

# AML Focus

APRIL 2025

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## Sharing our future plans

There's rarely a dull moment in the world of AML/CFT/CFP... and the time ahead looks set to be particularly action-packed! We recently published our programme of supervisory engagement to provide a flavour of what's in store over the next two years. You can read more about this on page 2.

Multiple workstreams are already in motion to support efforts to counter financial crime and complement the work taking place to update the Island's National Risk Assessment and prepare for our MONEYVAL evaluation. Future projects will focus on specific themes and topics, with risk-based work being delivered through a range of activities including inspections, data requests and compliance meetings.

By sharing our AML/CFT/CFP supervisory priorities for 2025-2027, we hope to assist Island firms with their forward planning, particularly in relation to anticipated demands on compliance functions. Our other supervisory divisions will be communicating their plans shortly.

As part of our extensive outreach, we're continuing to organise conferences, seminars and workshops, as well as updating guidance and publishing regular communications to keep you informed of developments.

Speaking of engagement, I really enjoyed presenting at the

recent Manx State of the Nation Conference (pictured) and taking the opportunity to network and chat with people from a variety of sectors. Thank you to the AICP for organising such an interesting and insightful day. We've published a copy of our PowerPoint slides, alongside a document responding to some of the main themes and topics raised during the Q&A panel session.

Looking ahead, my colleagues will be hosting a forum for designated businesses at the Manx Museum on 30 April, while you'll soon be able to reserve your place for the Countering Financial Crime Conference on 3 September. We're planning to extend the conference this year by using part of the following day (4 September) to deliver NRA briefings, so please save the dates in your calendars and look out for further details.

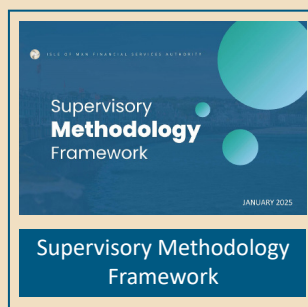
As always, we welcome your ideas for making the content of our events and communications as relevant as possible. Feel free to send your thoughts through to us at [aml@iomfsa.im](mailto:aml@iomfsa.im)

Thank you for your ongoing support. We recognise that we are asking a lot from our firms and really do appreciate your co-operation and understanding. Please continue to work with us in the weeks and months ahead to help showcase the Island as a well-regulated international finance centre.

**Ashley Whyte, Head of AML/CFT Supervision**



# Authority publications highlight direction of travel



## Videos raise awareness of Proliferation Financing

A series of videos has been published online to help raise awareness of the risks and requirements relating to proliferation financing (PF).

The recordings cover a range of key matters as part of an engagement programme to enhance understanding of PF and assist firms in meeting their obligations in relation to the AML/CFT Code 2019.

Several government agencies have been involved in the project alongside the Authority, including the Gambling Supervision Commission, Financial Intelligence Unit, Cabinet Office, and the Customs and Immigration Division of the Treasury.

Topics include an explanation of PF, an overview of the relevant sanctions regimes, PF red flags and typologies, and information about how to report suspicions.

### Further reading and viewing:

[PF introduction video](#)

[PF factsheet](#)

[PF questionnaire findings](#)

# Our supervisory priorities 2025-27

## ■ Plans to drive continuous improvement



We have published our two-year programme of supervisory engagement aimed at countering financial crime. The document highlights our supervisory priorities for 2025 to 2027 in relation to anti-money laundering (AML), countering the financing of terrorism (CFT) and countering the financing of proliferation (CFP).

The AML/CFT Supervision Division is leading on several risk-based workstreams to support the drive for continued improvement in standards of compliance with the Island's AML/CFT framework.

The AML/CFT/CFP work will be carried out in line with the engagement model published in the [Supervisory Methodology Framework](#). Resources will be focused on the firms and sectors perceived as posing the most significant

risk of money laundering, terrorist financing or proliferation financing. For lower risk firms there will be a greater emphasis on thematic work and outreach.

The supervisory programme includes a continuation of projects that have already started, alongside topical TF and PF thematic reviews and new areas of focus designed to complement our [Strategic Approach to Countering Financial Crime](#).

Work will be delivered through a suite of supervisory activities including inspections, data requests and compliance meetings.

Topics and approximate timelines will be included as part of the [At-A-Glance calendar](#), which provides advance notice of our future activities and key milestones.

# The importance of good data

## ■ Information provided by Island firms is crucial to economic wellbeing

**T**hematic reviews, surveys and questionnaires continue to be important elements of our risk-based supervisory approach. They offer an efficient and effective way to identify common issues and inform our picture of risk across different sectors.

We publish the findings of all our data requests to provide a snapshot of sector compliance and share examples of good practice and areas for improvement. Firms are encouraged to read the reports and consider any action necessary to ensure their own compliance regimes are effective, up-to-date and properly documented.

Revisiting thematic projects in future will allow us to compare the data and respond to any significant changes in the findings, with the aim of driving continued improvement in standards of compliance.

The data you provide feeds into our supervisory engagement planning, as well as the National Risk Assessment (NRA) and preparations for the Island's MONEYVAL evaluation.

Your submissions are also used to update our sector guidance and Handbook, and to identify any specific matters where



further outreach would help to enhance awareness and understanding. We can then plan events, workshops, webinars, presentations and newsletters to include information that is relevant to you.

We appreciate the continued co-operation and support provided by Island firms in response to our data requests. We recognise that providing the required information presents a significant workload and that much of

it falls on compliance teams that are already stretched. However, please note that we only request data that is absolutely necessary and in the best interests of the Island.

We always seek to provide as much preparation and turnaround time as possible in connection with our data requests, but there will be occasions when information is required at short notice, for example to inform the National Risk Assessment.

Please continue to work with the Authority, the Cabinet Office and other Government agencies so that together we can further evidence the Island's strong track record of compliance with international standards.

### FURTHER READING

[Sanctions thematic report](#)

[Insurance intermediaries thematic report](#)

## Calling all designated businesses

We are organising an event specifically for designated businesses as part of our ongoing programme of outreach and engagement.

The session at the Manx Museum Lecture Theatre on Wednesday 30 April 2025 will cover a range of key topics including supervision, the AML/CFT Code and preparations for the Island's MONEYVAL evaluation.

A short presentation will be followed by an open question-and-answer panel discussion with senior officers from the Authority.

There will also be an opportunity for attendees to chat more informally with our representatives before and after the main session.

The event is open to all registered designated businesses and places can be reserved via the Eventbrite website. As there is limited capacity at the venue, attendance is restricted to one space per entity. However, the presentation will be recorded and shared with all stakeholders via our website and social media channels.

[Eventbrite details](#)

## Updated version of SMF published

We have published an updated version of the [Supervisory Methodology Framework](#).

The only amendment relates to the definitions of risk, with the previous category of 'Medium Low' being renamed as 'Medium'. The section on 'How we assess risk' now refers to the scale of Low, Medium, Medium High, and High.

The descriptions of inherent risk and residual risk remain unchanged, as does our treatment of risk.



# Preparing for MONEYVAL

George Pearmain, Strategic Adviser on AML/CFT, sits down to provide some answers from his experience on how Jersey found the MONEYVAL evaluation, and how the Isle of Man is preparing for its next evaluation, with the onsite visit scheduled for October 2026.

## George Pearmain personal profile



George Pearmain is a leading strategic adviser on financial crime with more than 15 years of experience across the public, private and international organisation sectors. George previously worked at the Secretariat to the Financial Action Task Force (FATF) (2018-2020), representing the international standard-setter in global meetings, country evaluations, and policy initiatives.

As Director of Financial Crime Strategy for the Government of Jersey and Head of Delegation to MONEYVAL (2020-2024), he led extensive AML/CFT reforms in the country, securing Jersey's recognition as one of the top-rated jurisdictions globally under the last round of FATF evaluations.

Internationally, George has co-led FATF policy work on beneficial ownership, evaluated prominent jurisdictions worldwide (the UAE, Germany, Bulgaria), and has been a member of the FATF's International Co-operation Review Group (ICRG), focusing on Middle Eastern and African jurisdictions on the grey list. In 2024, he also co-led the FATF's Training Project Team, shaping global AML/CFT training initiatives.

George provides strategic advice to countries around the world on all matters concerning the FATF standards.

1

### What were your key takeaways from Jersey's MONEYVAL evaluation?

The Jersey MONEYVAL evaluation was a huge collaborative effort from all agencies and industry, which ultimately resulted in a great result for the island with Jersey receiving the highest rated report of any IFC globally in the last round of evaluations. I think the greatest overall takeaway was the benefit that all agencies and industry felt of being more aligned, communicating more regularly and understanding more about financial crime risk – all of that occurred through a planned strategy that was delivered between 2020-2024. Overall, it was this effort that was most rewarding for all who took part.

I think a second takeaway was that it is actually possible for smaller jurisdictions, who are also significant IFCs, to demonstrate to international assessment teams that we understand our risks and can effectively mitigate them! In the past, there has been a view that the FATF system unreasonably disadvantages smaller jurisdictions. I think the reports of Jersey, Guernsey, Liechtenstein and Bermuda are all evidence that this is not necessarily the case. Jurisdictions can do well if they put in the right preparation and are ready for assessment.



2

### What preparation milestones have been achieved in the Isle of Man to date?

The Isle of Man has made some good steps so far, 18 or so months out from onsite. Of particular note is the ongoing National Risk Assessment processes. While they are still ongoing, the work on the risk assessments is really comprehensive. It should provide the most detailed assessment picture both for agencies, and for industry, that the Isle of Man has ever completed. That is designed to be a guide to aid risk mitigation. I hope as they are published in 2025, they are deemed to be really useful documents. There have also been many changes behind the scenes in national co-ordination, areas of policy work around beneficial ownership and companies registry changes, changes to the supervisory regimes and criminal justice procedures.

All these changes are significant on the road to MONEYVAL. The formal MONEYVAL Preparation Group recently started meeting and there will be more engagement with the private sector through 2025/26 in the build up to the on-site. Industry can expect to know much more about the MONEYVAL process and the Isle of Man's approach by later this year.

3

### How can Isle of Man firms best support the evaluation process?

The MONEYVAL process really is a cumulative effort between the public and private sectors. There will be increasingly more engagement this year about the MONEYVAL process itself from Government and the agencies,

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***“Being able to gather data, information and evidence to demonstrate effectiveness is a real challenge for all countries.”***

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and I would encourage all firms to read, watch, listen and attend events where this is spoken about.

Maybe more important than this is being aware of the national risk assessments. If you are contributing to any of the risk assessments by providing data or providing opinion in working groups, this is very valuable. When the risk assessments are published, please carefully consider them, circulate them around your firms, think how these risks might apply to your line of business and, of course, amend your business and customer risk assessments to take into account the national risk assessments. Finally, as you get into 2026, there will be briefings and preparations for the evaluation. Firms will become more aware if they are likely to be invited to interview with the assessment team, although it is the choice of the assessment team who they invite which is then facilitated by the country.

**4**

**What can we expect over the next 18 months?**

There will be a lot of information coming out, in the form of updates about the MONEYVAL evaluation process, national risk assessments across a range of topics, some new further legislation and policy alongside likely changes to guidance and processes. All of this will seem a lot, although the experience was fairly similar for both Jersey and Guernsey with both having a large amount of material being published in the two years before evaluation. However, the

process through to the evaluation and what awaits the other side will also become clearer.

There will be increasing communication from all agencies but under the “Isle of Man – Countering Financial Crime – An All-Island Approach” banner, so the content and messaging should be clear and unambiguous. And finally, the evaluation year will be very busy for all concerned. It is the case in almost all jurisdictions. However, the evaluation will eventually move on and a more normal pace will resume, with a need to, of course, focus on follow up actions (which every country receives to a greater or lesser degree).

**5**

**In your opinion, what are the Island’s main challenges to achieving a positive outcome?**

The Isle of Man has some unique financial crime risks from financial services and the e-gaming industry. Those risks are ever-changing and being able to demonstrate



that you are dynamic enough to continue to understand and mitigate the risks, where possible, will be a challenge. There is also the case that with small jurisdictions and an increasingly large amount of more specific rules set by bodies like the FATF, there is only so much bandwidth to implement them, on both the public and private sector side. This is being managed in the Isle of Man, but it remains a challenge for all jurisdictions and prioritisation is critical here.

Finally, being able to gather data, information and evidence to demonstrate effectiveness is a real challenge for all countries – the Isle of Man will also find this challenging in the next 18 months, but they are putting in place good foundations to achieve this.

**6**

**Approximately when will the Island know the outcome of the evaluation process?**

The process is a really long one, and this is something I hear from industry around the world when in country talking to them about any FATF process. They say it feels like the last one only recently ended, and here they are preparing for the next evaluation! Ultimately from Spring 2025 (where we are today) it will still be some two and a half years until the result is published. The report will be discussed in the MONEYVAL Plenary session in the summer of 2027, and published usually some two months or so after that time. Due to the strict confidentiality procedures, the authorities won’t be able to disclose the provisional outcome to anyone in industry until the report is published.

# Officers contributing to typologies project

Officers from the Authority recently contributed to a virtual meeting organised by MONEYVAL to progress its new typologies project “Practice of Using Virtual Assets, Virtual Asset Service Providers & Platforms in the Laundering of Criminal Property”.

Our colleagues joined representatives from Azerbaijan, Estonia, Czechia, Gibraltar and Romania to exchange views and ideas on the scope of the project, timeline and deliverables.

The project builds on the findings of the 2023 MONEYVAL study and aims to increase the understanding of the use of virtual assets in respect of circumventing targeted financial sanctions, including the ‘Travel Rule’ on Virtual Assets.

The project team intends to prepare a preliminary draft report and present an update on the status of its work to Plenary in December 2025, with a view to its adoption by the MONEYVAL Plenary meeting in second quarter of 2026.

## Island must meet higher standards

### ■ Preparations progressing for MONEYVAL



**T**he standards for compliance in the sixth-round MONEYVAL evaluation taking place in October 2026 will be higher than before. The Island will be required to provide substantial evidence of the effectiveness of its AML/CFT regime and how supervision and enforcement measures are applied in practice.

Preparations are already well advanced across multiple Government agencies, with the aim of demonstrating how the Island complies with international standards and remains well placed to attract quality new business and investment.

Private sector input will be fundamental to securing a positive Mutual Evaluation Report (MER) and a programme of outreach and engagement with Island firms is currently being ramped up.

The preparation for MONEYVAL includes the publication of an updated National Risk Assessment and a documented Risk Appetite Statement. Data gathering and analysis is being stepped up as part of these initiatives to support the Island’s commitment to combating money laundering, the financing of terrorism and the financing of proliferation of weapons of mass destruction.

MONEYVAL assessed the Island’s legislation, policies and procedures during its last onsite visit in 2016. A significant amount of progress has been achieved since then, with the Island positively marked in 39 out of the 40 FATF recommendations.

There will be a firm focus on public-private sector collaboration in the time ahead to ensure the Island is well placed to maintain its positive reputation.

### Next phase of sanctions thematic project underway

We are progressing the next stage of our thematic review to assess AML/CFT compliance in relation to sanctions.

Following the successful completion of Phase 2 of the project, which started in January 2024 with a focus on banks and money transmission service licenceholders, Phase 3 will be risk-driven and cover firms in other sectors.

The work forms part of our supervisory engagement plan for 2025/26 and will be led by the AML/CFT Supervision Division in conjunction with other supervisory divisions where appropriate.

In Phase 3, requests for relevant documentation to be provided to the Authority will be sent to Island firms at the same time as they are notified of their inclusion in the project.

The nature and scale of the project means that notifications, and the involvement of individual licenceholders and designated businesses, will be staged over time.

Further assistance and guidance in relation to the Anti-Money Laundering and Countering the Financing of Terrorism Code 2019 is available on our AML/CFT webpage.

The work aligns with the Island’s commitment to fulfilling its international obligations.



# Phase two of estate agents review to be published soon

## ■ Report will highlight findings from onsite inspections of Island firms

The findings of Phase 2 of the thematic review relating to the Island's estate agents are set to be published in June. Ahead of the release of the report, we would like to remind estate agents, and all firms, of some recommendations to best demonstrate compliance with the AML/CFT Code 2019:

- We strongly encourage the use of our [sector specific guidance](#). This is a valuable document that can be read in conjunction with the AML/CFT Code 2019 and the Handbook to gain a better understanding of a firm's AML/CFT obligations.
- Firms should seek to treat both sides of the relationship (for example, the purchaser and seller or landlord and tenant) as the customer, in line with international standards.
- Firms should ensure that source of funds is always established for transactions. For the property seller this means the funds used to purchase the property that is now being placed on the market for sale. For the property buyer this means the funds being used to purchase the property.
- Ensure evidence of sanctions and any adverse media screening is clearly documented. This is key in demonstrating compliance with



The estate agents thematic review consisted of two core phases:

**Phase 1:** a questionnaire issued to all 20 registered estate agents (as at April 2024) of which findings were published in August 2024; and

**Phase 2:** comprising onsite inspections involving circa 70% of the Island's estate agents.

paragraph 4(1)(a)(ii) of the AML/CFT Code 2019 as well as a firm's own procedures and controls.

- Version controls/histories are vital in evidencing the history of reviews, enhancements to policies, procedures and controls. This is especially important for the Business Risk Assessment/Technology Risk Assessment and demonstrating compliance with paragraphs 5(2)(c) and 7(2)(e) of the AML/CFT Code.
- Customer Risk Assessments should

consider all properties involved in the customer relationship. When risk assessing customers, this should include all products or services offered, to holistically understand the cumulative ML/FT/FP risk posed.

Following the thematic, the Authority will seek to obtain valuable input from firms to feed into the Island's National Risk Assessment, which is currently being reviewed and updated. This will also present the opportunity for us to assist firms in fulfilling their AML/CFT obligations under the AML/CFT Code 2019 through collaborative engagement.

Estate agents are invited to attend the event being held at the Manx Museum on 30 April 2025. This forum will provide valuable insights into the latest developments impacting Designated Non-Financial Businesses and Professions (DNFBPs).

The Estate Agents Thematic Phase 2 report will contain further detail regarding the findings and observations from the inspection programme, including guidance, best practice and tips for firms to comply with the Code.

### Links:

[Sign up for the DNFBP event](#)

[Phase 1 report](#)

[Sector specific guidance](#)



# It's vital to stay alert to the risk of identity laundering

■ We put the spotlight on ML/FT/FP risks of citizenship by investment

With the announcement of Donald Trump's 'Gold Card' in recent months, it's a timely moment to take a brief look at the potential ML/FT/FP risks arising from the often controversial 'citizenship/residence by investment' ('CBI'/'RBI') or 'golden visa' schemes and consider how a compliance officer may approach such risks.

In August 2023, Singapore's biggest ever money laundering case led to the seizure or freezing of USD +2 billion in assets. Ten individuals from Fujian, China were arrested. However, their passports suggested a different story – they collectively held passports issued from a variety of jurisdictions with CBI programmes, including Dominica, Cyprus, Turkey, Cambodia, Vanuatu, and Saint Kitts.

Further, the individuals had obtained their residence in Singapore through an RBI scheme. This case study highlights the extensive use of CBI/RBI schemes in the attempt to distance the true identity of criminal actors from their illicit activities.

CBI and RBI are types of investment migration which grant individuals expedited pathways to citizenship/residency. The FATF defines 'investment migration' as "a type of migration where citizenship or residency in a jurisdiction can be effectively purchased through an investment in the host jurisdiction's economy."

The London School of Economics points



out that with investment migration, actual physical relocation or migration is not strictly necessary, and that, rather, the point of CBI is mobility, which can be categorised in three ways: 1) freedom of movement, 2) access to IFCs, and 3) identity laundering.

In certain cases, use of a CBI scheme may be an attempt to shield a perpetrator from extradition, prosecution, or asset recovery if no such agreements exist between the jurisdiction in which a crime was committed and the assumed jurisdiction.

In 2022, the UK announced the axeing of its Tier 1 (Investor) Visa (launched in

2008), an RBI programme which granted foreign investors and their families indefinite leave to remain. The duration of the process to residency was linked to the size of the planned investment. For example, residency rights took five years for an investment in UK companies of £2m, whereas an investor of £10m was only required to wait two years before being granted indefinite leave to remain.

Between 2008 and 2015, a total of 2,152 'golden visas' were issued to Russian investors, while 2,786 were granted to investors from China – during this period

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**'Spotlight on Corruption' highlights a link between Golden Visas and possible risks to national security involving dirty money**



# ‘CBI schemes could be an effective way for an illicit actor to create a distance between the originating jurisdiction in which dirty money is generated’

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little or no checks were carried out on applicants’ source of wealth. The non-profit Spotlight on Corruption identified that 6,312 Tier 1 Investor Visas (or half of all those issued) had undergone review for posing possible risks to national security involving ‘dirty money’.

CBI schemes could be an effective way for an illicit actor to create a distance between the originating jurisdiction in which dirty money is generated, for example by embezzlement or corruption, and the international financial centre in which those funds are placed. A 2015 Transparency International report declared it “highly likely that substantial amounts of corrupt wealth from China and Russia have been laundered into the UK” through the Tier 1 (Investor) Visa regime.

The highest number of Tier 1 (Investor) Visa recipients between 2010 and 2018 were from Saint Kitts, Monaco, and Dominica. This indicates that the applicants are likely ‘serial investor migrants’, having first obtained CBI in these jurisdictions first before seeking CBI in the UK to raise their “mobility portfolio”.

An individual using an alternative passport obtained through an investment migration scheme may be attempting to separate the identity under which



they carried out illicit activity from their acquired nationality through which they can enjoy the proceeds of that activity within the global financial system.

A legal change of name via deed poll, when paired with the acquisition of a new passport via CBI, can act to obfuscate an individual’s original identity and provide a distance between what an individual may have previously been known as.

When conducting customer due diligence (CDD) and screening on an individual who may have an acquired ‘golden passport’, it would be prudent to consider issues arising from: the transliteration from one alphabet to another (for example,

from Cyrillic or Hanzi to a Romanized language) or cultural complexities to do with different naming conventions across the world.

For example, in some regions, such as Latin America/the Middle East, it’s common for a person’s given name on an ID document to include the name of their parent or grandparent. There are many factors which may lead to discrepancies between various ID documents issued by different jurisdictions. Search parameters when conducting screening should be broad enough to account for issues such as these.

Businesses must ensure they really know their customer, or prospective customer, to understand whether they may be attempting to use a purchased nationality for illicit purposes. Remember, as the Authority’s AML/CFT Handbook says, CDD is a cumulative process with more than one document or data source being required to verify relevant components. It is crucial that the dual aspect of the source of funds is understood and documented in all relationships.

Where a compliance officer has concerns that an illicit actor may be attempting to use a golden passport to evade detection, the enhanced customer due diligence measure of taking reasonable measures to understand the source of a customer’s wealth should be pursued.



# Civil penalties issued for beneficial ownership contraventions

The Authority may issue civil penalties for non-compliance with the requirements of the Act in lieu of criminal proceedings.

Following our update in October's edition of this newsletter, the following civil penalties for beneficial ownership non-compliance have been enforced.

- One CSP Nominated Officer has been required to pay civil penalties for four instances of a contravention of section 20(3) of the Act (failure to submit the information specified in subsection (5) (the required details) to the Department),

which is an offence under section 20(8)(a) of the Act (in the sum of £5,000 per contravention and collectively totalling £20,000, alongside one instance of a contravention of section 20(1) of the Act (failure to take all reasonable steps necessary to ascertain whether a legal entity to which the Act applies has a registrable beneficial owner), which is also an offence under section 20(8)(a) of the Act (also in the sum of £5,000 per contravention).

The total amount of civil penalties payable, therefore, was £25,000.

# Order gives Obligated Entities access to Island's BO database

## ■ Move is part of commitment made in line with Jersey and Guernsey

The Beneficial Ownership (Obligated Entities Access) Order 2024 came into operation on 31 December 2024. This Order has come about as part of a commitment – made in line with the other Crown Dependencies of Jersey and Guernsey – to widen access to beneficial ownership information for the shared global aim of countering financial crime.

The Order allows 'obliged entities' access to information held on the Isle of Man's Database of Beneficial Ownership ('the Database').

### What is an 'obliged entity'?

An 'Obligated Entity' is any person or body carrying on a business activity to which:

- the Anti-Money Laundering & Countering the Financing of Terrorism Code 2019 ('AML/CFT Code') applies in accordance with paragraph 2(6) to (10) of Schedule 4 to the Proceeds of Crime Act 2008; or
- the Gambling (Anti-Money Laundering and Countering the Financing of Terrorism) Code 2019 ('G-AML Code') in accordance with paragraph 2(11) of Schedule 4 to the Proceeds of Crime Act 2008.

In effect, this covers certain financial service businesses licensed by, and designated businesses ('DNFBPs') registered with, the Financial Services Authority (the 'Authority'), alongside those businesses licenced by the Gambling Supervision Commission (the 'Commission').

### Why might an Obligated Entity wish to access this information?

Obligated Entities may find it useful to access the Database's information for the purposes of customer due diligence.

Customer due diligence is generally a cumulative process with more than one document or data source being required to verify relevant components. Obligated entities may wish, therefore, to cross-reference the due diligence information they hold against the information held on the Database. Obligated Entity access is permitted only for the purpose of carrying out functions in respect of Parts 4 of the AML/CFT Code or the G-AML Code (relating to CDD).

### What information can be accessed from the Database?

Obligated entities may make requests for beneficial ownership information concerning specific entities. The

information that can be provided will be current, and limited to the 'required details' of any registrable beneficial owners, being:

- Full Name
- Residential address
- Nationality
- Date of birth
- The date on which a beneficial ownership interest was acquired; and
- The nature and extent of any beneficial ownership interest (expressed as a percentage).

### How can you register as an Obligated Entity?

An organisation can register a maximum of 5 employees for Database access. This can be done by submitting a Form OE1 to the Companies Registry via the email address [obligedentity@gov.im](mailto:obligedentity@gov.im).

### Is access to the Database free for obligated entities?

There is a fee of £50.00 for an ad hoc search. An Obligated Entity may pay a subscription fee of £30,000 for an unlimited number of searches for a one-year period.



# Building on the success of last year's CFC conference

■ Places will soon be available to book for event on 3 September



**T**he Isle of Man is reaffirming its commitment to combating financial crime by hosting a major conference at the Villa Marina on Wednesday 3 September 2025.

The Countering Financial Crime Conference 2025 will seek to build on the success of last October's event by once again bringing together leading practitioners, experts and policymakers.

Speakers will share their professional insight and highlight best practice aimed at countering money laundering, terrorist financing, proliferation financing and other financial crime. The agenda will feature visiting presenters who will

provide an international perspective on the latest developments and challenges.

The 2024 conference emphasised the importance of collaboration and the need for a robust and coordinated national response to combat criminal activity such as human trafficking and child exploitation. This year's event will build on those foundations by exploring emerging threats as well as new approaches aimed at strengthening the Island's defences against financial crime.

Representatives from the public and private sectors are being invited to save the date for the conference, which is being organised by the Financial Services

Authority in conjunction with other Government agencies.

Further information will be published in due course, including details of how to reserve places via Eventbrite. Ideas are welcomed for themes to be covered at the conference and any suggestions can be sent to [amlevents@iomfsa.im](mailto:amlevents@iomfsa.im)

The event, which is again being predominantly funded from the Seized Asset Fund, will support efforts to maintain the integrity of the Island's financial services sector through capacity building and the exchange of knowledge.

[Videos of CFC Conference 2024](#)

## Updates to AML/CFT Handbook and sector guidance

An updated AML/CFT Handbook is available to view on our website. Clean and Tracked Changes versions of the document have been produced to capture some minor amendments and provide additional clarity following recent legislative changes.

Changes to note include:

- Guidance is now colour-coded to differentiate between references to regulations and legislation
- Additional information included in relation to Commercially Exposed

### Persons (CEPs)

- Further clarity provided to the Customer Risk Assessment guidance
- Updates to ongoing monitoring requirements in respect of Source of Funds and Source of Wealth
- Splitting out of terminology for Money Laundering (ML), Terrorist Financing (TF) and Proliferation Financing (PF) for additional clarity
- Minor typographical errors corrected, and hyperlinks updated

where appropriate

We have also published revised sector specific guidance for accountancy and tax advisors, moneylenders, and safe custody and administering/managing money on behalf of another person.

These documents have been amended to bring them into line with the updates to the Island's AML/CFT framework legislation made in October 2024. A full review of all sector-specific guidance will be undertaken following the publication of the Island's National Risk Assessment later this year.



## Travel Rule Code webinar and guidance published

Guidance has been published to raise awareness and understanding of the Travel Rule (Transfer of Virtual Assets) Code 2024.

The updated legislation came into operation in October 2024 and ensures greater alignment with international standards and the definitions and terminology set by the Financial Action Task Force (FATF), the organisation that leads global action to counter money laundering, terrorist financing and proliferation financing.

We hosted a launch event for representatives of the Island's Virtual Asset Service Provider (VASP) sector. The presentation and Q&A session covered key aspects of the Travel Rule Code and what it means for industry, including the requirement to transfer and retain certain customer information when conducting virtual asset transactions.

The presentation slides are available to view on the Authority's website as part of a recorded webinar. New Travel Rule Code guidance has been published, while the VASP sector guidance has been updated to reflect the legislative amendments to the Island's AML/CFT framework.

There will be a further update to the VASP sector guidance following the publication of the Island's National Risk Assessment.

### Further reading and viewing

[VASP webinar](#)

[Travel Rule Code guidance](#)

[VASP sector guidance](#)

[MONEYVAL FAQs - page 14](#)

# Work progressing to update the NRA

## ■ Outreach with industry being stepped up

*'A robust National Risk Assessment is an essential part of efforts to mitigate ML/FT/PF threats and maintain compliance with international standards.'*

Jane Poole-Wilson MHK, Deputy Chief Minister and AML/CFT Lead for the Isle of Man Government



Extensive work is continuing to take place to support the publication of the Isle of Man's updated National Risk Assessment (NRA).

Key information is being collated and analysed to identify threats to the Island in relation to money laundering (ML), terrorist financing (TF) and proliferation financing (PF), and to consider the relevant controls and mitigations in place. The findings will inform national policies aimed at countering financial crime and maintaining the Island's reputation as a well-regulated international finance sector.

The third NRA, building on the reports published in 2015 and 2020, will also strengthen preparations for the MONEYVAL evaluation taking place in October 2026 and assist firms in enhancing their compliance frameworks.

While good progress continues to be achieved through public-private sector collaboration, the significant volume of data required to produce a comprehensive NRA has prompted a revision to the publication timetable.

Work is well advanced on many of the main themes and specific sectors, with the TF report scheduled to be issued early this summer, followed by the assessment of Non-Profit Organisations. The ML report is now expected to be finalised and released in the autumn, while the PF risk assessment is timetabled for publication in late 2025.

Multiple Government agencies are working in partnership to address all aspects of the risk assessments, drawing on the knowledge and experience of industry representatives, as well as experts from outside the Isle of Man.

Several workshops have been held to raise awareness of the NRA and how businesses can contribute to the process to ensure the Island continues to demonstrate the effectiveness of its ML/FT/PF frameworks.

Outreach will be stepped up in the time ahead to provide updates on the sector and topic-based assessments, explain the revised delivery timetable in more detail and encourage further input from industry.

# We're committed to making a positive difference

## ■ Maintaining the Island's reputation as a successful place to do business

**T**he Authority's Annual Report for 2023/24 underlines our commitment to supporting the Island's reputation as a successful place to do business.

The content highlights how we are strengthening our core activities and embracing technology to create the right environment to foster a thriving and sustainable economy.

The theme is 'Making a Difference' and captures the progress we have made in meeting our objectives of protecting consumers, reducing financial crime and maintaining confidence in the finance sector through effective regulation.

After a period of significant change, our current focus is on embedding the updated supervisory approach and



organisational structure, as well as enhancing data collection and analysis.

The report explains how we are targeting resources in line with a firm's size, the type of activities it conducts and its potential to disrupt the Island's financial system. The aim is to deliver better outcomes by driving a consistent and

proactive programme of supervisory engagement.

Work is being underpinned by the increased use of data and innovative ways of working, with a view to achieving greater automation, straight-through processing and exception reporting.

A firm focus is placed on working collaboratively with industry and Government in the best interests of the Island. This includes efforts to demonstrate the long-term effectiveness of the Island's AML/CFT regime.

The annual report, which covers the period 1 April 2023 to 31 March 2024, also sets out the Authority's financial statements, in addition to providing updates on priority workstreams and an insight into future plans.

## Don't miss AML Wednesdays



Is AML Wednesday part of your weekly routine? Our engagement programme includes posting an item on LinkedIn each week to highlight AML/CFT/CFP-related news, reminders and guidance.

Please email [aml@iomfsa.im](mailto:aml@iomfsa.im) with ideas for future topics and be sure to follow the Authority on LinkedIn... as well as AML/CFT content we post general updates, job opportunities, and links to consultations.

**Link: Authority LinkedIn**

## Manx State of the Nation Q&A

We delivered a presentation at this year's Manx State of the Nation Conference organised by the Alliance of Isle of Man Compliance Professionals (AICP).

Bettina Roth, Chief Executive Officer, set out the Authority's priority workstreams and emphasised the need for collaboration to maintain the Island's reputation as a well-regulated international finance centre.

Ashley Whyte, Head of AML/CFT Supervision, provided an update on the Island's National Risk Assessment and preparations for the MONEYVAL evaluation in 2026, while Matt Touzel, Head of Enforcement, highlighted a range of key issues regarding the Authority's approach to remediation and enforcement.

Following the presentation, our officers took part in a question-and-answer



panel session to respond to enquiries from members of the audience.

As there was insufficient time to answer to all the questions that were submitted on the day, a Q&A document has been published on the Authority's website covering the main themes and topics raised.

## What is a Mutual Evaluation?

The Mutual Evaluation is conducted by a team of evaluators comprising experts from a number of MONEYVAL member jurisdictions and members of the MONEYVAL Secretariat. They assess the two key elements - Technical Compliance and Effectiveness.

The MONEYVAL assessment comprises many different stages which include:

- The submission to MONEYVAL of questionnaires in respect of both technical compliance with the standards and the effectiveness of the measures in place
- Consideration by the assessment team of the information submitted
- An onsite visit by the assessment team, during which they will

interview the public and private sector

- A reporting process which involves several drafts of the Mutual Evaluation Report (MER) that will be produced by the assessment team. The assessors set out in the MER their findings regarding technical compliance and effectiveness and provide recommendations in respect of where improvements should be made
- Consideration and discussion at the MONEYVAL Plenary of the MER and the establishment of follow up measures to be taken by the Isle of Man and the way progress in implementing these will be reported to MONEYVAL

## Will it be the same as the last MONEYVAL evaluation?

The international standards have evolved since the last evaluation in 2016. Evidencing our effectiveness will be key and the bar is set much higher. We must be able to demonstrate that we have made progress since 2016 and the process is anticipated to be even more robust this time.



## What type of information does the assessment team consider?

To assist the assessment team in its evaluation, the Island is required to submit a large amount of documentation and responses to two separate questionnaires, one in relation to Technical Compliance against the FATF's 40 Recommendations and the other relating to the Island's effectiveness in meeting the 11 Immediate Outcomes (IOs).

In addition to the written submissions, the assessors will engage, during the course of their visit in October 2026, with all of the Island's competent authorities involved in the fight against ML/TF/PF. These meetings will focus in on areas that the assessment team have a particular interest in or require further clarity on, using the submissions on the two questionnaires.

An important element of the onsite visit is interviews with the assessment team and representatives of firms across all sectors. A number of firms will be interviewed by the assessors as they seek to understand how well financial crime risk is understood on the Island, and how well businesses apply preventative measures.

We would love to hear from you! Please send any questions to [aml@iomfsa.im](mailto:aml@iomfsa.im)

## What is MONEYVAL?

MONEYVAL is a permanent monitoring body of the Council of Europe. It is a FATF-style Regional Body (FSRB), and as such undertakes mutual evaluations in respect of assessing countries' compliance with the FATF standards. MONEYVAL makes recommendations to national authorities in respect of necessary improvements to their AML/CFT/CPF regime.

## Why is the Isle of Man being assessed?

The FATF Recommendations are applicable to all countries, and as such the Isle of Man is part of an ongoing cycle of Mutual Evaluations undertaken to test compliance with the FATF Methodology.

In the case of countries that are members of an FSRB, these assessments are undertaken by that FSRB, namely MONEYVAL for the Isle of Man.

## What should industry expect?

The Isle of Man competent authorities will be engaging directly with industry in the lead up to the MONEYVAL assessment with the intention of raising awareness about important financial crime risk matters and the MONEYVAL process itself.

Events will be run for industry before the assessment, focusing on a range of issues including the National Risk Assessment.

Some industry representatives may be invited to the country training being held in October 2025.

The industry representatives that will be required to attend the interviews being held at the onsite visit in October 2026 will be chosen by the assessment team and will be informed closer to the time.