

"This document has been translated for knowledge, but for legal purposes the Arabic version is adopted"

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Circular to Electronic Payment and Money Transfer Services Companies

Realizing of the risks associated with money laundering and terrorist financing operations in the countries of the Middle East and North Africa region, and implementation of the recommendations issued by the Financial Action Task Force (FATF) regarding anti-money laundering and counter terrorist financing transactions, and to complement the process of "National / Mutual Evaluation of the AML / CFT system" carried out by the Middle East and North Africa Financial Action Task Force (MENA-FATF) in the Kingdom during the two years (2018-2019). Companies shall start a self-assessment according to the risk based approach (RBA) and for all types of money laundering and terrorist financing risks faced by the company. By identifying, assessing and understanding those risks and at the level of (customer risks, countries or geographical areas, products, services and processes, and channels providing services), documenting this and taking effective measures to reduce those risks, provided that the above evaluation is duly deliver to Central Bank based on the company's data as on December 31, 2019, with a maximum of 31/3/2020.

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Noting in this regard the following:

- 1) The necessity to prepare a special methodology for the self-evaluation process approved by the company's board of directors or the regional director of branches of foreign companies.
- 2) To update the above self-assessment at least annually, or in the event that there is a need to conduct this assessment as a result of any fundamental change in the nature of the risks that the company may be exposed to, and to provide it to the Central Bank no later than the end of March of each year.
- 3) Assist help in preparing the above self-assessment, you can refer to a number of references available on the Financial Action Task Force (FATF) website, including “Methodology for assessing technical compliance with the FATF Recommendations and the effectiveness of AML/CFT systems for 2019”, in addition to working papers next:
 - "Risk based approach for prepaid cards, mobile payments and internet-based payment services".
 - "Risk based approach for money or value transfer services."