



FINANCIAL REPORTING CENTRE

GUIDANCE ON REGISTRATION OF REPORTING INSTITUTIONS WITH THE FINANCIAL REPORTING CENTRE

REVISED 12th March 2021

GUIDANCE ON REGISTRATION OF REPORTING INSTITUTIONS FRC/RG/01

CONTENTS

PART I - Scope and Statement of Policy

- 1.1 Title
- 1.2 Authorization
- 1.3 Application
- 1.4 Eligibility
- 1.5 Purpose
- 1.6 Responsibility
- 1.7 Review

PART II - Application Procedures

- 2.1 Application through goAML
- 2.2 Registration requirements

PART III - Information Required

- 3.1 Required Particulars
- 3.2 Applicants Incorporated Outside Kenya
- 3.3 Group Structure
- 3.4 Organisation Structure
- 3.5 Ultimate Beneficial Owner
- 3.6 Source of Funds
- 3.7 English Language

PART IV - Approval Process for Registration Request

- 4.1 Completeness of Application
- 4.2 Verification of Information
- 4.3 Determination of Application

PART V - Appraisal of Application

- 5.1 Registration Details
- 5.2 Notification of Unsuccessful Application

PART VI - Effective Date

PART VII – Enquiries

PART VIII - FORM FRC RF 1-1

PART I - SCOPE AND STATEMENT OF POLICY

1.1 Title:

Guidance on Registration of Reporting Institutions with the Financial Reporting Centre.

1.2 Authorization:

This Guidance is issued under Sections 47A and 24B of the Proceeds of Crime and Anti-Money Laundering Act (No. 9 of 2009) (POCAMLA).

1.3 Application:

This Guidance applies to all reporting institutions to whom POCAMLA applies.

1.3.1 Section 2 of POCAMLA defines a “reporting institution” as meaning a financial institution and designated nonfinancial business and profession.

1.3.2 Designated non-financial businesses or professions is defined in the POCAMLA as meaning—

- (a) casinos (including internet casinos);
- (b) real estate agencies;
- (c) dealing in precious metals;
- (d) dealing in precious stones;
- (e) accountants who are sole practitioners, partners or employees within professional firms;
- (f) non-governmental organisations;
- (g) trust and company service providers;
- (h) such other business or profession in which the risk of money laundering exists as the Minister may, on the advice of the Centre, declare.

1.3.3 A financial institution in the POCAMLA is defined as meaning any person or entity, which conducts as a business, one or more of the following activities or operations —

- (a) accepting deposits and other repayable funds from the public;

- (b) lending, including consumer credit, mortgage credit, factoring, with or without recourse, and financing of commercial transactions;
- (c) financial leasing;
- (d) transferring of funds or value, by any means, including both formal and informal channels;
- (e) issuing and managing means of payment (such as credit and debit cards, cheques, travellers' cheques, money orders and bankers' drafts, and electronic money);
- (f) financial guarantees and commitments;
- (g) trading in—
 - (i) money market instruments, including cheques, bills, certificates of deposit and derivatives;
 - (ii) foreign exchange;
 - (iii) exchange, interest rate and index funds;
 - (iv) transferable securities; and
 - (v) commodity futures trading;
- (h) participation in securities issues and the provision of financial services related to such issues;
- (i) individual and collective portfolio management;
- (j) safekeeping and administration of cash or liquid securities on behalf of other persons;
- (k) otherwise investing, administering or managing funds or money on behalf of other persons;
- (l) underwriting and placement of life insurance and other investment related insurance; and
- (m) money and currency changing;

1.4 **Eligibility:**

If you are a designated non-financial business or profession or a financial institution conducting as a business, one or more of the activities or operations indicated in clause 1.3 above, POCAMLA is applicable to you and are accordingly obliged to register with the Financial Reporting Centre (FRC).

1.5 **Purpose:**

The purpose of this Guidance is to provide information to applicant reporting institutions seeking to register with the Financial Reporting (FRC) and the conditions the Applicant should fulfil to register with FRC. The Guidance provides information on the procedures to be followed, forms to be completed and information to be provided when an Applicant reporting institution applies register with the FRC on the FRC's registration platform namely goAML Web Application ("goAML").

1.6 **Responsibility:**

It is the Applicant's responsibility to ensure compliance with this Guidance. It is therefore important that this Guidance is read carefully before proceeding to the registration platform so as to ensure that all required information and documents are available at hand during the registration process.

1.7 **Review:**

The procedures provided in these Guidance will be subjected to ongoing review and may be changed or updated as need arises to reflect any new developments that may occur in the POCAMLA, the POCAMLA Regulations, 2013, any other relevant legislations or changes in goAML.

PART II - APPLICATION PROCEDURES

2.1 **Application through goAML:**

All prospective applicants seeking to register with the Financial Reporting Centre, should do so through the online goAML Web application registration system.

2.2 **Registration requirements:**

Before applying for registration, Applicants should carefully check their eligibility and ensure that that they fulfil the required registration requirements. Only Applicants who meet the registration requirements set out in this Guidance will have their applications processed or formally considered.

PART III - INFORMATION REQUIRED

3.1 Required Particulars:

Section 47 (A) 2 of POCAMLA stipulates that the registration of a reporting institution shall be accompanied by such particulars as the FRC may require. In line with this provision, every registration application submitted to the FRC should contain the particulars listed below in respect of the applicant reporting institution:

- (a) A duly completed application form (*Form FRC RF 1-1*) which information therein should include amongst others:
 - (i) the legal name of the applicant reporting institution as a natural person, legal person or legal arrangement;
 - (ii) the details of the Chief Executive Officer (CEO), Managing Partner or person of similar designation of the applicant reporting institution(*Paragraph 8 of Form FRC RF 1-1*);
 - (iii) the details of the Directors or Partners of the applicant reporting institution(*Paragraph 10(a) of Form FRC RF 1-1*);
 - (iv) full contact details of the reporting institution;
 - (v) such other information as specified in the form.

Form FRC RF 1-1 forms part of this Guidance and may be accessed on the FRC's website at www.frc.go.ke.

- (b) A certified copy of the certificate of incorporation of the applicant in the case of a legal person, certificate of registration in the case of a legal arrangement or national identity number in the case of a natural person.
- (c) Certified copy of valid Personal Identification Number of the applicant reporting institution from the Kenya Revenue Authority (KRA PIN).
- (d) The full name and contact details of the Money Laundering Reporting Officer (MLRO) and the alternate or Assistance MLRO of the applicant institution together. (*Paragraph 9 of Form FRC RF 1-1*);
- (e) Such further other particulars, as may be determined by the FRC from time to time.

3.2 Applicants Incorporated Outside Kenya:

In case of an applicant reporting institution incorporated outside Kenya, the Applicant should provide notarized copies of the documents specified in clause 3.1 (a), (b), and (d) above. The Applicant should also submit the following:

- (a) the name and contact details of a designated person(s) from the Head Office authorized to liaise with the Financial Reporting Centre.
- (b) Valid Personal Identification Number (PIN) issued by the relevant tax authority in the country of origin.

3.3 **Group Structure:**

If the Applicant has links to, or is part of a group of companies (either as a parent, associate, subsidiary or joint venture) the application should include a comprehensive diagrammatic representation of the group structure.

3.4 **Organisation Structure:**

The Applicant should submit the organisation structure of the institution amongst others, clearly indicating the position of the MLRO in the organisation.

3.5 **Ultimate Beneficial Owner:**

The Applicant should submit details of the ultimate beneficial shareholder, director or owner of the applicant reporting institution. The details should include the full names, postal and physical addresses, telephone number, email address, nationality, identification card number or passport number together with date of expiry, KRA PIN No. (or its equivalent if from another jurisdiction). (*Paragraph 10 (b) of Form FRC RF 1-1*)

3.6 **Source of Funds:**

The application will include a declaration that the sources of applicant reporting institution's capital are not as a result of proceeds of crime.

3.7 **English Language:**

All submitted documents should be in the English language.

PART IV - APPROVAL PROCESS FOR REGISTRATION REQUEST

4.1 **Completeness of Application:**

The Applicant should ensure that information provided during the registration request is complete, accurate and that all required information together with all the relevant documentation is submitted as required.

4.2 **Verification of Information:**

Upon receipt of the completed registration application form together with all supporting information and documents, the FRC will verify the information and documents provided by the Applicant.

4.3 **Determination of Application:**

Based on the verification undertaken by the FRC, the FRC shall within twenty-one (21) days or such other longer period as may be necessary, determine the application through any of the following decisions.

a) **Approve the application for registration:**

Where the application and all the information and documents submitted meets the prescribed requirements, the FRC will proceed to approve the request for registration.

b) **Request for additional information or clarification:**

If the information provided is incomplete or in need of clarification, the FRC may request for additional information or clarification from the Applicant or require the Applicant to fulfil certain specified conditions, to be set out in writing as the FRC may deem necessary for the further processing of the application.

c) **Decline the application for registration:**

Where:

- i) the information or documents requested for have not been provided; or,
 - ii) the application, information or documents submitted are inaccurate, incomplete or do not meet the prescribed requirements, or,
 - iii) the Applicant requesting registration is not designated as a reporting institution under POCAMLA; or
 - iv) for such other reasons to be stated in writing,
- the FRC shall reject the application for registration and decline to register the Applicant.

PART V - ISSUANCE OF REGISTRATION PARTICULARS

5.1 Registration Details:

Where the Financial Reporting Centre is satisfied that all the necessary conditions for registration have been met, an email will be sent to the Applicant notifying the applicant reporting institution that the application for registration request has been approved. The email will also provide information on the registration number assigned to the Applicant.

5.2 Notification of Unsuccessful Application:

Where an application for registration is declined in accordance with clause 4.3 (c), an email will be sent to the Applicant notifying the Applicant of the rejection of the application and the reasons for declining the application.

PART VI - EFFECTIVE DATE

6.1 The effective date of this Guideline shall be 8th March 2021.

PART VII - ENQUIRIES

7.1 Enquiries on any aspect of this Guidance should be referred to:

The Director General

Financial Reporting Centre, Private Bag, Nairobi 00200

TEL: 0709858000

E-mail: info@frc.go.ke

FORM FRC RF 1-1

APPLICATION FORM

NB: (a) Please read the declaration in Section 13 below before completing this form.
 (b) In case the space provided is inadequate, use additional paper.

1. Type of Business
2. Name of Institution.
3. Physical Address of Head Office: L.R. No.....
 Street..... Building & Town/City
4. Postal Address and Postal Code.....
 Telephone No.....
5. KRA P.I.N.
6. E-mail address.....
7. Date and Country of Incorporation.....

8. Particulars of Chief Executive Officer/Head of the institution/Managing partner (Or Person Holding Equivalent Position):

Name	I/D No. or Passport No.	Nationality	KRA PIN No.	Postal and Physical Address	Telephone No.	Email Address

9. Particulars of Money Laundering Reporting Officer:

Name	I/D No. or Passport No.	Designation / Position Held	Postal and Physical Address	Telephone No.	Email Address

10. **Particulars of**

(a.) Directors:

	Name	Position Held	ID No. / Passport No.	Nationality	Postal & Physical Address	E-mail Address	Telephone Contacts
1							
2							
3							
4							
5							
6							

(b.) Ultimate Beneficial Owners

	Name	KRA PIN (or equivalent if from another jurisdiction)	ID No. / Passport No.	Nationality	Postal & Physical Address	E-mail Address	Telephone Contacts
1							
2							
3							
4							
5							
6							

11. Does the institution hold, or has it ever held any authority from a supervisory body to carry on any business activity in Kenya or elsewhere?
- a. If so tick the relevant regulator in table below also Attach Regulators License or authorization from the regulator.

	Regulator	Tick as appropriate
1	Central Bank of Kenya;	
2	Insurance Regulatory Authority;	
3	Betting and Licensing Control Board;	
4	Capital Markets Authority;	
5	Institute of Certified Public Accountants of Kenya;	
6	Estate Agents Registration Board;	
7	Non-Governmental Organizations Co-ordination Board;	
8	Retirement Benefits Authority	
9	Others (<i>Explain in 11 (b) below</i>)	
10	None (<i>Explain in 11 (b) below</i>)	

- b. If Others(No. 9) above provide name and Contact Details of Regulator/Supervisor

.....

- c. If “others or none(No. 9 or 10)” above explain

.....

12. Does the institution have a secure ICT system that can support AML Functions?

.....

13. DECLARATION

13.1 I am aware that it is an offence to knowingly or recklessly provide any information, which is false or misleading in connection with registration with FRC. I am also aware that omitting material information intentionally or unintentionally shall be construed to be an offence and may lead to rejection of my application.

13.2 I certify that the information given above is complete and accurate to the best of my knowledge, and that there are no other facts relevant to this application of which FRC should be aware.

13.3 I undertake to inform FRC of any changes material to the applications which arise while the application is under consideration.

13.4 I certify that the capital invested in the institution is not from proceeds of crime.

CEO's Full Name:.....

Title:.....

Dated at:.....

This:Day of 20.....

SIGNED..... **(CEO)**

(This declaration should be signed by the CEO of the institution and dated in the presence of the witness named below)

WITNESSED BEFORE ME:

COMMISSIONER FOR OATHS/MAGISTRATE/NOTARY PUBLIC

Name:

Signature.....

Address:

Date and Stamp.....

N.B. *The information given in response to this Form shall be kept confidential by the FRC and used only for the FRC's purposes except in cases provided for by law.*