

**Public Compliance Communication II. Real Estate
Agents- Risk Based Approach.**

FINANCIAL INTELLIGENCE UNIT

This Public Compliance Communication (PCC) provides sector specific guidance to the real estate sector on applying a risk-based approach in the implementation of their obligations under the Money Laundering and Proceeds of Crime Act of 2008 (as amended) and all supporting legislation.

Information in this PCC is intended to provide general direction, support and guidance only and does not constitute legally binding requirement or the only approach to implementing a risk-based approach by the Real Estate Sector.

Real Estate Agents are Designated Non-Financial Businesses and Professions (DNFBP's), and as such are listed as accountable institutions in terms of **Schedule 2 of the Money Laundering and Proceeds of Crime Regulations (2019)**

Real Estate Agents are therefore bound to implement their AML/CFT. Part 3, Regulation 22(2) of the Regulations stipulate that, the obligations incumbent to the Real Estate Agents when involved in transactions for clients or customers concerning the buying and selling of real estate.

Regulation 5, read with Regulation 22 specifies the Real Estate Agent shall implement their obligations using a Risk Based Approach, and this shall be done to ensure that measures to prevent or mitigate money laundering and terrorist financing are commensurate with the risks identified. In implementing the Risk Based Approach the Real Estate Agents shall have in place processes to identify, assess, monitor, manage and mitigate money laundering and terrorist financing risks.

Where higher risks are identified enhanced measures to mitigate those risks shall be applied, and equally where the risks are lower, simplified measures may be applied. However, where there is suspicion of money laundering or terrorist financing, no simplified measures shall be applied.

Below provided is a link to the sector specific Guidance Published by the Financial Action Task Force in the implementation of the Risk Based Approach by the Real Estate Sector.