

BUSINESS NAME
AML/CFT INSTITUTIONAL
RISK ASSESSMENT
MONTH 20XX

DOCUMENT APPROVAL	
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Position:	
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1. Introduction

This AML/CFT Institutional Risk Assessment is being conducted in accordance with Section 32 (1) and (2) of the Anti-Money Laundering and Countering the Financing of Terrorism Act, 2020 (“AML/CFT Act”) and the AML/CFT Institutional Risk Assessment Guidelines issued by the Financial Intelligence Unit (“FIU”).

2. Summary of Business Risk

Provide a brief overview of the Company’s profile, including background information such as business structure, services/products offered, general overview of the categories/types of customers to which services/products are provided for, geography of customers acted for and any other appropriate information.

2.1 Purpose of Risk Assessment

To effectively prevent money laundering and combat the financing of terrorism, an assessment mechanism that adopts Risk-based Approach is established to carry out regular overall assessment of money laundering and terrorist financing (ML/TF) risks so as to grasp effectively the distribution and controls of ML/TF risks.

3. Risk Matrix

RISK CLASSIFICATION	LOW	MEDIUM	HIGH
RISK SCORE	0 – 1	2 – 3	4 – 5
OVERALL SCORE	0 – 10	11 – 20	21 and above

LIKELIHOOD SCORES INDEX

- 0 – No likelihood of the risk factor impacting the business

- 1 – Rare, occurs only in exceptional circumstances
- 2 – Unlikely, may occur at some point
- 3 – Possible, likely that the event will occur at some point
- 4 – Likely, the event is likely to occur in most cases
- 5 – Almost Certain, the occurrence of the event is considered as normal

3.1 Customer Risk Assessment

Statistics for Period of <i>*insert date to *insert date</i>	
Customer Type	% Customers
<i>e.g. Individual Customers</i>	
<i>e.g. Non-Individual Customers</i>	
<i>e.g. Politically Exposed Customers</i>	
<i>e.g. Foreign Customers</i>	

No.	Risk Factors	Likelihood	Risk Rating
1			
2			
3			
4			
5			
6			
7			

Overall Customer Risk	
Overall Risk Score	
Overall Risk Rating	

3.2 Product/Service Risk Assessment

Summary of Products/Services
<i>*Brief overview of the products/services provided which falls under the ambit of the AML/CFT Act</i>

No.	Risk Factors	Likelihood	Risk Rating
1			
2			
3			
4			
5			
6			
7			

Overall Product Risk	
Overall Risk Score	
Overall Risk Rating	

3.3 Geographic Risk Assessment

No.	Risk Factors	Likelihood	Risk Rating
1			
2			
3			

4			
5			
6			
7			
8			

Overall Geographic Risk	
Overall Risk Score	
Overall Risk Rating	

3.4 Transaction and Delivery Channels Risk Assessment

No.	Risk Factors	Likelihood	Risk Rating
1			
2			
3			
4			
5			
6			
7			

Overall Transaction and Delivery Channels Risk	
Overall Risk Score	
Overall Risk Rating	

NB: For each product, Reporting Entities may consider the following risk factors.

PART B1 PRODUCT INHERIENT RISK					
No	Risk Factors	Likelihood score	Impact Scores	Risk Rating	Risk Score
1	Product is high value in nature.				
2	Customer can purchase product through non-face-to-face channel				
3	Allow use of unusual mean of payment e.g. high value items such as real estate, precious metals and stones.				
4	Customer can place deposit for a period of time for product purchase.				
5	Payment conducted through large cash transactions with no source of funds.				
6	Customer may conduct transactions in large Volume				
7	Others (please specify)				

PART B2 SERVICE INHERIENT RISKS					
No	Risk Factors	Likelihood Risk score	Impact Score	Risk Rating	Risk score
1	Services that allow cross-border fund transfer				
2	Services allow customer to deposit/transfer fund through the firm's client account				

3	Services allow use of unusual mean of payment e.g. high value items such as real estate, precious metals and stones				
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PART C GEOGRAPHICAL AREA RISK					
No	Risk Factors	Likelihood Risk Score	Impact Score	Risk Rating	Risk Score
1	Provides services to clients largely based outside the Seychelles				
2	Provide services to clients based in countries which (identified by credible sources) have significant levels of corruption or other criminal activity.				
3	Provides services to clients based in countries on FATF list of countries not having effective ML regimes?				
4	Clients receiving funding from any countries of concern (as highlighted above)?				

PART D DELIVERY CHANNEL & TRANSACTIONS						
No	Risk Factors		Number of Customers	Total % of customer	Risk Rating	Risk score
1	Mode of delivery	Face to Face				
		Non-Face to Face				
		Services/transactions being transacted through intermediaries rather than clients directly				
		Clients who appear to be acting on somebody else's instructions without disclosure.				
2	Mode of payment	Payment through banking facilities (Bank transfers, Visa card, Cheques)				
		Payment through combination of bank facilities and cash				
		Payment through Cash only				
		Average Cash transactions				
3.	Transaction Location	Fund received from business high risk area				
		Fund transferred to high risk area				

Integrated Risk Assessment

Risk	Key Considerations	Rating
Customer Risk		
Product Risk		
Geographic Risk		
Delivery Channel & Transaction Risk		
Others*		
Overall Institutional Risk Score		
Overall Institutional Risk Rating		*LOW/MEDIUM/HIGH