**NAMFISA APPROVED**

**AML COMPLIANCE PROGRAM**

**TEMPLATE**

***Explanatory Note:***

*Clause 3(2)(k) of the Microlending Standard 1 issued by NAMFISA under the Microlending Act, Act No. 7 of 2018, states that a microlender must submit a compliance program as required by the Financial Intelligence Act, Act No. 13 of 2012, (FIA) (specifically section 39(3) read with section 39(7) of FIA).*

*Applicants are required to submit their adopted compliance program with their application.*

*This NAMFISA approved AML Compliance Program Template may be used by applicants to develop their compliance program. Should an applicant opt to use this template, they must complete all the fields in the template.*

*This template was developed by NAMFISA to assist microlenders to develop a program that meets the requirements set out in FIA. Applicants may develop their own program provided it complies with the FIA requirements.*

***[NB: Should you opt to use this template, delete this first page and explanatory note]***

**AML Compliance Program**

**Of**

***[Enter Name of Institution]***

……………………………………………………………………………………………………………

**NAMFISA’s Registration Date and Number:**

……………………………………………………………………………………………………………

**Date of Incorporation & Registration Number:**

………………………………………………………………………………………………………….

**Approved by:**

…………………………………………………......

**On:**

…………………………………………………………..

In terms of Section 39 of FIA, 2012, ……………………………………………………………………………………….wishes to comply with the provisions of FIA by developing, adopting and implementing a customer acceptance policy, internal rules, program, policies and procedures and controls as prescribed, to effectively manage and mitigate risks of money laundering (ML) and terrorism financing (TF) activities.

1. **Understanding of the entity and brief background**
2. Ownership details*:*

1.1 Physical Address (Street address and town)

………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………….…………………..

1.2 Contact details:

|  |  |
| --- | --- |
| **Telephone number** |  |
| **Fax number** |  |
| **Email address** |  |

1.3 Type of business arrangement *(Sole Trader, CC, Pty Ltd):*

………………………………………………………………………………………………………………………………………………………..

1.4 Owner/Shareholding details:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **NO** | **NAME OF MEMBER / SHAREHOLDER / OWNER** | **NATIONALITY** | **SHAREHOLDING %** | **IDENTITY NO.** |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

1. Management including identification details:
   1. Who is responsible for the day-to-day running of the business? *(Provide name and identification number)*

*……………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..*

* 1. Will this person also be responsible for the implementation of this AML Compliance Program? If not , specify the persons who are responsible for implementing the compliance regime:

*……………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………...*

1. Anti-Money Laundering Compliance Officer *(Details on the appointment of AMLCO and identification thereof):*

|  |  |
| --- | --- |
| **Name of AML compliance officer *(First name and surname)*** |  |
| **Occupation** |  |
| **Nationality** |  |
| **Identity No.** |  |
| **Telephone number** |  |
| **Email address** |  |
| **Cellphone number** |  |

1. List the responsibilities of the appointed Anti Money Laundering Compliance Officer as per FIA:

*………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..*

1. Describe the nature of your business (Pay Day lender or Term lender) – *refer* *guidance* *provided below*:

*………………………………………………………………………………………………………………………………………………….……………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………….*

*………………………………………………………………………………………………………………………………………………………………….*

|  |  |  |
| --- | --- | --- |
| **Details** | **Pay day lender** | **Term lenders** |
| Loan amount | Less than or equal to  N$ 100 000 | Less than or equal to N$ 100 000 |
| Loan period | **Minimum term:** 30 Days  **Maximum term:** 5 Months | **Minimum term:** 6 Months  **Maximum term**: 60 Months |
| Interest rate charged | 30% interest rate once off on entire loan amount | 2 times the average prime interest rate |

1. ML/TF Activities Risk Assessment (*Overview of the assessed ML/TF risk of products, services and clients as detailed below:)* Choose the risk relating to your business:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **YES** | **NO** | **N/A** |
| **Identify whether you provide any of the following products, services or delivery channels:** | | | |
| Do you offer services that make it difficult to fully identify clients? |  |  |  |
| Do you offer electronic funds payment services? |  |  |  |
| Do you offer non face-to-face transactions, such as internet services, by mail or by telephone? |  |  |  |
| Do you have access to the internet/emails? |  |  |  |
| Do you receive newspapers daily? |  |  |  |
| **CLIENT AND BUSINESS RELATIONSHIPS** | | | |
| **Identify whether any of the following questions are asked before accepting a client:** | | | |
| Is the client a new client? |  |  |  |
| Does the client‘s business generate large amounts of cash for certain transactions that are not normally cash-intensive? |  |  |  |
| Does client identification take place other than face-to-face? |  |  |  |
| Does the client reside outside Namibia? |  |  |  |
| Is there a significant and unexplained geographic distance between you and the location of the client? |  |  |  |
| Can third parties make payments on behalf of the borrowers? |  |  |  |

1. Customer Acceptance *(Describe the process performed to take on new customers)*

*………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..*

1. Describe the process by which management will ensure that the above-mentioned procedures to accept new customers are complied with.

………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………*………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..*

1. **Customer Identification and verification of information**
2. Describe the Customer Identification and verification procedures or processes.  *(how you obtain identity / passport numbers ,personal information and how you verify this information)*

*………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..*

1. Describe the process by which management ensures that the above-mentioned procedure is complied with.

*………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..*

1. How do you identify clients and/or the true owners of businesses whose activities are most likely to result in a higher Money Laundering/ Terrorist Financing Risk?

*……………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………*

1. Describe the process by which management will ensure that the processes listed above are complied with.

*…………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..*

1. Describe the procedures to update client information and monitor transactions on an on-going basis.

*…………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..*

1. Describe the process by which management will ensure that the above-mentioned procedures are complied with.

……………………………………………………………………………………………………………………………………………………………………………………………….....................................................................................................................................................................................................................................................................................................................................................................................................................................................................*……………….……………………………………………………………………………………………………………………………………………………………………*

15. Record Keeping *(Description of the processes by which records are kept/ ensure that they are stored for the period of 5 years or longer)*.

*……………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………*

1. Are there any records which are kept by third parties on your behalf? If so, describe the controls over the records kept by third parties and the accessibility of such records by the FIC.

*………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..…*

1. Describe the process by which management ensures that the processes listed above are complied with.

*………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..……….*

1. Reporting of Suspicious Transactions to the FIC *(Describe the process by which suspicious transactions are identified and reported).*

*………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..*

1. Describe the process by which management will ensure that the processes listed above are complied with.

*………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..*

1. Staff Training *(Description of the processes by which your staff are trained and specifically in respect of the AML Compliance Program and ML/TF risks)*

*…………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………*

1. Describe the process by which management will ensure that processes listed above are complied with.

*………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..*

1. Independent Audit Function: To review the compliance program procedures as listed in this document and test their effectiveness. This can be done every year for high-risk customers and every two years for low-risk customers. This can be done by an internal (any persons in the institution who are independent of implementing the AML compliance regime) or an external auditor: *(List the description of procedures to ensure that there is a function to check FIA compliance*)

*………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..*

1. Describe the process by which management will ensure that the processes listed above are complied with.

*……………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..…*

1. Describe any other procedures by which management intends to comply with the provisions of FIA and/ or mitigate the assessed potential money laundering risk.

*……………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………..…….…..*