

BVI Update: New MLRO Requirements

On 15 October 2024, amendments to the Anti-Money Laundering Regulations (As Revised) ("AML Regulations"), previously published in the Gazette, came into force.

The changes include that money laundering reporting officers ("MLROs") will have to be approved by the Financial Services Commission ("Commission") / British Virgin Islands ("BVI") Financial Investigation Agency ("FIA") before they are appointed by a relevant person, i.e. a person / entity who is licensed or registered to carry on a relevant business in or from within the BVI, and the Commission / FIA may require the person to submit further documents or attend an interview / take a test as part of the process.

Existing MLROs will be 'grandfathered' under the amended AML Regulations, which set out that any person appointed as an MLRO before the amended AML Regulations came into effect shall continue to hold office as an MLRO as if their appointment was approved under the amended regulations. Under the amended AML Regulations, the appointment of a person as an MLRO will be valid only in relation to the relevant person that appointed them, and for as long as they hold that office for the relevant person.

Where a relevant person has three or fewer employees, the relevant person may apply for an individual appointed as a director (or equivalent position) or other senior officer of the entity to be appointed as the MLRO.

The changes also expand the requirements where financial groups implement group-wide policies, procedures and controls against money laundering

/ terrorism financing / proliferation financing, to refer to them including:

- (a) those relating to the compliance function and review programme and designation of an individual at senior management level for managing compliance;
- (b) assessment of the competency and probity of employees at the time of recruitment and on an on-going basis;
- (c) providing appropriate and periodic training and on-going employee training; and
- (d) an independent audit function that is adequately resourced to test compliance.

Further Assistance

If you should have any questions, please reach out to your usual Maples Group contacts or any of the contributors below.

British Virgin Islands

Ruairi Bourke
+1 284 852 3038
ruairi.bourke@maples.com

London

Matthew Gilbert
+44 20 7466 1608
matthew.gilbert@maples.com

Joanna Russell
+44 20 7466
joanna.russell@maples.com

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