

Caroline Abel: Beneficial ownership guidance and training workshop for banks and other financial institutions

Welcoming remarks by Ms Caroline Abel, Governor of Central Bank of Seychelles, at the Beneficial Ownership Guidance and Training Workshop for Banks and other Financial Institutions, Beau Vallon, 11 July 2024.

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Representatives of the regulatory authorities,
Facilitators from the EU Global Facility on AML/CFT,
Participants,

Good morning.

It gives me great pleasure to welcome you all to the fourth day of the week-long training workshop on enhancing beneficial ownership transparency - a topic of growing importance globally.

As you know, a beneficial ownership law was one of two key pieces of legislation that came into force in August 2020. The enactment of the BO Act and the AML/CFT Act was part of efforts to align the country's legal framework to international standards and protect the integrity of our financial system.

While enacting these two laws marked a significant milestone, the commitment and collaborative approach of the relevant authorities and reporting entities to ensure their enforcement and effectiveness is even more critical. Much has been done to date, but we must acknowledge that there are still areas for improvement. The Beneficial Ownership Guidance and Training Workshop for targeted stakeholders demonstrates the ongoing commitment to implement the necessary measures and build capacity.

At this juncture, I would like to commend the collaborative efforts of the respective teams from the Financial Intelligence Unit, the Financial Services Authority and the Central Bank - the three institutions mandated to ensure sectoral AML/CFT supervision - for spearheading this week's training programme, with the invaluable technical assistance of expert facilitators from the European Union's Global Facility on AML/CFT.

Ladies and gentlemen

Many legal entities worldwide are trying to operate in secrecy, using complex and opaque ownership structures to facilitate illicit activities such as tax evasion, corruption, money laundering, and terrorism financing, highlighting the critical importance of beneficial ownership transparency. Although geographically isolated, Seychelles is as vulnerable to such risks as any jurisdiction, hence the need to build resilience and maintain the integrity of our financial system.

Effective customer due diligence to identify who ultimately owns, benefits from, or controls a legal entity or arrangement is vital to improving the assessment of potential risks and employing risk-based supervisory approaches. These efforts assist in

detecting unusual or suspicious transactions, thus preventing our financial system from being used as a vehicle for illicit financial activities. Beneficial ownership transparency also facilitates information sharing and international cooperation to combat cross-border financial crimes.

All stakeholders, including financial institutions, have a crucial role to play in assisting this endeavour. Compliance Officers, in particular, are entrusted with the gate-keeping role of ensuring that your respective entities adopt and implement practical and effective policies and procedures that help to detect, prevent and mitigate money laundering and terrorism financing risks.

I am therefore pleased to see the participation of Compliance Officers from the different entities supervised by the Central Bank in today's session. This is an opportunity to enhance your knowledge on various topics, such as beneficial ownership disclosure standards and your respective institutions' AML/CFT obligations. More importantly, you will be presented with the Beneficial Ownership Guidelines - a new tool that outlines best practices and approaches to identifying and verifying beneficial ownership information of your legal entity customers.

I hope you make the most of this training and also take the opportunity to share your experiences, ask questions, and engage with the facilitators and representatives of the supervisory authorities to boost your capabilities to further strengthen the compliance of your respective financial institutions. Only through our combined efforts and dedication can we achieve the goal of having a robust and effective legal framework that aligns with international standards and protects the integrity of the country's financial system.

On this note, I wish you all a fruitful training session.

Thank you.