



TURKS AND CAICOS ISLANDS FINANCIAL SERVICES COMMISSION

Regulating with Honesty, Integrity and Transparency

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GUIDANCE ON CUSTOMER DUE DILIGENCE (“CDD”) MEASURES TO BE APPLIED TO CUSTOMERS WITH TRANSACTIONS WITH HIGHER RISK COUNTRIES

Regulation 13(2)(b) of the Anti-Money Laundering and Prevention of Terrorist Financing Regulations require money services businesses (“MSBs”) to automatically apply enhanced due diligence (“EDD”) measures¹ and undertake enhanced ongoing monitoring of transactions where its customers engage in transactions with a country that does not apply, or insufficiently applies, the FATF recommendations or from countries for which there is call to apply enhanced or countermeasures by the FATF, UN or EU.

All MSBs are required to apply EDD measures, and where appropriate, enhanced ongoing monitoring where customers carry out transactions involving the following countries:

FATF List of High-Risk Countries (FATF ² Blacklist)	FATF List of Countries Subject to Increase Monitoring (FATF Grey List)		
Democratic People's Republic of Korea	Algeria	Haiti	Philippines
Iran	Angola	Kenya	South Africa
	Bulgaria	Lebanon	South Sudan
	Burkina Faso	Mali	Syria
	Cameroon	Monaco	Tanzania
	Croatia	Mozambique	Venezuela
	Côte d'Ivoire	Namibia	Vietnam
	Democratic Republic of Congo	Nigeria	Yemen

MSBs must take into account the risks of money laundering, terrorist financing and proliferation financing posed by transactions with countries with high levels of terrorism, countries that may be considered a high-risk threat actor for proliferation financing, countries that serve as a source of and

¹ EDD measures and enhanced ongoing monitoring is a set of additional measures taken where there is a higher risk of money laundering, terrorist financing or proliferation financing. These additional measures must exceed the normal customer due diligence measures applied by an MSB, by undertaking a greater level of scrutiny of customers and transactions.

² The Financial Action Task Force (FATF) is an independent inter-governmental body that develops and promotes policies to protect the global financial system against money laundering, terrorist financing and the financing of proliferation of weapons of mass destruction.



transit point and destination for human trafficking, human smuggling, arms smuggling, and drug trafficking.

MSBs should apply EDD measures, and where appropriate, enhanced ongoing monitoring where customers carry out transactions involving countries falling into any one of the aforementioned categories.

Maintaining information and documents obtained through the application of EDD measures and enhanced ongoing monitoring, is vital as it makes it easier for MSBs to access data as and when required by the Commission or law enforcement agencies, which is crucial for combating financial crimes, including money laundering, terrorist financing and proliferation financing.

MSBs must ensure compliance with all record keeping requirements as set out under the Anti-Money Laundering and Prevention of Terrorist Financing Regulations and the Anti-Money Laundering and Prevention of Terrorist Financing Code.

MSBs should also be able to readily disclose to the Commission the number of customers for whom EDD measures and enhanced ongoing monitoring were undertaken.

Please be guided accordingly.

TCI Financial Services Commission