



Amendment in Unified Directive-2080 (AML/CFT)

NRB has made certain amendments and additions in Unified Directive-2080 wrt AML/CFT (Directive 19/2080) through Circular 06/2081-82. These amendments and additions are applicable for all A, B, and C class BFI's.

- a) The Customer Identification process can be carried out using the customer's details from their Citizenship Certificate or using electronic records of their National Identity Card (NID). **(New Addition)**
- b) BFI's must mandate the use of NID from 1st Magh 2081 for opening bank accounts. Additionally, the BFI's must verify the National Identity Card number/details of the customer with the number/details of NID in electronic record. **(New Addition)**
- c) BFIs should open accounts based on the details provided by the relevant government agencies in cases where the GON needs to make payments, including social security. However, before withdrawal of money is made from such accounts by any person the Customer Identification Process must be completed by BFI's. **(New Addition)**
- d) Based on the inherent risk of the customer, BFIs shall establish a procedure to verify that the mobile number provided by the customer is valid and registered in the customer's name. **(New Addition)**
- e) BFIs must promptly freeze the locker, account, or any funds of individuals, groups, or organizations listed under Chapter 6B of the AML/CFT Act (i.e., those involved in terrorist activities). Additionally, the BFI must notify the Money Laundering Prevention Supervision Department of NRB within 3 days, as per Schedule 10 of the AML/CFT regulations, and submit a copy of the notification to the Financial Information Unit of NRB. **(New Addition)**
- f) BFIs shall classify the high-ranking individuals (उच्च पदस्थ व्यक्ति) as follows: **(New Addition)**
 1. High-ranking person currently holding a post
 2. High-ranking person currently not holding a post
 3. Foreign dignitaries from neighboring nations
 4. Other foreign dignitaries
 5. High-ranking persons of international organization
- g) The records of the high-ranking persons shall be maintained for at least 10 years from the date of retirement. **(Earlier it was 5 years)**
- h) BFI's must update the details of NID in the account of high-ranking persons by 1 Magh 2081. **(New Addition)**
- i) When identifying customers or updating their details, priority should be given to monitoring the crimes highlighted in the National Risk Assessment Report 2023, such as embezzlement, tax evasion, human trafficking, and other high-risk crimes. This includes monitoring the activities of casino or internet casino operators, accounts of precious metal or commodity traders, real estate buyers/sellers, cooperatives, and the identities and transactions of related individuals. **(New Addition)**
- j) Any transaction involving the transfer of an amount exceeding NPR 10 million from any account carried out in a single instance or cumulatively in a day, through electronic means or other mechanisms, where the transferred amount crosses Nepal's jurisdiction (international transaction). Such details must be reported within 15 days via the goAML software to ensure financial information is available. The financial institution must also submit a Threshold Transaction Report (TTR) for such transactions.

- k) If a legal entity is found to be transferring money to or from the personal account of any other individual, rather than through its own account (account opened in the name of the legal entity), or if a personal account is used for commercial transactions not permitted by existing regulations, the transaction must be reported to the Financial Information Unit as a suspicious transaction. **(New Addition)**
- l) BFIs should establish a dedicated AML/CFT department/unit, headed by a Compliance Officer at/of the managerial level. The following procedures should be implemented for appointing a compliance officer and reporting suspicious transactions: **(New Addition)**
- i. When appointing a compliance officer, the organization must ensure that the individual is not a family member or close relative of any official from the relevant regulatory body or a senior management employee.
 - ii. When the BFI submits a report of suspicious transactions involving the compliance officer's family, arrangements must be made for the report to be sent by an officer who is not associated with the compliance officer.

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