



GUIDELINES FOR SUBMISSION OF WIRE TRANSFER THRESHOLD REPORTS

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1. Definitions

AML/CFT Act means the Anti-Money Laundering and Countering the Financing of Terrorism Act, 2020, as amended.

Cash Transaction Threshold Reports means a report that Reporting Entities are required to file with the FIU for executing cash transactions above the prescribed threshold in terms of section 5 of the AML/CFT Act.

Cross Border Wire Transfer means any wire transfer where the ordering financial institution and beneficiary financial institution are located in different countries, and any chain of wire transfers in which at least one of the financial institutions involved is operating in a different country.

Domestic Wire Transfer means any wire transfer where the ordering financial institution and beneficiary financial institution are operating in the Republic.

Executing means to conduct or generate the wire transfer; thus, performing a wire transfer on behalf of the customer.

Financial Institution means any institution that conducts a business in one or more of the following activities or operations for or on behalf of a customer.

- (a) acceptance of deposits and other repayable funds from the public, including private banking;
- (b) lending, including but not limited to, consumer credit, mortgage credit, factoring, with or without recourse, and financing of commercial transactions, including forfeiting;
- (c) financial leasing other than with respect to arrangements relating to consumer products;
- (d) money or value transfer services;

- (e) issuing and managing means of payment, including, but not limited to, credit and debit cards, cheques, travellers' cheques, money orders, banker's drafts and electronic money;
- (f) issuing financial guarantees and commitments;
- (g) trading in —
 - (i) money market instruments, including, but not limited to, cheques, bills, certificates of deposit and derivatives;
 - (ii) foreign exchange;
 - (iii) exchange, interest rate and index instruments;
 - (iv) transferable securities; and
 - (v) commodity futures trading.
- (h) participating in securities issues and the provision of financial services related to such issues;
- (i) individual and collective portfolio management;
- (j) safekeeping and administration of cash or liquid securities on behalf of other persons;
- (k) investing, administering or managing funds or money on behalf of other persons;
- (l) underwriting and placement of life insurance and other investment-related insurance, including insurance intermediation by agents and brokers;
- (m) money changing; and
- (n) carrying on such other activity, business or operation, as may be prescribed by regulations.

Financial Intelligence Unit means the body corporate established under Section 10 of the AML/CFT Act.

Natural person means an individual who is present at a reporting entity, or who remotely authorizes, through established protocols to conduct a transaction on his/her own behalf or on behalf of a legal entity or person. For wire transfer instructions received by the Financial Institution through email, fax or hand delivered then the natural person would

be captured as the signatory(ies) who has authorised the transfer. In the case of transfers executed through the internet banking platform, the natural person would be captured as the user authorising the transaction.

Reporter means a Compliance Officer or an Alternate Compliance Officer appointed in terms of section 34 (1) and 34 (3) of the AML/ CFT Act respectively and who shall be responsible for submitting wire transfer threshold reports to the FIU.

Seychelles Electronic Funds Transfer is an electronic domestic funds transfer system setup between all banks in the Seychelles to facilitate domestic rupee money transfers through a secure online communication channel.

Wire Transfer means any transaction carried out on behalf of an originator through a Financial Institution by electronic means with a view to making an amount of funds available to a beneficiary person at a beneficiary Financial Institution, irrespective of whether the originator and the beneficiary are the same person, including through the use of the Seychelles Electronic Funds Transfer system.

Wire Transfer Threshold Report means a report that Financial Institutions are required to submit to the FIU in line with section 5 of the AML/CFT Act for executing wire transfers that meets or exceeds the prescribed threshold.

2. Acronyms and Abbreviations

AML/CFT Act	Anti-Money Laundering and Countering the Financing of Terrorism Act 2020, as amended
CO	Compliance Officer
CTTR	Cash Transaction Threshold Report
FI	Financial Institution
FIU	Financial Intelligence Unit
RE	Reporting Entity
SCR	Seychelles Rupee
STR	Suspicious Transaction Report
WTTR	Wire Transfer Threshold Report

3. Scope and Application of this Guideline

- 3.1. The objectives of these guidelines are to assist Financial Institutions (“FIs”) executing wire transfers and receiving cross border wire transfers to comply with the wire transfer threshold reporting obligations in accordance with the Anti-Money Laundering and Countering the Financing of Terrorism Act 2020 (“AML/CFT Act”). It provides general guidance on the reporting obligation and procedures for submitting Wire Transfer Threshold Reports (“WTTRs”) to the Financial Intelligence Unit (“FIU”), in accordance with section 5 of the AML/CFT Act. In particular, these guidelines explain reporting timelines, mandatory information to be included in the WTTR; and the procedure for submitting reports electronically to the FIU.
- 3.2. The procedures for Cash Transaction Threshold Report (“CTTR”) are provided for in separate guidelines ([https://www.seychellesfiu.sc/FIU/Legislations/Guidelines/Submission of CTTR.pdf](https://www.seychellesfiu.sc/FIU/Legislations/Guidelines/Submission%20of%20CTTR.pdf)).
- 3.3. The FIU emphasises that the contents of these guidelines are to provide general information and guidance only, and is not intended to act as a substitute to the

reader's own assessment, nor relieve the user of this guideline from the responsibility to exercising their own skill, knowledge and due care in relation to the specific circumstances of the transaction. As such, these guidelines are not intended to constitute legal advice from the FIU nor is it intended to replace the AML/CFT Act.

- 3.4. In addition, FIs shall not confuse a WTTR with a suspicious transaction report ("STR"). If the FI has reasonable grounds to suspect that any service or transaction may be related to the commission of criminal conduct, including an offence of money laundering or terrorist financing activities, it shall submit an STR to the FIU, in line with the requirements under section 48 of the AML/CFT Act and related Regulations.
- 3.5. It is important for FIs executing wire transfers to understand that WTTR is merely a threshold report and the transaction(s) may not necessarily involve criminal conduct. If the FI has reasonable grounds to suspect that any service or transaction may be related to the commission of criminal conduct, the FI is obliged to submit an STR to the FIU, regardless of the amount of the transaction.
- 3.6. The FIU assures all FIs of the confidentiality and integrity of the information received by the FIU.
- 3.7. These guidelines shall take effect on **November 6th, 2020** and the first reporting of wire transfer transactions will commence on **December 1st, 2020**. The initial submission by FIs should include all reportable transactions from the commencement of the AML/ CFT Act, being August 28th, 2020.
- 3.8. The first reporting of cross-border wire transfers received should include all reportable transactions from the commencement of the AML/CFT (Amendment) Act 2021, being March 5th, 2021.

4. Introduction

- 4.1. The Third Schedule of the AML/CFT Act provides the obligation for FIs to report to the FIU wire transfers at or above the prescribed threshold of SCR 50,000. Therefore, FIs executing wire transfers or receiving cross border transfers of SCR 50,000 or more, or the equivalent money in the currency of other countries are obligated to submit a WTTR to the FIU. Please refer to **Annexure 1.0** for the FIs and frequency for submission of WTTR.

5. Part 1: Who Must Submit WTTR

- 5.1. The obligation to report wire transfers above the prescribed threshold in terms of section 5 of the AML/ CFT Act applies to FIs who executes wire transfers. The objective of the WTTR is to ensure that information related to wire transfers is made available to the FIU, in a timely manner, to assist and support its analysis of financial information.
- 5.2. This means that, in practice, the obligation to report information under section 5 of the AML/CFT Act is only for FIs that may execute domestic or cross border wire transfers on behalf of their customers to another customer or non-customer or receives cross-border wire transfers in the prescribed threshold on behalf of their customers.
- 5.3. In accordance with Section 34 (2) (h) of the AML/CFT Act, the Compliance Officer (“CO”) has the function of liaison between the FI and the FIU, in all matters relating to money laundering and terrorist financing activities, and for compliance with the provisions of the AML/CFT Act. Accordingly, the CO shall be the reporter of wire transfer threshold reporting, for the purpose of section 5 of the AML/CFT Act. The Alternate Compliance Officer appointed in line with section 34 (3) of the AML/CFT shall assume the role of reporter for wire transfer threshold reporting in the absence of the CO.

6. Part 2: When are FIs Required to Submit WTTR

- 6.1. The obligation to report in terms of Section 5 of the AML/CFT Act, and in accordance with the Third Schedule of the AML/CFT Act arises when a wire transfer, or multiple transfers are executed or when a cross border or multiple cross border wire transfers are received in one business day, that meets or exceeds the amount prescribed under serial number 2 of the Third Schedule (see below).

**THIRD SCHEDULE
(SECTION 5)
REPORTING THRESHOLD FOR WIRE TRANSACTIONS**

Every financial institution that sends domestically or cross-border or receives cross-border wire transfers, including electronic fund transfers, shall report all wire transfers of SCR50,000 or more of the equivalent money in the currency of other countries.

- 6.2. Where a transaction is partly a wire transfer, the FI must submit a WTTR to the FIU for the wire transfer portion meeting or exceeding the prescribed threshold. If the other portion of the transaction involves a cash transaction that meets the CTTR reporting requirement, then the FI, as a reporting entity ("RE") in line with the First Schedule of the AML/CFT Act is also required to submit a CTTR to the FIU.

- 6.3. Provided hereunder are two examples of instances where FIs shall submit a WTTR. Please note the below referenced example does not constitute all possible reporting scenarios:

EXAMPLE 1: Customer Mr. X instructs the FI to execute a wire transfer in the morning for SCR 30,000 and in the afternoon of the same day instructs the RE to execute a wire transfer of SCR 25,000 to the same beneficiary. In this case a WTTR should be filed with the FIU indicating a wire transaction (aggregated amount) of SCR 55,000.

If the FI suspects Customer Mr. X is structuring the wire transfers to avoid its transaction from being reported through the wire transfer threshold reporting, the FI should also submit an STR to the FIU.

EXAMPLE 2: The FI receives a cross border wire transfer in the morning for SCR 45, 000 on behalf of customer X from AB Ltd and SCR 15,000 in the afternoon of the same day also from AB Ltd, for the same customer. The transfers originate from the same originator but has been credited to the same beneficiary account. In this case a WTTR should be filed with the FIU indicating a cross border wire transaction (aggregated amount) SCR 60,000.

If the FI suspects Customer Mr. X is structuring the wire transfers to avoid its transaction from being reported through the wire transfer threshold reporting, the FI should also submit an STR to the FIU.

7. Part 3: Information Required in A WTTR

- 7.1. Section 45 (1) of the AML/CFT Act provides that every RE, while making a wire transfer, shall record the following particulars of the originator and the beneficiary of the transaction:

- a) full name of the originator;
- b) account number of the originator or, in the absence of an account number, the unique reference number allocated for such transfer;
- c) address, or national identity number or customer identification number or date and place of birth of the originator;
- d) name of the beneficiary; and
- e) beneficiary account number or in the absence of an account number, the unique reference number allocated for such transfer.

7.2. Thus, FIIs shall ensure that the above information is retained and the appropriate fields required in the WTTR reporting form are filled out. The FIIs shall ensure that all information required in the WTTR reporting form are recorded where applicable.

8. Part 4: Method for Filing WTTR

8.1. In terms of section 5 of the AML/CFT Act, the WTTR must be filed with the FIU electronically by emailing the completed form to thresholdreporting@fiu.sc. The WTTR reporting form is available on the FIU website, www.seychellesfiu.sc.

8.2. For security purposes, all completed WTTR forms must be compressed and encrypted; followed by submission via email, as per the detailed process hereunder:

- a) The completed WTTR should be compressed into a zipped file (Follow the instruction and the video link on the FIU website (www.seychellesfiu.sc)) on “How To Compress & Encrypt Using Peazip” for more information on how to compress and encrypt your WTTR form);
- b) Password protect the zipped file before emailing to the FIU;
- c) Email **only** the password-protected zipped file to the same email address; thresholdreporting@fiu.sc;
- d) An acknowledgement from FIU, via return email, will be sent which confirms receipt of the WTTR;

- e) After you receive the acknowledgement email from the FIU, then in a separate email you are requested to email the password and attach the key file (*encryption file*) to thresholdreporting@fiu.sc .This is a one-time exercise. You are advised to save the password securely and apply the same password every time when reporting to the FIU
- f) This is the end of the process.

8.3. The steps from a) to e) are only for the first-time reporting. For subsequent reporting, only steps a), b) and c) will need to be performed.

9. Part 5: Time Period and Frequency of WTTR Submission by FIs

9.1. **Annexure 1.0** provides for submission period and frequency of reporting of WTTR by the FI to the FIU. FIs should ensure that accurate information is timeously reported to the FIU considering the provisions of section 5 of the AML/CFT Act and the FIU's reporting requirements provided herein.

10. Part 6: Penalties for Not Submitting a WTTR

10.1. Note that an FI which fails to report a wire transfer under section 5 (1) of the AML/CFT Act or materially misrepresents the amount of such transaction, commits an offence and is liable to a fine not exceeding SCR 200,000 for each such failure pursuant to section 5 (3) of the AML/CFT Act.

11. Part 7: Procedures to Apply for Exemptions From WTTR Obligations

11.1. On Behalf of a customer

11.1.1. A RE may apply for an exemption on behalf of their customer by duly completing and submitting to the FIU a completed application using the "Threshold Reporting Exemption Form" on the following e-mail address:

thresholdreporting@fiu.sc

11.1.2. The application for exemption should be submitted using the prescribed form available on the FIU website - www.seychellesfiu.sc and should include the full details of the RE; full details of the customer; and a detailed justification for the exemption. Batch submission of exemptions will be accepted accompanied by a signed cover letter.

11.1.3. The FIU will notify the RE if the application has been approved, disapproved, or if more information is required.

11.2. [FIs on their own behalf.](#)

11.2.1. In addition, FIs may apply for a reporting exemption for transactions involving FI-to-FI transfer and settlements, where both the originator person and the beneficiary person are FIs acting on their own behalf.

Annexure 1.0: WTTR Reporting Requirements

Table 1: WTTR threshold and reporting frequency

No.	Sector	Threshold	Reporting frequency	Submission period
1.	Fls	Wire transfer that is sent domestically or cross-border or cross-border wire transfers received in amount of SCR 50,000 or more or the equivalent money in the currency of other countries.	Weekly	By close of business Monday of the following week*

** In cases that the submission period falls on a public holiday, then the submission should be made on the next working day.*