

Financial Intelligence Unit

Circular – Politically Exposed Persons (PEPs)

Obligations of Reporting Entities under the Anti Money Laundering and Countering the Financing of Terrorism (AMLCFT) Act 2009 in relation to PEPs.

Preamble

This Circular is issued to remind reporting entities of their obligations in relation to Politically Exposed Persons (PEPs) which are set out under Section 15 (4)(d) of the Anti Money Laundering and Countering the Financing of Terrorism (AMLCFT) Act 2009.

Definition of a Politically Exposed Person

The AMLCFT Act 2009 defines a Politically Exposed Person as “*any individual who is or has been entrusted with prominent public functions on behalf of a state, including a Head of State or of government, senior politicians, senior government, judicial or military officials, senior executives of state owned corporations, important political party officials, including family members or close associates of the politically exposed person whether that person is resident in Guyana or not.*”

Obligations of Reporting Entities in relation to PEPs

Reporting entities are required to identify and verify the identity of all its customers. In relation to customers who are PEPs, Section 15 (4)(d) of the AMLCFT Act 2009 makes the following provisions:

“If the customer or beneficial owner is a politically exposed person, a reporting entity shall -

- (i) adequately identify and verify the person’s identity as set out in this section;
- (ii) have appropriate risk management systems to determine whether the customer is a politically exposed person;
- (iii) obtain the approval of senior management before establishing a business relationship with the politically exposed person;
- (iv) take reasonable measures to establish the source of wealth and source of property;
and
- (v) conduct regular enhanced monitoring of the business relationship.”

For further information regarding the content of this Circular contact the Financial Intelligence Unit (FIU) at fiuguyana@gmail.com.