

26th October 2018

NBFIRA 3/3/10-I (02)

To: All Non-Bank Financial Institutions (“NBFIs”)

**RE: FATF GUIDANCE FOR A RISK-BASED APPROACH-SECURITIES SECTOR
AND LIFE INSURANCE SECTOR**

1. We refer to the above captioned subject matter.
2. Section 9 (d) of the Financial Intelligence (Amendment) Act, 2018, requires specified parties, to implement and maintain a programme for anti-money laundering, counter-financing of an act of terrorism and counter-financing of proliferation of arms of war or NBC weapon, risk management systems and compliance.
3. The risk management systems, or risk-based approach (RBA), enables a specified party or accountable institution identify, assess, and understand the money laundering and terrorist financing (ML/TF) risks to which they are exposed, and implement the most appropriate mitigation measures. This approach enables them to focus their resources where the risks are higher. RBA is central to the effective implementation of the FATF Recommendations.
4. The purpose of this communique is to disseminate and submit the new FATF Guidance for a Risk-Based Approach for the Securities Sector and Life Insurance Sector, which highlights some of the money laundering risks of the securities sector, and measures to mitigate them. The guidance can be found on the FATF website.
5. For any further clarity on the above, kindly contact the AML/CFT department at NBFIRA (310 2595 or 368 6100.)

Yours faithfully



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Head, AML/CFT

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