

NEW REQUIREMENTS FOR DNFBPs AND NPOs

INTRODUCTION

In June 2025, the BVI Financial Investigation Agency ("FIA") issued two important Public Notices for Designated Non-Financial Businesses and Professions ("DNFBPs") and Non-Profit Organisations ("NPOs"). These notices introduce key compliance obligations regarding the approval and appointment of Money Laundering Reporting Officers ("MLROs") and the submission of annual returns (the "New Obligations").

APPLICATION OF NEW OBLIGATIONS

The New Obligations will apply to:

- Legal practitioners, notaries, and accountants providing services related to real estate, client money, company management, or entity transactions.
- Real estate agents handling sales transactions.
- Dealers in precious metals, stones, or high-value goods (boats, vehicles, jewellery, art, etc.) involving cash payments of US\$15,000 or more.
- NPOs under the FIA's supervision, especially those primarily involved in fundraising and disbursing funds.

ANNUAL RETURNS FOR DNFBPS AND NPOS

DNFBPs and qualifying NPOs must submit an annual return to the FIA, starting from October to December each year. Returns must include details on:

- Directors, senior officers, and persons with significant or controlling interests.
- AML/CFT/CPF risk assessments and internal controls.
- Other information about the business or organisation and its clients or donors.

Returns may be used for supervision, statistics, compliance monitoring and international obligations, with inaccurate or incomplete submissions resulting in administrative penalties.

Failure to file returns or submit accurate information may result in fines as prescribed in the FIA Order.

APPOINTMENT AND APPROVAL OF MLROS

As of 2024 legislative amendments, DNFBPs must obtain FIA approval before appointing an MLRO.

MLRO eligibility criteria:

- Must be a natural person.



KEY POINTS

DNFBPS

Lawyers, notaries public, accountants, real estate agents, jewellers and dealers in precious metal, precious stones, boats, vehicles and goods valued over US\$15,000 are all classified as DNFBPs.

REGISTRATION

All forms can be found on the FIA's website (www.fiabvi.vg). Form A1 for the DNFBPs and Form A1a for each director, senior officer, person holding a significant interest and person holding a controlling interest.

- Hold at least a diploma or equivalent with a minimum of 3 years post-qualification experience.
- Be fit and proper, with strong knowledge of AML/CFT laws and regional/international standards.
- Be independent and able to make unbiased decisions.

To appoint a new MLRO, the DNFBP or NPO must submit:

- Notification of Change of MLRO (Form A3a).
- Fit and Proper Assessment Form (Form A1aa).
- Pay the application and approval fees: \$200 each.

When an MLRO resigns notification must be sent to the FIA within 14 days of the resignation. The submission of an application to appoint a new MLRO must then be made within 21 days.

Penalties of up to US\$60,000 for an individual or US\$65,000 for a corporate entity may be levied by the FIA for non-compliance.

Existing MLROs appointed before the new regulations are deemed approved.

NEXT STEPS FOR DNFBPS AND NPOS

If your organisation is a DNFBP or an NPO under FIA supervision, you must ensure that a qualified and FIA-approved MLRO is formally appointed.

Make sure to diarise key deadlines to submit your annual return between October and December. Once published, the return form will be available for download on the FIA website.

LBC ASSISTANCE

The LBC team offers assistance to DNFBPs and NPOs for ongoing compliance. This includes drafting tailored compliance manuals, acting as MLRO, providing staff training on detecting and reporting suspicious activities and advising on due diligence procedures. With LBC's support, DNFBPs and NPOs can effectively meet their regulatory obligations and mitigate financial crime risk.

Should you require any assistance, please do not hesitate to contact one of the Little Bay Consulting's Management Team.



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KEY POINTS

ANNUAL RETURN

DNFBPs and certain NPOs must submit an annual return to the FIA between October and December each year. The return must include details on ownership, management, AML risk assessments, and internal controls.

APPOINTMENT OF MLRO

DNFBPs must now apply for and obtain FIA approval before appointing a MLRO. An MLRO must be a qualified individual with at least three years' experience and strong AML/CFT/CPF knowledge.

DON'T FORGET....

Entities must notify the FIA within 14 days of an MLRO leaving and apply for a replacement within 21 days. Non-compliance may result in administrative penalties of up to US\$60,000 for individuals and US\$65,000 for firms.