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Guernsey's Handbook on Countering Financial Crime and Terrorist Financing revised

Service area / [Regulatory](#)

Location / [Guernsey](#)

Date / [March 2019](#)

On 12 March 2019, the Guernsey Financial Services Commission (GFSC) published the final version of the revised [Handbook on Countering Financial Crime and Terrorist Financing](#) (the **Handbook**).

The revisions to the rules and guidance in the Handbook, together with the revised legislation (the new Schedule 3 to the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999 (**Schedule 3**)), bring the Bailiwick's framework for combatting money laundering and terrorist financing into line with international standards issued in 2012 by the Financial Action Task Force, as well as addressing recommendations made by MONEYVAL following its mutual evaluation of Guernsey, the report of which was issued in January 2016. The changes are due to take effect from on 31 March 2019.

National Risk Assessment

As with all Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) obligations, one of the key emphases remains that businesses should take a risk-based approach to business relationships and transactions. To assist with this process, the States of Guernsey's Policy & Resources Committee (the **P&R Committee**) has been collating a National Risk Assessment (the **NRA**). The NRA will therefore be a crucial document for firms to review, understand and meet the requirements of, in order to discharge their AML/CFT obligations and accordingly, will be the primary guidance for a firm when collating its own business risk assessment (**BRA**).

Timing

The most recent update from the P&R Committee is that the NRA will be published by the end of June 2019. Helpfully, the GFSC have provided guidance pertaining to its expectations of when businesses should have implemented policies and procedures that are prescribed by the Handbook and Schedule 3. Businesses are expected to have implemented revised ML and FT assessments and have reviewed and revised their BRAs within four months of the publication of the NRA, i.e. 31 October 2019. These assessments and the business' BRA need to be approved by the Board.

Within three months of that, i.e. by 31 January 2020, businesses must have reviewed and revised their policies, procedures and controls and those too must be reviewed and approved by the Board.

Action required

Whilst the above deadlines are accommodating for businesses, it is important that consideration is given to revising all policies and procedures that are not reliant on the NRA without undue delay.

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