



BANK NEGARA MALAYSIA  
CENTRAL BANK OF MALAYSIA



# BNM AML/CFT/CPF Newsletter

A Periodical Newsletter for DNFBPs and NBFIs  
Reporting Institutions

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JUNE

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Dear Sir/Mdm,

Refer below for Bank Negara Malaysia's newsletter 01/2024, dated 28/06/2024.

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## 1. Malaysia's Mutual Evaluation Updates

Malaysia is currently undergoing the Mutual Evaluation (ME) exercise from April 2024 to December 2025. This exercise assesses a country's level of compliance and effectiveness of international standards i.e. FATF Recommendations on anti-money laundering, countering the financing of terrorism, and countering the financing of proliferation of weapons of mass destruction (AML/CFT/CPF). Malaysia has submitted the technical compliance write-up on 17 June 2024.

The ME Onsite visit will take place in February 2025 where Malaysia will be receiving a team of international experts from several countries. Attached below is Malaysia's Mutual Evaluation Report 2015 (MER 2015) assessed in 2014-2015 and FATF methodology for reference.



[Mutual Evaluation Report 2025 \(MER 2015\)](#)

In this regard, Reporting Institutions (RIs) are urged to continuously improving their compliance culture to demonstrate an effective AML/CFT/CPF regime. RIs should ensure implementation of AML/CFT/CPF requirements, including to screen all customers against the Sanction Lists, remain vigilant of red flags for suspicious transactions, and promptly submit suspicious transaction reports (STRs) to Bank Negara Malaysia (BNM) where necessary.

## 2. Preparation for Data and Compliance Report (DCR) 2024



Since 2020, DNFBP and NBFI reporting institutions (RI) are required to submit mandatory annual compliance report i.e. DCR, which covers important areas of the RI's exposures to ML/TF risks and their AML/CFT/CPF compliance level.

The DCR is also aimed to assist the RIs to self-assess and understand how they have been complying with their obligations, and where they may need additional support or guidance.

**Who Must Submit DCR 2024?**

## 3. Heightened Enforcement Action against Non-Compliance



In recent years, countries worldwide have heightened enforcement actions against various non-compliances with AML/CFT/CPF requirements, including RIs and their officers in the DNFBPs sectors. For examples:

 [HMRC issue fines to estate agents for failing to register for AML supervision-FCS Compliance](#)

 [The Financial Transactions and Reports Analysis Centre of](#)

DCR 2024 will be required from RIs in the following sectors:

1. Accountants
2. Company secretaries
3. Dealers in precious metals/ stones
4. Lawyers and notaries public
5. Registered estate agents

Other sectors are **NOT** required to submit DCR 2024

#### How to Get Ready for DCR 2024?

(Those that have nominated the CO and notified BNM before, **DO NOT** have to conduct the following process.)

##### 1. Appoint your Compliance Officer

Ensure that the firm has appointed a Compliance Officer (CO) & notify BNM of the appointment through this link:

<http://amlcft.bnm.gov.my/co/>

##### 2. CO number

Ensure to receive the CO number issued by BNM via the firm's registered email upon successful notification.

#### When to submit DCR 2024?

Submission will be in 4th Quarter 2024 through the online DCR portal. **Access to the portal will only be opened when the submission period starts.** Please be reminded

[Canada \(FINTRAC\), imposed penalty for failing to comply with federal anti-money-laundering rules-CTV News](#)



[Jeweller charged for failing to perform due diligence for suspected money laundering in gold transactions-CNA](#)



[Law firm Clyde & Co fined \\$635K for breaching UK money laundering rules-Reuters](#)



[Former Las Vegas casino executive sentenced to year of probation in bookmaking money laundering case \(msn.com\)](#)

On 29 January 2024, BNM [imposed a compound of RM96,250 on Habib Jewels Sdn. Bhd](#) for its failure to promptly submit STRs to BNM. The enforcement action taken is in line with the approach and processes outlined in the recently published [Enforcement Approach document](#).

#### 4. Issuance of Red Flags and Typologies Report for Company Secretaries and Accountants

Following the report issue to the Lawyers in 2022, Bank Negara Malaysia has issued the **Red Flags and Typologies Report for Company Secretaries and Accountants**

that non-submission of DCR may result in enforcement action on RIs, hence RIs are advised to make necessary preparation, in particular on information availability, prior to DCR issuance.

on **10 May 2024**. The reports highlight vulnerabilities of the company secretary and accounting sectors that can be abused for money laundering and terrorism financing activities as well as relevant red flags for the purpose of identifying and reporting suspicious transactions.

The reports are issued as **limited circulation** to the relevant sectors and circulated through the **nominated Compliance Officers, self-regulated bodies and industry associations** of the respective sectors.

**They are strictly not for further circulation to the public.**

## 6. Other Updates

### Directive on Targeted Financial Sanctions relating to Proliferation Financing (TFS-PF)

The Ministry of Investment, Trade and Industry (MITI) has issued a revised Directive on Targeted Financial Sanctions Relating to Proliferation Financing (TFS-PF), which came into **effect on 7 June 2024**.



[Revised Directive](#)

### Outcomes of the FATF Plenary, 21-23 February 2024

Below are some of the topics that have been discussed during the FATF Plenary;

- Updates to the risk-based guidance for the implementation of Recommendation 25 on the beneficial ownership and transparency of legal arrangements.
- Plenary agreed to release for public consultation, a range of options for potential changes to Recommendation 16 and its Interpretive Note on wire transfers.
- Plenary finalised modifications to its assessment methodology to reflect the recent revisions to the FATF Standards.
- FATF identified jurisdictions with materially important virtual asset activity.
- FATF updated the statements identifying high-risk and other monitored jurisdictions and removed four countries from its increased monitoring list following successful on-site visit.



[Please click for more details of the Outcomes FATF Plenary, 21-23 February 2024](#)

## Useful Resources

-  [AML/CFT and TFS for DNFBPs and NBFIs Policy Document](#)
-  [AML/CFT Guide for DNFBPs and NBFIs](#)
-  [AML/CFT Circulars/ Guidance](#)
-  [AML/CFT Policies, Forms/Templates](#)
-  [BNM's AML/CFT Newsletter Archive](#)
-  [Thematic report on BO requirements for Legal Sector](#)

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