of its plans for new personnel and facilities. To date FIU has in its employ, one Director, one Legal Adviser, two Financial Analysts, one Database Administrator and one Administrative Officer. Plans are in place to employ two (2) additional staff by the end of October 2012 as this is an exercise that is an integral part of the appointment of supervisory authorities for DNFbps. <b>(This recommendation was met – see paragraph 34 Guyana 2nd Follow up Report). The FIU has employed another person (Legal Adviser – AMLCFT Compliance) to be responsible for the newly appointed supervisory authorities for DNFbps. The person will</b></p>
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			<p>viii. The authorities should consider increasing the number of Customs outposts to ensure security at borders.</p> <p>ix. Relevant staff of the GRA should be provided with AML/CFT training.</p>	<p><i>commence work from March 3, 2014. Her functions will include ensuring continuing compliance by DNFBPs/REs with the obligations of the AML/CFT Act and Regulations, Contributing to the implementation and maintenance of AML/CTF supervision and compliance manuals, policies, procedures and systems for DNFBPs/REs, Overseeing the AML/CTF staff training program by DNFBPs/reporting entities, Examining and supervising DNFBPs/reporting entities, and regulating and overseeing effective compliance with the obligations under the AMLCFT Act and Regulations and any other preventive measures in relation to combating money laundering and terrorist financing.</i></p> <p>viii. Customs outposts were established at Mabura and Kurupukari are operational. GRA is awaiting the approval of the Government for the establishment of another outpost at Morawhanna. <b>(See copy of letter to this effect attached and marked Appendix G). (This recommendation was partly met – see paragraph 83 of Guyana’s 5th Follow-up Report).</b></p> <p>ix. This is ongoing – for 2012 training was conducted for Customs Officers stationed at the Cheddi Jagan International Airport on October 9, 2012. On August 16, 2013 training was conducted for Customs Officers stationed at the Cheddi Jagan International Airport. Eleven officers benefitted from this training. <b>(This recommendation was met – see paragraph 83 of Guyana’s 5th Follow-up Report).</b></p>
31. National co-operation	NC	i. There is no structured coordination and cooperation between the policy makers, the	i. The authorities should consider the establishment of a national body comprised of	i. A Task Force Committee on Money Laundering was established comprising

		<p>FIU, law enforcement and supervisors and other agencies concerning the development and implementation of policies and activities to combat money laundering and terrorist financing.</p>	<p>relevant AML/CFT agencies to facilitate co-operation and co-ordination in implementing AML/CFT policy and to provide advice to Government and guidance to private entities in relation to AML/CFT obligations.</p>	<p>representatives from FIU, GPF, DPP, CANU, and GRA. A National Oversight Committee on AMLCFT consisting of members of Cabinet sub-committee on justice and security and other stakeholders as required by FATF was established on July 15, 2013. The Committee is chaired by the Head of the Presidential Secretariat and the Committee members are:</p> <ul style="list-style-type: none"> <li>- Minister of Home Affairs,</li> <li>- Minister of Finance,</li> <li>- Minister within the Ministry of Finance,</li> <li>- Attorney General &amp; Minister of Legal Affairs,</li> <li>- Commissioner General of Guyana Revenue Authority,</li> <li>- Commissioner of Police,</li> <li>- Director of Public Prosecutions,</li> <li>- Governor, Central Bank of Guyana,</li> <li>- Head of FIU,</li> <li>- Head of CANU.</li> </ul> <p>The first meeting of the Committee was held on July 30, 2013. The Committee will meet every two months thereafter.</p> <p><b>The Committee’s functions are to:</b></p> <ol style="list-style-type: none"> <li>1. Set the national anti-money laundering and terrorist financing strategy for Guyana.</li> <li>2. Facilitate co-ordination among the competent authorities, financial and other sectors represented on the Committee.</li> <li>3. Study and follow the international developments in the fight against money laundering and terrorist financing, and issue recommendations to the relevant government authorities</li> </ol>
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				<p>regarding the improvement of the regulatory instructions and controls issued by the supervisory authorities in Guyana and suggest legislative amendments in line with those developments.</p> <p>4. Monitor the implementation of legal and institutional framework by competent authorities in the fight against money laundering and terrorist financing.</p> <p>5. Review the AML/CFT systems in Guyana.</p> <p><i>(This recommendation was met – see paragraph 86 of Guyana’s 5th Follow-up Report).</i></p>
			<p>ii. The competent authorities should consider establishing explicit mechanisms for consultation between competent authorities, the financial sector and other sectors (including DNEBP) that are subject to AML/CFT laws, regulations, guidelines or other measures.</p>	<p>ii. One of the functions of the AMLCFT National Oversight Committee is to facilitate co-ordination among the competent authorities, financial and other sectors represented on the Committee. <i>This recommendation is partly outstanding- see paragraph 87 Guyana’s 5th Follow up Report) The AMLCFT National Oversight Committee is in the process of establishing mechanisms for consultation between competent authorities.</i></p>
32. Statistics	NC	<p>i. No statistics on formal requests for assistance made or received by the FIU or the supervisory authorities or spontaneous referrals are maintained.</p> <p>ii. No statistics on mutual legal assistance or other international requests for co-</p>	<p>i. Statistics on formal requests for assistance made or received by the FIU or the supervisory authorities or spontaneous referrals should be maintained.</p> <p>ii. The authorities should maintain statistics on mutual legal assistance or other international</p>	<p>i. Statistics on formal request for assistance made and received by the FIU are maintained. To date no request for information was made or received by supervisory authorities. <u><i>See attached statistics on Formal request for information made and received by the FIU for the period August to December, 2013.</i></u></p> <p>ii. As the Minister of Home Affairs is designated as the Central Authority for receiving and transmitting requests for</p>

		<p>operation are maintained.</p> <p>iii. No statistics on extradition are maintained.</p> <p>iv. No statistics in reference to any of the requirements in SR IX were available.</p> <p>v. No regular review of the effectiveness of the AML/CFT systems.</p> <p>vi. No statistics on the number of STRs received or disseminated by the FIU or the number of times information was exchanged with authorities in other countries were available.</p>	<p>requests for co-operation.</p> <p>iii. The authorities should maintain statistics on extradition.</p> <p>iv. GRA should maintain statistics on the number of declarations collected and the number of false declarations detected and the amounts of currency involved or resultant cash seizures.</p> <p>v. The authorities should implement a regular review of the AML/CFT systems in Guyana.</p>	<p>mutual legal assistance under section 3(1) of the Mutual Assistance in Criminal Matters Act No. 38 of 2009, the Ministry of Home Affairs is responsible for and does maintain records on mutual legal assistance requests and other related international requests for cooperation. <b>(See Appendix I for statistics on MLA for 2012). <u>See attached statistics on Mutual Legal Assistance made and received by the Ministry of Home Affairs for the period August to December, 2013.</u></b></p> <p>ii. The Ministry of Home Affairs and the DPP maintain records of extraditions. <b>(This recommendation was met – see paragraph 86 Guyana 3rd Follow up Report). (No extradition requests relating to ML and FT were received by Guyana since last report). <u>See attached statistics on extraditions maintained by the Ministry of Home Affairs for the period August to December, 2013.</u></b></p> <p>iv. The GRA maintains statistics as recommended. <b>(This recommendation was met – see paragraph 82 Guyana 3rd Follow up Report). (See statistics for July to December, 2013 included in Statistics submitted for Rec. 26(iii) above.)</b></p> <p>v. One of the functions of the AML/CFT National Oversight Committee which was established on July 15, 2013 is to conduct regular review of the AML/CFT systems in Guyana.</p>
33. Legal persons – beneficial owners	PC	<p>i. The Registrar of Companies does not have legal authority to ensure that adequate, accurate and complete information about beneficial owners is available to them or to</p>	<p>i. The CA should be amended to provide the Registrar of Companies with the requisite legal authority to ascertain the beneficial ownership of all companies and to ensure that information</p>	<p>i. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same</p>

		<p>law enforcement authorities.</p> <p>ii. No restrictions on the use of nominee shareholders and directors in the Companies Act nor is it possible for the Registrar of Companies to determine if nominees are being used.</p>	<p>about beneficial ownership in the register of companies is adequate, accurate and current.</p> <p>ii. The authorities should consider the prohibition of the use of nominee shareholders and directors unless measures are taken to ensure that adequate, accurate and complete beneficial information is made available to the Registrar of Companies.</p>	<p>comments apply.</p> <p>ii. This recommendation was reviewed by the Attorney General's office which has advised as follows: The <i>Companies Act 1990 (Cap 89:01)</i> requires the directors, company secretary and shareholders of all companies registered under the act to be filed with the Registrar of Company along with their addresses and a photograph identity. There is no provision in the law for a nominee shareholder. <b>(Please refer to the AG's letter referred to at Rec. 27 above). This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</b></p>
34. Legal arrangements – beneficial owners	NC	<p>i. No legal requirement under the AMLCFTA for the verification of the legal status of trusts.</p> <p>ii. No standard requirement for the recording of beneficial ownership information on trusts, so the nature of information collected will vary.</p> <p>iii. Lawyers and accountants are not subject to monitoring for their AML/CFT obligations and it is not clear how reliable their information on trusts would be.</p>	<p>i. It is recommended that Guyana should implement measures to ensure that its commercial laws require adequate transparency concerning the beneficial ownership and control of trusts and other legal arrangements.</p> <p>ii. Measures should also be implemented to ensure that adequate, accurate and timely information is available to law enforcement authorities concerning the beneficial ownership and control of trusts.</p>	<p>i. These recommendations were reviewed by the Attorney General 's office which has advised as follows:          “The compendium of the <i>Companies Act 1990 (Cap 89:01)</i>, the <i>Deeds Registry Act (Cap 5:01)</i>, the <i>Business Names (Registration) Act (Cap 9:05)</i>, the <i>Patent and Designs Act (Cap 90:03)</i>, the <i>Bills of Sale Act (Cap 90:12)</i>, the <i>Trade Marks Act (Cap 90:01)</i> and the <i>Trade Unions Act (Cap 98:03)</i>, provide a legislative network which requires and allows for the documentation of ownership (including beneficial ownership) of, or legal interest in properties of any kind, mortgages, bills of sale, deeds of all kinds, business names, companies and their directors and shareholders and officers, trusts of all types, including the trustees and debentures.</p> <p>The aforementioned information is stored at a singular agency known as the Deeds and</p>



				<p>Commercial Registry Authority, which is a statutory body corporate. I enclose herein a copy of the <i>Deeds and Commercial Registry Authority Act</i>. All the aforementioned information and much more are all public documents, which can be accessed upon request.”</p> <p><b>(Please find attached a copy of the <i>Deeds and Commercial Registry Authority Act</i>). A detailed report on these recommendations will be provided by March 21, 2014.</b></p>
<b>International Co-operation</b>				
35. Conventions	PC	<p>i. The Vienna, Palermo and Terrorist Financing Conventions have not been fully implemented.</p>	<p>i. The competent authorities in Guyana should take steps to fully implement the Vienna, Palermo and Terrorist Financing Conventions.</p>	<p>i. Guyana being a party to these Conventions continuously seeks to implement the measures thereunder. Further amendments to be considered.</p> <p>A decision was taken for this recommendation to be reviewed at a policy level as it would require significant legal amendments to major laws in the country.</p> <p><b>(Please refer to the attached Letter from the Ministry of Home Affairs dated May 24, 2013</b> which addressed the shortcomings of this Recommendation which were highlighted in the Fourth Follow up Report of Guyana paragraphs 27 – 34.</p> <p>In addition, the Attorney General’s office has advised that the implementation of the Conventions is a ‘Work in Progress’. As can be evidenced from previous submissions on this recommendation there are already in force major pieces of legislation that allow for mutual assistance between Guyana and other countries in respect of the commission of organised and other forms of crimes. Further, there is in forced laws in respect of extradition from Guyana of persons suspected of or charged with organised or other crimes. Only recently amendments were</p>

				<p>effected to the Extradition Act to correct identified deficiencies revealed by court rulings. In an addendum that will be sent separately, a more detailed examination of aspects of these Conventions will be submitted.</p> <p>A United Nations Convention Bill was prepared to give effect to the United Nations Conventions against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances 1988, the International Convention for the Suppression of the Financing of Terrorism 1999 and the United Nations Convention Against Transnational Organized Crime and the Protocols Thereto 2004. However based on advice from CFATF the legislative drafters responsible for this draft were instructed to conduct thorough research to ensure that there is no duplication of provisions as other legislation may have already addressed some Articles of these Conventions</p>
36. Mutual legal assistance (MLA)	NC	<p>i. Range of MLA provided for under Part VI of the AMLCFTA only applies to countries that have in force a bi-lateral or multi-lateral MLA Treaty with Guyana, thus Guyana does not provide the widest range of mutual legal assistance.</p> <p>ii. Range of possible mutual legal assistance does not include freezing, seizure or confiscation of assets of corresponding value.</p> <p>iii. No clear and efficient processes for the execution of mutual legal assistance requests in a timely way and without undue delay.</p> <p>iv. Unable to assess effectiveness due to lack of statistics and the recent enactment of the AMLCFTA</p>	<p>i. Range of possible mutual legal assistance should include freezing, seizure or confiscation of assets of corresponding value.</p> <p>ii. Clear and efficient processes for the execution of mutual legal assistance requests in a timely way and without undue delay should be developed and implemented.</p>	<p>i. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>ii. Requests for assistance under the Mutual Assistance in Criminal Matters Act is sought on the basis of the existence of a ‘criminal matter’ whether it is an investigation or criminal proceedings in respect of an offence committed or suspected on reasonable grounds to have been committed against the laws of the country in question, including money laundering and terrorist financing.</p> <p>Criminal matter is also defined as including forfeiture proceedings and proceedings to restrain or confiscate property or for the imposition of a pecuniary penalty.</p>

				<p>Requests for assistance can be transmitted, inter alia, for tracing of property; registering/enforcing confiscation/forfeiture, pecuniary penalty or restraining orders; or obtaining a restraining order.</p> <p>These cases involve the proceeds of a serious offence meaning an offence which is punishable by death or a sentence of imprisonment of twelve months (12) or more; relates to taxation; or the proceeds of the offence are or are likely to be worth not less than equivalent of G\$1,000,000 or such other amount as may be prescribed.</p> <p>The Ministry of Home Affairs has developed clear and efficient processes to ensure that requests for mutual legal assistance are executed without delay. Section 23 (1) of the Mutual Assistance in Criminal Matters Act 2009 provides that the Minister of Home Affairs shall as soon as practicable accept and carry out a request made in accordance with the Act. <b>(See updated comments by the Ministry of Home Affairs in the attached Letter from the Ministry dated August 2, 2013).</b></p> <p><i>When the Minister of Home Affairs, in his capacity as the Central Authority for Guyana, receives a request for assistance, the Treaty Officer of the Ministry of Home Affairs performs a preliminary assessment of the request to determine whether it complies with the Mutual Assistance in Criminal Matters Act No. 38 of 2009 and any other relevant legislation. This assessment seeks to ensure that Central Authority for Guyana is legally empowered to execute the request and that the Requesting State has submitted all of the relevant information required by the laws of Guyana to facilitate the execution.</i></p> <p><i>Depending upon the request for assistance and</i></p>
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				<p><i>the information submitted, this process normally lasts one (1) to two (2) weeks. If the preliminary assessment reveals that the request for assistance can be accepted, the letter of request is then forwarded to the relevant agency for execution; normally (as is dictated by the request for assistance) to the Commissioner of Police of the Guyana Police Force or the Director of Public Prosecutions. At this time, a letter of acknowledgement is dispatched under the aegis of the Minister of Home Affairs to the Central Authority for the Requesting Country indicating that efforts are being made to fulfill the request and advising of the contact information of the competent authorities in respect of any updates on the status of the request.</i></p> <p><i>Subsequently, the executing agency will, in most cases within one (1) month of the receipt of the letter of request, advise the Ministry of Home Affairs whether they have been successful in the execution of the request. Again, in some cases the executing agency will state that more documentation is required in order to carry out the request, e.g., for the purposes of applying for a court order. Upon receipt of the response, the information is forwarded to the Central Authority for the Requesting Country. In the instances where more information is required, the executing agency can communicate this directly via email to the Central Authority for the Requesting Country.</i></p> <p><i>The Ministry of Home Affairs again wishes to state that the length of the process depends upon the information submitted by the Requesting Country and the particular request for assistance and therefore cannot provided</i></p>
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				<p><i>definite timelines for the execution of mutual legal assistance requests.</i></p> <p>Please also refer to statistics on MLA which were submitted in previous reports as well as updates attached hereto and the Ministry's further comments on this recommendation (<u>in letter of January 22, 2014 which is also attached</u>) which seek to demonstrate further the time taken to respond and resolve MLAs.</p>
37. Dual criminality	NC	<p>i. No provisions which allow for the granting of mutual legal assistance in the absence of dual criminality for less intrusive and non-compulsory measures.</p> <p>ii. No measures for technical differences in categorisation and denomination of offences in laws of other countries not to impede the provision of mutual legal assistance.</p> <p>iii. No provisions which allow for extradition in the absence of dual criminality for less intrusive and non-compulsory measures.</p>	<p>i. There should be provisions which allow for the granting of mutual legal assistance in the absence of dual criminality for less intrusive and non-compulsory measures</p> <p>ii. There should be measures to ensure that technical differences in categorisation and denomination of offences in laws of other countries do not impede the provision of mutual legal assistance.</p> <p>iii. There should be provisions which allow for extradition in the absence of dual criminality for less intrusive and non-compulsory measures.</p>	<p>i. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>ii. Same action as above.</p> <p>iii. <b>A detailed report on this recommendation will be provided by March 21, 2014.</b></p>
38. MLA on confiscation and freezing	NC	<p>i. No guidelines or procedures in regard to timelines to facilitate an expeditious response to MLA.</p> <p>ii. No provisions dealing with requests relating to property of corresponding value.</p>	<p>i. Guidelines or procedures in regard to timelines to facilitate an expeditious response to MLA should be developed and implemented.</p> <p>ii. There should be provisions allowing for requests relating to property of corresponding value.</p>	<p>i. The Ministry of Home Affairs will seek to develop and implement guidelines or procedures in respect of timelines to facilitate an expeditious response to mutual legal assistance requests. <b>(Please refer to the last paragraph of letter from the Ministry of Home Affairs dated August 2, 2013). (This recommendation was met – see paragraph 99 of Guyana's 5th Follow-up Report).</b></p> <p>ii. Under sections 34 and 35 of the Mutual Assistance in Criminal Matters Act 2009 requests for assistance relating to restraining and confiscation/forfeiture orders can be accepted where, inter alia, the proceeds of the</p>

		<p>iii. No arrangements regarding co-ordinating seizure and confiscation actions with other countries/jurisdictions in relation to ML or FT matters.</p> <p>iv. Unable to assess effectiveness due to lack of statistics and the recent enactment of the AMLCFTA.</p>	<p>iii. The authorities should put in place arrangements regarding co-ordinating seizure and confiscation actions with other countries/jurisdictions in relation to ML or FT matters.</p> <p>iv. The authorities in Guyana should consider establishing an asset forfeiture fund into which all or a portion of confiscated property will be deposited and will be used for law enforcement, health, education or other appropriate purposes.</p> <p>v. Authorities should consider a provision under Guyana law that provides for sharing of confiscated assets where confiscation directly or indirectly results from co-ordinated law enforcement efforts between jurisdictions.</p>	<p>serious offence or any property available for the satisfaction of the order or to which the order would apply are or is suspected on reasonable grounds in Guyana. <b><i>This recommendation was met – paragraph 94 – Guyana 3rd Follow up Report.</i></b></p> <p>iii. If the request for assistance is accepted under the Mutual Assistance in Criminal Matters Act 2009, there is no hindrance to authorities in Guyana coordinating seizure and confiscation actions with other countries/jurisdictions in relation to money laundering or terrorist financing matter. (See <b>procedures for coordinating seizure and confiscation in Appendix K</b>) (Please also refer to letter from the Ministry of Home Affairs dated May 24, 2013) Please refer to Ministry of Home Affairs letter of Jan 22, 2014 in relation to this recommendation as well as s. 29 of the Mutual Assistance in Criminal Matters Act which outlines the measures required to be taken to coordinate these types of action with requesting countries.</p> <p>iv. Section 34 (8) of the Mutual Assistance in Criminal Matters Act 2009 provides that all property confiscated or forfeited under that section shall be distributed between the Consolidated Fund and the requesting country; and may be donated to any person or organisation as agreed between the central authority for Guyana and the central authority for the requesting country. <b><i>These recommendations (iv and v) were met – paragraph 96 – Guyana 3rd Follow up Report.</i></b></p>
39. Extradition	PC	i. Unable to assess effectiveness due to the lack of statistics on extradition.	i. Procedures or measures should be put in place to facilitate the timely response to requests for	i. Measures are in place to facilitate the timely response to requests for extradition and

			extradition and proceedings relating to ML and FT and to ensure such requests are handled without undue delay.	proceedings relating to ML and FT. According to section 108 of the AMLCFT Act, money laundering and the financing of terrorism are offences for the purposes of extradition. Therefore, under the auspices of the Fugitive Offenders Act 1988, Act No. 15 of 1988 (as amended by the Fugitive Offenders (Amendment) Act 2009, Act No. 30 of 2009) adequate arrangements are in place for these requests to be handled expeditiously by the Ministry of Foreign Affairs, Ministry of Home Affairs, Director of Public Prosecutions and the Guyana Police Force in order to ensure timely response and action. <b>(Please refer to Rec 32 (iii) above which was met according to paragraph 86 of Guyana 3rd Follow up Report.)</b> <i>In the Ministry of Home Affairs letter of Jan 22, 2014 see attached it was reiterated that requests for extraditions are handled without undue delay. Administrative elements of the process do not exceed one month from the date of receipt of the request. However, it is difficult to establish a timeline for the process once it enters the court system.</i>
40. Other forms of co-operation	PC	<p>i. No procedure for spontaneous exchange of information.</p> <p>ii. The COI does not have confidentiality requirements that include exchanged information.</p> <p>iii. Unable to assess effectiveness of international co-operations due to lack of</p>	<p>i. Procedures for spontaneous exchange of information should be developed.</p> <p>ii. The COI should have confidentiality obligations that include exchanged information</p>	<p><i>i. Formal documented procedures outlining steps for the spontaneous exchange of information was submitted with previous follow-up matrix. This recommendation was met – see para 40 of Guyana Fifth FUR. See statistics on spontaneous exchange of information for the period July to December 2013.</i></p> <p>ii. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p>

		statistics on formal requests for assistance made or received by the FIU or the supervisory authorities or spontaneous referrals and the recent enactment of the AMLCFTA.		
<b>Nine Special Recommendations</b>		<b>Summary of factors underlying rating</b>		
SR.I Implement UN instruments	PC	<p>i. The Guyana Authorities have not implemented S/RES/1267(1999) and S/RES/1373(2001)</p>	<p>i. The AMLCFT legislation should be amended to provide compliance with S/RES/1267(1999) and S/RES/1373(2001) for freezing funds of designated persons/organisations, and also develop and implement procedures for delisting requests and unfreezing of funds.</p> <p>ii. The competent authorities should provide or issue guidance to financial institutions with respect to obligations to freeze assets of persons listed by the UNSCR 1267 Committee and the EU.</p> <p>iii. There should be training for the relevant entities so that they are aware of their obligations under the legislation and in order for the legislation to be implemented effectively.</p>	<p>i. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>ii. This recommendation will be partially addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply. After the amendments are enacted the recommended guidelines will be issued.</p> <p>iii. Reporting entities are benefitting from ongoing training under the Anti-Money Laundering &amp; Countering the Financing of Terrorism Act and Regulations. <i>(This recommendation was met – see paragraph 40 of Guyana’s 4th Follow up Report).</i></p>
SR.II Criminalise terrorist financing	PC	<p>i. Definition of property does not include assets of every kind, whether tangible or intangible, legal documents or instruments in any form, including electronic or digital evidencing title to, or interest in assets of every kind.</p> <p>ii. No provision in the legislation extending terrorist financing to funds whether from a legitimate or illegitimate source.</p>	<p>i. The definition of property should include assets of every kind, whether tangible or intangible, legal documents or instruments in any form, including electronic or digital evidencing title to, or interest in assets of every kind.</p> <p>ii. Terrorist financing offences should extend to any funds whether from a legitimate or illegitimate source.</p>	<p>i. This was already addressed at Rec. 3 above.</p> <p>ii. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p>



		<p>iii. No specific provision allowing for terrorist financing offences to apply regardless of whether the person alleged to have committed the offence is in the same country or a different one from where the terrorist(s)/terrorist organisation is located or the terrorist act(s) occurred/will occur.</p> <p>iv. The recent enactment of the AMLCFTA precludes assessment of effective implementation of the legislation.</p>	<p>iii. A provision should be inserted allowing for terrorist financing offences to apply regardless of whether the person alleged to have committed the offence is in the same country or a different one from where the terrorist(s)/terrorist organisation is located or the terrorist act(s) occurred/will occur.</p> <p>iv. It is difficult to assess effectiveness as there were no prosecutions in regard to the FT and the competent authorities should ensure that the relevant entities are aware and trained as to their obligations under the AML/CFT to report and investigate SAR's and where applicable prosecute those in breach of FT.</p>	<p>iii. We believe that s. 7 of the AMLCFTA adequately provides for this recommendation. It states "<b><i>Notwithstanding anything to the contrary contained in any other law, the offences created by this Act shall be tried, judged and sentenced by a court in Guyana regardless of whether or not the serious offence occurred in Guyana or in another territorial jurisdiction, but without prejudice to extradition when applicable in accordance with the law.</i></b>" (<i>This recommendation was met – see paragraph 29 Guyana 1st Follow up Report</i>).</p>
SR.III Freeze and confiscate terrorist assets	NC	<p>i. The legislation does not include provisions for freezing funds of persons designated by the UN Al-Qaida and Taliban Sanctions Committee (S/RES/1267) or in the context of S/RES/1373;</p>	<p>i. The competent authorities in Guyana should amend the legislation to comply with the requirements of S/RES/1267(1999) and S/RES/1373(2001) for freezing funds of designated persons/organisations.</p>	<p>i. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to as recommendation 1 above and the same comments apply.</p> <p>It should be noted that the Bank of Guyana currently issues Circulars to Licenced Financial Institutions, Licenced Money Transfer Agencies and Non Bank Foreign Exchange Dealers informing them of the list established and maintained by the 1267 Committee with respect individuals, groups, undertakings and other entities associated with Al-Qaida. The Circular further require these entities to (a) identify and freeze all financial assets belonging to terrorists, terrorist organisations and individuals and entities associated with terrorists and their organisations; (b) prohibit payments to and from terrorists, terrorist organisations and individuals and entities associated with terrorists and their organisations; (c) report to the Bank promptly any assets identified as per (a) above; and (d) report to the Bank promptly any request for payment in relation</p>

		<p>ii. There are no procedures in place for delisting requests, unfreezing of funds or providing access to frozen funds in relation to S/RES/1267 or S/RES/1373;</p> <p>iii. No guidance has been issued to FI's or the regulated sector in respect of obligations to comply with or implement measures concerning the freezing mechanisms required under S/RES/1267(1999) and S/RES/1373(2001).</p> <p>iv. The AMLCFTA as it relates to freezing, seizing and forfeiture of funds of terrorists or terrorists' organisations has not been implemented.</p>	<p>ii. The authorities should develop and implement procedures for delisting requests, unfreezing of funds and providing access to frozen funds.</p> <p>iii. The competent authorities should provide or issue guidance to financial institutions with respect to obligations in taking action under the freezing mechanisms required by S/RES/1267/(1999) and S/RES/1373(2001).</p> <p>iv. There should be training for the relevant entities so that they are aware of their obligations under the legislation and in order for the legislation to be implemented effectively.</p>	<p>to (b) above. (See recent Circulars issued by the Bank of Guyana attached).</p> <p>ii. Same action as above.</p> <p>iii. The undertaken action at SRI(ii) above applies to this recommendation as well.</p> <p>iv. The undertaken action at SR1(iii) above applies to this recommendation as well.</p>
SR.IV Suspicious transaction reporting	PC	<p>i. Reporting requirement for terrorist financing does not include funds suspected of being linked, or related to, or to be used for terrorism, terrorist acts or by terrorist organisations.</p> <p>ii. No provision specifying that the requirement to report suspicious transactions should apply regardless of whether they are thought, among other things, to involve tax matters.</p> <p>iii. Unable to assess effectiveness of the reporting system due to the unavailability of statistics on suspicious transaction reporting</p>	<p>i. Reporting requirement for terrorist financing in the AMLCFTA should include funds suspected of being linked, or related to, or to be used for terrorism, terrorist acts or by terrorist organisations.</p> <p>ii. The requirement to report suspicious transactions should apply regardless of whether they are thought, among other things, to involve tax matters.</p>	<p>i. This recommendation is already addressed at Rec. 13 (ii) above.</p> <p>ii. This recommendation is already addressed at Rec. 13 (iii) above.</p>
SR.V International co-operation	NC	<p>i. The deficiencies noted with regard to Recs. 36, 37 and 38 are applicable in relation to</p>	<p>i. Recommended actions noted with regard to Recs. 36, 37, 38, 39 and 40 should apply to</p>	<p>i. The objectives of the AMLCFT Act of 2009 are:</p>

		<p>terrorist financing.</p> <p>ii. The deficiencies noted with regard to Recs. 39 and 37 are applicable in relation to terrorist financing.</p> <p>iii. The deficiencies noted with regard to Rec. 40 are applicable in relation to terrorist financing.</p>	<p>terrorist financing.</p>	<ul style="list-style-type: none"> <li>• to provide for the establishment and management of a Financial Intelligence Unit;</li> <li>• to provide for unlawful proceeds of all serious offences to be identified, traced, frozen, seized and forfeited;</li> <li>• to provide for comprehensive powers for the prosecution of money laundering, terrorist financing and other financial crimes, and the forfeiture of the proceeds of crime and terrorist property;</li> <li>• to provide for civil forfeiture of assets and for matters connected therewith; and</li> <li>• to require reporting entities to take preventative measures to help combat money laundering and terrorist financing.</li> </ul> <p>As such, any provision in AMLCFT Act and/or Amendment Bill that deal with money laundering also applies to terrorist financing and other financial crimes.</p>
<p>SR VI AML requirements for money/value transfer services</p>	<p>PC</p>	<p>i. No requirement for licensed or registered money transfer agencies to maintain a current list of their agents which must be made available to the BOG.</p> <p>ii. No system for monitoring money transfer</p>	<p>i. A system for monitoring money transfer agencies/agents for compliance with AML/CFT requirements be implemented as soon as possible.</p> <p>ii. Money or value service providers should be</p>	<p>i. This recommendation was referred to the <b>Bank of Guyana</b> and the Bank has responded as follows - The BOG has implemented a system since 2011 to monitor money transfer agencies (MTAs) and has since examined/ inspected all of the MTAs and a few of their agents. The BOG has indicated that none of its inspections done in accordance with Section 22(2)(a) of the AMLCFT Act revealed any breaches, as such no sanctions were necessary. <b>(See response attached and marked ‘Appendix L’ for further details). (This recommendation was met – see paragraph 99 Guyana 3rd Follow up Report). (Please refer to attachment an update on examinations of MTAs by BOG).</b></p>

		<p>agencies/agents for compliance with AML/CFT requirements.</p> <p>iii. Penalties under the MTALA are not dissuasive or proportionate and do not extend to the directors or senior management of money transfer agencies.</p>	<p>required to maintain a current list of its agents, which must be made available to the designated competent authority.</p> <p>iii. Penalties under the MTALA should be amended to be dissuasive and proportionate and applicable to the directors and senior management of money transfer agencies</p>	<p>ii. This recommendation was referred to the <b>Bank of Guyana</b> and the Bank has responded as follows - The MTAs are required to submit a current list of agents to the BOG when applying for renewal of their licences. <i>(This recommendation was met – see paragraph 81 Guyana 2nd Follow up Report)</i>. This recommendation was also addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 1.9, page 101, paragraph 2 of the attached AML/CFT Guidelines.</p> <p>iii. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to as recommendation 1 above and the same comments apply.</p>
SR VII Wire transfer rules	NC	<p>i. No definition of originator information in the AMLCFTA.</p> <p>ii. No requirement for a receiving intermediary financial institution to keep a record of all the information received from an ordering financial institution in a situation where technical difficulties prevent the full originator information accompanying a cross-border wire transfer from being transmitted along with a related domestic wire transfer.</p> <p>iii. No requirement for financial institutions to have effective risk-based procedures in</p>	<p>i. Originator information should be defined in the AMLCFTA in accordance with SRVII.</p> <p>ii. Subsections 20(3) and 20(4) of the AMLCFTA should be amended in accordance with the exemptions in SR VII.</p> <p>iii. Receiving intermediary financial institution should be required to keep a record for five</p>	<p>i. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to as recommendation 1 above and the same comments apply.</p> <p>ii. Same action as above.</p> <p>iii. Same action as above. It should be noted that despite being included in the Amendment</p>

		<p>place to identify wire transfers lacking complete originator information.</p> <p>iv. No measures in place to effectively monitor compliance with the requirements of SR VII.</p> <p>v. Sanctions for breaches of wire transfer provisions in section 20 of the AMLCFTA are neither dissuasive or proportionate and are not applicable to directors and senior management of reporting entities.</p>	<p>years of all the information received from an ordering financial institution in a situation where technical difficulties prevent the full originator information accompanying a cross-border wire transfer from being transmitted along with a related domestic wire transfer.</p> <p>iv. Financial institutions should be required to have effective risk-based procedures in place to identify wire transfers lacking complete originator information.</p> <p>v. Measures should be put in place to effectively monitor compliance with the requirements of SR VII.</p> <p>vi. Sanctions for breaches of wire transfer provisions in section 20 of the AMLCFTA should be dissuasive and proportionate and applicable to directors and senior management of reporting entities.</p>	<p>Bill this recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 5.4.3.2, page 66, paragraph 2 of the attached AML/CFT Guidelines. <i>(This recommendation was partly met – see paragraph 106 of Guyana’s 5th Follow-up Report).</i></p> <p>iv. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to as recommendation 1 above and the same comments apply. It should be noted that despite being included in the Amendment Bill this recommendation was addressed in the AML/CFT Guidelines which was issued to Licensed Financial Institutions by the Bank of Guyana on June 28, 2013. See Section 5.4.3, page 61, paragraph 1 of the attached AML/CFT Guidelines. <i>(This recommendation was partly met – see paragraph 106 of Guyana’s 5th Follow-up Report).</i></p> <p>v. The recommended measures are in place by the BOG – <b>( Please refer to Appendix D) This recommendation was met – see paragraph 94 – Guyana 4th Follow up Report.</b> BOG is the sole supervisory authority for cross-border and domestic transfer between financial institutions.</p> <p>vi. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to as recommendation 1 above and the same comments apply.</p>
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SR.VIII Non-profit organisations	NC	<p>i. No review of the adequacy of laws and regulations that relate to NPOs or of the activities, size and other relevant features of NPOs in order to identify features and types of NPOs at risk of being misused for terrorist financing.</p> <p>ii. No outreach to NPO sector with a view to protecting the sector from terrorist financing abuse.</p> <p>iii. Supervision and monitoring of NPOs under the FSA is not effective.</p> <p>iv. No requirement for NPOs other than registered charities to maintain for a period of at least five years, records of domestic and international transactions and make them available to appropriate authorities.</p> <p>v. Limited measures for authorities to gather information and investigate NPOs;</p> <p>vi. No appropriate points of contact and procedures to respond to international requests for information regarding particular NPOs that are suspected of terrorist financing or other forms of terrorist support.</p>	<p>i. The authorities should review the adequacy of laws and regulations that relate to NPOs and the activities, size and other relevant features of NPOs in order to identify features and types of NPOs at risk of being misused for terrorist financing.</p> <p>ii. An outreach programme to NPO sector with a view to protecting the sector from terrorist financing abuse should be implemented.</p> <p>iii. The authorities should implement a system of effective supervision and monitoring of all NPOs.</p> <p>iv. All NPOs should be required to maintain for a period of at least five years, records of domestic and international transactions and make them available to appropriate authorities.</p> <p>v. Measures should be established to ensure that competent authorities can gather information and investigate NPOs;</p> <p>vi. Appropriate points of contact and procedures to respond to international requests for information regarding particular NPOs that are suspected of terrorist financing or other forms of terrorist support should be designated.</p>	<p>i. On December 20, 2012, the Registrar of the Friendly Society was appointed AML/CFT supervisory authority for Registered Charities. Registered Charities include all friendly societies/NPOs, benevolent societies, working men's clubs and specially authorised societies and registered under the Friendly Societies Act Cap. 36:04. Sections 22 and 23 of the AMLCFT Act set out the role and authority of the supervisory authorities.</p> <p>Further, the AMLCFT Act and Regulations sets out the requirements and obligations of <u>all</u> reporting entities. NPOs as reporting entities that are now being supervised in accordance with the Act and Regulations will be required to act in compliance therewith.</p> <p>Given the above all the recommendations in relation to NPOs will be addressed accordingly.</p> <p><i>The FIU continues to provide training to the CCDO and team and to conduct follow-up meetings with the aim of equipping the CCDO with the necessary resource and skill to carry out its functions. To this effect, another follow-up meeting was held on February 17, 2014 with the CCDO and Assistant CCDO who has responsibility for the NPOs. They have reported that they are in the process or regularizing the NPOs for AML/CFT purposes. In this regard approximately 898 of 1400 friendly societies/NPOs were identified for cancellation for violation of the Friendly Society Act. They have increased the number of staff from 5 to 8 between August 2013 and February 2014 and have plans to further increase these numbers. They have</i></p>
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SR.IX Cross Border Declaration & Disclosure	PC	<p>i. Requirements for cross-border declarations being implemented do not include bearer negotiable instruments</p> <p>ii. Sanctions for false declarations do not extend to legal persons and are not dissuasive or proportionate.</p> <p>iii. Deficiencies with regard to the absence of provisions for freezing of funds of persons pursuant to S/RES/1267(1999) and S/RES/1373(2001) as noted in section 2.4 are applicable.</p> <p>iv. Unable to assess effectiveness due to lack of relevant statistics.</p>	<p>i. The authorities should extend the implementation of the cross-border declaration system to include bearer negotiable instruments.</p> <p>ii. Sanctions for false declarations should be extended to legal persons, their directors and senior management and should be dissuasive, proportionate and effective.</p> <p>iii. Guyana should enhance its ability to freeze the assets of persons designated pursuant to S/RES/1267/(1999) and S/RES/1373(2001) as recommended in section 2.4 of this report, to ensure that it can do so effectively in the cross-border context.</p>	<p>i. This recommendation will be addressed by legislative amendment. It was included in the AMLCFT (Amendment) Bill 2013 referred to at recommendation 1 above and the same comments apply.</p> <p>ii. Same as above.</p> <p>iii. After the enactment of the Amendment Bill that includes a provision to address SR.III, Directives will be issued by the Minister to address this recommendation among other requirements as stipulated in FATF Recommendations 6.</p>