

**PROCEEDS OF CRIME (ANTI-MONEY LAUNDERING AND TERRORIST
FINANCING) (AMENDMENT) GUIDELINES, 2024**

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GRENADA

STATUTORY RULES AND ORDERS

NO. OF 2024

THE COMMISSION IN EXERCISE OF THE POWER CONFERRED BY SECTION 32 (1) OF THE PROCEEDS OF CRIME ACT NO. 6 OF 2012, AND AFTER CONSULTATION WITH THE JOINT ANTI-MONEY LAUNDERING AND TERRORISM FINANCING ADVISORY COMMITTEE, HEREBY ISSUES THE FOLLOWING GUIDELINES—

Citation

1. These Guidelines may be cited as the

PROCEEDS OF CRIME (ANTI-MONEY LAUNDERING AND TERRORIST FINANCING) (AMENDMENT) GUIDELINES, 2024,

and shall be read as one with the **Proceeds of Crime (Anti-Money Laundering and Terrorist Financing) Guidelines, SRO No. 6 of 2012** hereinafter referred to as the “principal Guidelines”.

Amendment of section 2 of principal Guidelines

2. Section 2 (1) of the principal Guidelines is amended by inserting the following new definitions in the appropriate alphabetical order—

““charity or other association not for profit”—

- (a) means a legal person or arrangement or organisation that primarily engages in raising or disbursing funds for purposes such as charitable, religious, cultural, educational, social or fraternal purposes, for carrying out other types of good works; and
- (b) includes a “non-profit company” for the purposes of the Companies Act 58A;”

““proliferation financing” means the raising, moving, or making available funds, other assets or other economic resources, or financing, in whole or in part, to persons or entities for the purposes of the proliferation of nuclear, biological or chemical weapons, including the proliferation of their

means of delivery or related materials (including both dual-use technologies and dual-use goods for non-legitimate purposes;”.

Amendment of Part I of principal Guidelines

3. Part I of the principal Guidelines is amended by repealing the heading and substituting therefor the following new heading—

“DUTIES OF THE COMMISSION AND THE CENTRAL BANK.”.

Amendment of section 8 of principal Guidelines

4. Section 8 of the principal Guidelines is amended as follows—

(a) by inserting after subsection (1) the following new subsection—

“(1A) In the case of the FIU receiving a suspicious transaction report filed by a payment service provider, the FIU should notify the comparable reporting authority in every affected jurisdiction, that the report was filed.”;

(b) in the explanation by deleting the “comma” and the words “the FIU” before the words “or the Central Bank” wherever they appear.

Insertion of new section 8A of principal Guidelines

5. The principal Guidelines is amended by inserting after section 8 the following new section—

“Duty of FIU to collaborate with foreign competent authorities

8A. Without prejudice to the foregoing, the FIU shall—

- (a) facilitate access by foreign competent authorities to basic information held by registries or other authorities in Grenada, including identifying information about any person who directly or indirectly owns, controls or has an interest in the subject matter of the registry or other authority;
- (b) exchange with foreign competent authorities domestically available information on trusts or other legal arrangements; and

- (c) upon request, obtain beneficial ownership information on behalf of foreign competent authorities.”.

Amendment of section 9 of principal Guidelines

6. Section 9 of the principal Guidelines is amended by inserting after subsection (3) the following new subsection—

“(4) The Commission shall periodically publish in the *Gazette* or on its website, information to promote the capacity of regulated entities to comply with these Guidelines and the Regulations, including information from the CFATF or the FATF on—

- (a) trends, typologies and techniques; and
- (b) countries and organisations and their levels of risk.”.

Amendment of section 10 of principal Guidelines

7. Section 10 of the principal Guidelines is amended as follows—

- (a) in subsection (1) by inserting after the word “entity” the words “or professional” wherever it appears and by inserting after the word “entity’s” the words “or professional’s” wherever it appears;

- (b) by inserting after subsection (3) the following new subsection—

“(3A) For the purposes of a prudential inspection of an entity or professional under subsection (1), the entity or professional shall provide all relevant information requested by the Commission within the time specified by the Commission, and failure to comply with such request constitutes an offence punishable under section 32 (4) of the Proceeds of Crime Act.”;

- (c) by deleting the “comma” and the words “the FIU” before the words “or the Central Bank” wherever they appear.

Amendment of section 11 of principal Guidelines

8. Section 11 of the principal Guidelines is amended by deleting the word “FIU” and the “comma” before the word “Commission” wherever they appear.

Insertion of new section 11A to principal Guidelines

9. The principal Guidelines is amended by inserting after section 11 the following new section—

“Commission to notify other regulatory authorities

11A. Without prejudice to the provisions of this Part, where a person is listed as a listed entity pursuant to the Terrorism Act, 2012, the Commission shall —

- (a) notify every regulatory authority in Grenada to which the person is subject, of the person’s status; and
- (b) make a recommendation that every related licence, permit, accreditation or other document or authorisation granted to the person be suspended, revoked or cancelled.”.

Amendment of section 12 of principal Guidelines

10. Section 12 of the principal Guidelines is amended by deleting the words “The FIU” before the words “the Commission” wherever they appear.

Amendment of sections 13, 15, 18 and 20 of principal Guidelines

11. Sections 13, 15, 18 and 20 of the principal Guidelines are amended by deleting the word “FIU” and the “comma” before the words “the Commission” wherever they appear.

Amendment of section 21 of principal Guidelines

12. Section 21 of the principal Guidelines is amended as follows—

- (a) by inserting after subsection (2) the following new subsection—

“(2A) An entity or professional shall not open an account, commence business relations or perform a transaction unless the applicant for business or customer has complied with the customer due diligence process.”;

- (b) in subsection (5) (c) in subparagraph (ii) by inserting after the “semi-colon” the word “and” and inserting after subparagraph (ii) the following new subparagraph—

“(iii) information on agents of, and service providers to, the trust including investment advisors or managers, accountants, and tax advisors;”;

(c) by inserting after subsection (5) the following new subsections—

“(5A) Information obtained under subsection (5) shall be maintained for at least five years after the incident or after the transaction with the applicant for business or customer.

(5B) Where customer due diligence measures reveal that there is a beneficiary of life insurance policy or other investment-related insurance policy, as soon as the beneficiary is identified or designated, the financial institution shall—

(a) in the case of a beneficiary identified as a named natural or legal person or legal arrangement, record the name of the person;

(b) in the case of a beneficiary that is designated by characteristics or by class or by other means, obtain sufficient information to reasonably establish the identity of the beneficiary at the time of the payout;

(c) in either cases, verify the identity of the beneficiary at the time of the payout.”;

(d) by inserting after subsection (6) the following new subsection—

“(6A) Where an entity or professional reasonably believes that the customer is engaged or involved in money laundering or terrorist financing, the entity or professional shall file with the FIU a suspicious transaction report.”;

(e) by inserting after subsection (10) the following new subsection—

“(11) An applicant for business or a customer shall not make a false statement or provide false information in response to an entity’s or professional’s request for information in relation to the source of funds or wealth of the applicant or customer.”.

Amendment of section 24 of principal Guidelines

13. Section 24 of the principal Guidelines is amended as follows—

- (a) in subsection (1)—
 - (i) in paragraph (a) by inserting after the words “or a customer” the words “or a beneficial owner, family member or associate of the applicant or customer”;
 - (ii) in paragraph (c) by inserting after the word “person” a “comma” and the words “including any payment of proceeds from a transaction”;
- (b) in the explanation in item (i) by inserting after the words “PEPs may be domestic or foreign” the words “or entrusted with a prominent function in an international organisation” and a “comma”;
- (c) in the explanation by inserting after item (v) the following new item—
 - “(vi) Every entity or professional that issues life insurance policies must take reasonable measures to determine whether a beneficiary or proposed beneficiary of a life insurance policy is a politically exposed person or who has a politically exposed person as a beneficiary owner. Where a higher risk is identified, in addition to performing CDD measures, the entity or professional must—
 - inform senior management before a payout of the policy proceeds; and
 - conducting ECDD on the business relationship with the holder of the policy and assess whether it is appropriate to file a suspicious transaction report.”.

Amendment of section 25 of principal Guidelines

14. Section 25 of the principal Guidelines is amended in the explanation by inserting after item (vii) the following new items—

- “(viii) Where a regulated person intends to use data held by a third party organization to verify identity, the country in which the third party is based, and that country’s risk, is a factor to be considered when determining whether the data is satisfactory. The data is satisfactory if the country in which the third party organisation is based has a level of country risk that is satisfactory to the Commission.
- (ix) Where a regulated person intends to use data held by a third party organization that is part of the same financial group as the regulated person, the data is satisfactory if—
- (a) the group applies CDD and record-keeping requirements in accordance with these Guidelines and programmes against money laundering and terrorist financing, in accordance with these Guidelines;
 - (b) the implementation of those CDD and record-keeping requirements and AML/CFT programmes is supervised at a group level by a competent authority; and
 - (c) any higher country risk is adequately mitigated by the group’s AML/CFT policies.”.

Amendment of section 27 of principal Guidelines

15. Section 27 of the principal Guidelines is amended by deleting the word “FIU” and the “comma” before the words “the Commission” wherever they appear.

Amendment of section 30 of principal Guidelines

16. Section 30 of the principal Guidelines is amended in subsection (1) by deleting the “Full-stop” at the end of paragraph (e) and substituting therefor a “Semi-colon” and inserting after paragraph (e) the following new paragraph—

- “(f) information on any other natural person exercising ultimate effective control over the trust, including through a chain of control or ownership.”.

Amendment of section 33 of principal Guidelines

17. Section 33 of the principal Guidelines is amended by deleting the word “FIU” and the “comma” before the words “the Commission” wherever they appear.

Amendment of section 39 of principal Guidelines

18. Section 39 of the principal Guidelines is amended in subsection (1) as follows—

- (a) by inserting in the appropriate alphabetical order the following new definitions—

““beneficial information” means information relating to beneficial owners;”;

““full beneficiary information” means the name and account number of the payee, together with—

- (a) the payee’s address; and
- (b) the payee’s date and place of birth; or the customer identification number or national identity number of the payee; or, where the payee does not have an account, a unique identifier that allows the transaction to be traced back to that payee; and
- (c) the payee’s beneficial information;”;

- (b) by repealing the definition of “full originator information” and substituting therefor the following new definition—

““full originator information” means the name and account number of the payer, together with—

- (a) the payer’s address; and
- (b) the payer’s date and place of birth; or the customer identification number or national identity number of the payer; or, where the payer

does not have an account, a unique identifier that allows the transaction to be traced back to that payer; and

- (c) the payer's beneficial information;";
- (c) in the definition of "intermediate payment service provider" by deleting the word "intermediate" before the words "payment service provider" and the "quotation mark" and substituting therefor the word "intermediary";
- (d) in the definition of "payment service provider" by inserting after the words "funds services" a "comma" and the words "which includes a financial institution".

Amendment of section 41 of principal Guidelines

19. Section 41 of the principal Guidelines is amended as follows—

- (a) in subsection (1) by inserting after the words "the full originator information" the words "and the full beneficiary information";
- (b) by inserting after subsection (1) the following new subsections—

"(1A) No payment service provider of a payer shall complete a transaction unless this Part has been complied with by the payment service providers of the payer and of the payee.

(1B) A payment service provider of a payer who completes a transaction for which the payment service provider of the payer or payee fails to comply with this Part, commits an offence and is liable to be proceeded against under section 32(4) of the Proceeds of Crime Act.

(1C) Where a payment service provider fails to supply to a second payment service provider the information on its customer as required by this Part, the second payment service provider shall take reasonable steps to attempt to ensure that the first payment service provider complies with the requirements to supply the information set out in this Part, which steps may include—

- (a) notifying the second payment service provider of its failure to comply with the requirements;
 - (b) setting deadlines for the second payment service provider to comply with the requirements as to the supply of information set out in this Part; and
 - (c) notifying the second payment service provider that the transaction will be rejected if the second payment service provider fails to comply with the requirements within the deadlines set in accordance with paragraph (b).”;
- (c) by deleting the word “FIU” and the “comma” before the words “the Commission” wherever they appear.

Amendment of section 42 of principal Guidelines

20. Section 42 of the principal Guidelines is amended as follows—

- (a) in subsection (1) by deleting the words “on the payer” after the words “the full originator information” and substituting therefor the words “and the full beneficiary information”;
- (b) in subsection (2) by inserting after the words “full originator information” the words “and full beneficiary information”;
- (c) in subsection (4) by deleting the words “on the payer” after the words “the full originator information” and substituting therefor the words “or full beneficiary information”;
- (d) in subsection (6) by inserting after the words “five years” the words “whether or not the identity of the payer was identified or verified”;
- (e) by inserting after subsection (6) the following new subsection—

“(6A) Where the payment service provider of the payee is the payment service provider of the payer, the payment service provider shall, in addition to ensuring that the transfer of funds is accompanied by the full originator information of the payer, the payment service provider shall—

- (a) obtain the full beneficiary information;

- (b) assess whether a suspicious transaction report must be filed; and
 - (c) if the provider determines that a suspicious transaction report must be filed, to file the report to the FIU who shall forward the report to the competent authority in each affected jurisdiction.”;
- (f) by inserting after subsection (7) the following new subsection—
 - “(8) The financial institution of a payee shall adopt effective risk-based measures to monitor every person to whom a transfer of funds has been made or attempted—
 - (a) at the time the transfer was completed or attempted; and
 - (b) after the transfer was completed or attempted,
 - to identify whether the transfer was accompanied by the full originator information of the payer and the full beneficiary information.”;
- (g) by deleting the word “FIU” and the “comma” before the word “Commission” wherever they appear.

Amendment of section 43 of principal Guidelines

21. Section 43 of the principal Guidelines is amended by repealing subsection (2) and substituting therefor the following new subsection—

- “(2) An intermediary payment service provider —
 - (a) shall implement effective risk-based policies and procedures for the detection of any missing or incomplete full originator information or full beneficiary information;
 - (b) upon detecting any missing or incomplete full originator information or full beneficiary information, shall request from the payment service provider of the payer the complete

information and report to the FIU any failure by the payment service provider of the payer to comply with the request;

- (c) shall not facilitate a transfer of funds or make payments unless it is accompanied by the full originator information and the full beneficiary information;
- (d) shall ensure that all information that it receives on the payer and the payee that accompanies a transfer of funds is kept with that transfer.”.

Amendment of section 44 of principal Guidelines

22. Section 44 of the principal Guidelines is amended by deleting the word “FIU” and the “comma” before the words “the Commission” wherever they appear.

Amendment of section 46 of principal Guidelines

23. Section 46 (1) (c) of the principal Guidelines is amended by deleting the words “his name and address” after the word “including” and substituting therefor the words “the full beneficiary information”.

Amendment of sections 47, 48, 51, 52 and 53 of principal Guidelines

24. Sections 47, 48, 51, 52 and 53 of the principal Guidelines is amended by deleting the word “FIU” and the “comma” before the words “the Commission” wherever they appear.

Insertion of new section 54A to principal Guidelines

25. The principal Guidelines is amended by inserting after section 54 the following new section—

“Obligations of financial groups

54A. Where a regulated person is part of a financial group, the financial group shall implement a group-wide programme against money-laundering / terrorism financing / proliferation financing, which shall be applicable, and appropriate to, all branches and majority-owned subsidiaries of the financial group.

(2) A group-wide programme under subsection (1) shall include—

- (a) the measures required under section 12 and 51 of these Guidelines and regulations 16, 25 and 49 of the Proceeds of

Crime (Anti-Money Laundering and Terrorist Financing) Regulations, 2012;

- (b) policies and procedures for sharing information required for the purposes of CDD and ML/TF risk management;
- (c) at group-level compliance, audit, and/or AML/CFT functions, the provision of customer, account, and transaction information from branches and subsidiaries when necessary for AML/CFT purposes, including—
 - (i) information and analysis of transactions or activities which appear unusual (if such analysis was done);
 - (ii) information from group-level functions to branches and subsidiaries when relevant and appropriate to risk management; and
 - (iii) adequate safeguards on the confidentiality and use of information exchanged, including safeguards to prevent tipping-off.”.

Amendment of section 55 of principal Guidelines

26. Section 55 of the principal Guidelines is amended by deleting the word “FIU” and the “comma” before the words “the Commission” wherever they appear.

Amendment of section 56 of principal Guidelines

27. Section 56 of the principal Guidelines is amended in subsection (1) in the post-amble by inserting before the words “the Commission” the words “or where the Financial Action Task Force has requested enhanced due diligence in respect of the jurisdiction” and a “comma”.

Amendment of section 59 of principal Guidelines

28. Section 59 of the principal Guidelines is amended by repealing subsection (1) and substituting therefor the following new subsection—

“(1) A person who contravenes or fails to comply with a provision of these Guidelines specified under column 1 of Schedule IV commits the

corresponding offence specified in column 2 of that Schedule in relation to the section specified and is liable to—

- (a) with respect to an entity, the administrative penalty stated in column 3;
- (b) with respect to an individual, the administrative penalty stated in column 4; or
- (c) upon summary conviction, the fine amounting to the figure or percentage of annual earnings, whichever is the lesser, as stated in column 5.

Repeal and substitution of Schedule IV to principal Guidelines

29. The principal Guidelines is amended by repealing Schedule IV and substituting therefor the following new schedule—

“ **SCHEDULE IV**
OFFENCES AND ADMINISTRATIVE PENALTIES
(section 59 (1))

COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5
Section of the Guidelines creating offence	General nature of offence	Penalty (Corporate body)	Penalty (Individual)	Penalty on Summary Conviction
5 (3), (5), (6) and (8)	Failure to comply with requirements of section 5 or carry out customer due diligence and record keeping measures, or accepting donations linked to money	\$300,000.00	\$30,000.00	\$700,000.00 or 15% of annual earnings

	laundering or terrorist financing			
13	Failure to maintain appropriate policies, procedures and other measures to prevent misuse of technological developments	\$150,000.00	\$18,000.00	\$350,000.00 or 7% of annual earnings
14	Failure to carry out money laundering and terrorist financing risk assessments	\$375,000.00	\$37,000.00	\$875,000.00 or 18% of annual earnings
16	Failure of senior management to comply with the measures required under this section	\$150,000.00	\$16,000.00	\$350,000.00 or 7% of annual earnings
17 (1)	Failure by an employee to comply with internal control systems of an employer, or to disclose a suspicion	-	\$15,000.00	\$350,000.00 or 7% of annual earnings
18 (3)	Failure to comply with the prescribed obligations in relation to a Reporting Officer	\$225,000.00	\$22,000.00	\$525,000.00 or 10% of annual earnings
20 (1)	Failure by an employee to report a suspicious	-	\$20,000.00	\$500,000.00 or

	activity or transaction			10% of annual earnings
21 (2), (2A), (4), (5) and (5A)	Failure to engage in or undertake customer due diligence, or additional customer due diligence in the case of a trustee of a trust or a legal person	\$375,000.00	\$37,000.00	\$875,000.00 or 18% of annual earnings
21 (11)	Applicant or customer making a false statement or providing false information	\$75,000.00	\$10,000.00	\$175,000.00 or 4% of annual earnings
22	Failure to engage in enhanced customer due diligence	\$375,000.00	\$37,000.00	\$875,000.00 or 18% of annual earnings
23	Failure to review and keep up-to-date customer due diligence information in the required manner	\$375,000.00	\$37,000.00	\$875,000.00 or 18% of annual earnings
31 (2) and (4)	Failure to adopt relevant measures or additional measures or checks in non-face-to-face relationships	\$225,000.00	\$22,000.00	\$525,000.00 or 10% of annual earnings
32 (1) and (3)	Failure to ensure proper certification of document, or	\$225,000.00	\$22,000.00	\$525,000.00 or

	accepting certified document contrary to this section			10% of annual earnings
32 (4)	Failure to verify the existence of certifier of document	\$150,000.00	\$15,000.00	\$275,000.00 or 5% of annual earnings
33 (2) and (5)	Failure to record an introduction of an applicant for business or a customer, or to ensure that an introducer reviews and maintains customer due diligence information as required	\$175,000.00	\$17,000.00	\$275,000.00 or 5% of annual earnings
34	Failure to take post verification steps required under this section	\$150,000.00	\$15,000.00	\$350,000.00 or 7% of annual earnings
38	Failure by a correspondent bank to satisfy itself regarding necessary customer due diligence measures required to be undertaken by a respondent bank	\$375,000.00	\$37,000.00	\$875,000.00 or 18% of annual earnings
41 (1) and (3)	Failure to ensure transfer of funds accompanied by full originator	\$150,000.00	\$15,000.00	\$350,000.00 or 7% of annual earnings

	information and full beneficiary information, or to verify full originator information and full beneficiary information			
41 (6)	Failure to keep records of full originator information on payer	\$150,000.00	\$15,000.00	\$350,000.00 or 7% of annual earnings
43 (2) and (5)	Failure to keep information received on payer with the transfer of funds, or to provide upon request within the specified time information on payer that the intermediary payment service provider has received	\$150,000.00	\$15,000.00	\$350,000.00 or 7% of annual earnings
43 (6)	Failure to keep records of information on payer for the specified period	\$150,000.00	\$20,000.00	\$350,000.00 or 7% of annual earnings
44 (2)	Failure to maintain records in the required form	\$100,000.00	10,000.00	\$240,000.00 or 5% of annual earnings
45 (1) and (2)	Failure to ensure required contents of record, or to ensure that the manner of	\$115,000.00	\$11,000.00	\$260,000.00 or 5% of annual earnings

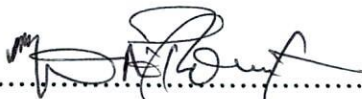
	keeping records does not hinder monitoring of business relationships and transactions			
46	Failure to maintain transaction records	\$175,000.00	\$17,000.00	\$440,000.00 or 9% of annual earnings
48 (2)	Entering into outsourcing arrangement for the retention of records whereby access to such records is impeded by confidentiality or data protection restrictions, or the outsourcing prevents or impedes the implementation of the Anti-Money Laundering and Terrorist Financing Regulations, these Guidelines or other enactment relating to money laundering or terrorist financing	\$150,000.00	\$15,000.00	\$350,000.00 or 7% of annual earnings
49 (1)	Failure to train employees	\$225,000.00	-	\$525,000.00 or

				10% of annual earnings
50 (1) and (2)	Failure to provide training at appropriate frequencies or to the desired level and standard	\$115,000.00	\$11,000.00	\$275,000.00 or 5% of annual earnings
54	Failure to pay special attention to business relationships or transactions connected to a jurisdiction that does not apply or insufficiently applies FATF Recommendations, or to perform obligations in relation to a jurisdiction that is no longer recognized	\$150,000.00	\$15,000.00	\$350,000.00 or 7% of annual earnings
57 (1) and (2)	Failure to make or submit a report in the proper form	\$75,000.00	\$7,000.00	\$175,000.00

”
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Made this

13th day of December, 2024.



Chairperson

Anti-Money Laundering and Combating Terrorism Financing Commission