

**ANTI-MONEY LAUNDERING/COUNTER FINANCING OF TERRORISM/COUNTER
PROLIFERATION FINANCING IN FOCUS**

Part Sixteen:

**An In-depth Look at the Financial Action Task Force (FATF) Forty Recommendations-
Recommendation 14: Money or Value Transfer Services**

By: The Attorney General's Chambers and the National Anti-Money Laundering Oversight Committee (NAMLOC)

The Financial Action Task Force (FATF) defines money or value transfer services (MVTs) as “ financial services that involve the acceptance of cash, cheques, other monetary instruments or other stores of value and the payment of a corresponding sum in cash or other form to a beneficiary by means of a communication, message, transfer, or through a clearing network to which the MVTs provider belongs”, Money or value transfer services are popularly known as remittance services, and this is examined in Recommendation 14.

This recommendation mandates that countries ensure that the provision of money or value transfer services are carried out by licensed or registered persons who are subject to proper monitoring by the authorizing body. Section 4(1) of the Money Services Business Act highlights this. It states “a person shall not carry on money services business in Saint Lucia unless that person holds a licence in accordance with this Act”. These providers should also possess appropriate and effective anti-money laundering/countering the financing of terrorism (AML/CFT) regimes. Countries should have an effective system of control which includes levying suitable and dissuasive sanctions against persons who operate without the requisite license or registration. It should also be mandated that MVTs providers who use agents ensure that the agents have effective AML/CFT programmes.

MVTs are categorized as “Other Business Activities” in the Money Laundering (Prevention) Act Cap.12.20 of the Revised Laws of Saint Lucia, and are classified as reporting entities. As such, the Financial Intelligence Authority has the power to inspect these businesses as outlined in section 6 of the same Act. The Financial Services Regulatory Authority (FSRA) Act also gives that entity regulatory powers over MVTs. The act stipulates that MVTs should appoint a certified auditor to verify the veracity of its anti-money laundering regimes. This auditor may at the request of the Financial Services Regulatory Authority provide an opinion on whether suitable anti-money laundering measures have been implemented.

Under Saint Lucian law any person who contravenes the law and seeks to operate without a licence commits an offence. Section 4(4) of the Money Services Business Act indicates that such a person is liable on summary conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 2 years or to both.

During the on-site visit of the 4th Round Mutual Evaluation scheduled for September 16-27, 2019, the assessors from the Caribbean Financial Action Task Force (CFATF) will seek to ascertain how well money or value transfer service businesses are complying with recommendation 14. Additional information on the FATF Forty Recommendations can be found on the CFATF's website at <https://www.cfatf-gafic.org>.