

## Regulation and Supervision of DNFBPs

**Countries should ensure Designated Non-Financial Businesses and Professions (DNFBPs):**

- > Are subject to regulatory and supervisory measures as set out below:
  - (a) Casinos should be subject to a comprehensive regulatory and supervisory regime that ensures that they have effectively implemented the necessary AML/CFT measures. At minimum, casinos should be:
    - ✓ licensed;
    - ✓ prevented from having criminals or their associates as beneficial owners or holders of significant or controlling interest or management function or being an operator of the casino through necessary legal or regulatory measures taken by competent authorities; and

- ✓ effectively supervised by competent authorities for compliance with AML/CFT requirements.

**(b)** Other categories of DNFBPs should be subject to effective systems for monitoring, using a Risk-Based Approach to resource allocation to AML/CFT supervision, and ensuring compliance with AML/CFT requirements on a risk-sensitive basis by:

- ✓ a supervisor; or
- ✓ by an appropriate self-regulatory body (SRB), provided that such a body:
  - can ensure that its members comply with their obligations to combat money laundering (ML) and terrorist financing (TF);
  - takes the necessary measures to prevent criminals or their associates as beneficial owners or holders of significant or controlling interest or management function, e.g. through ►

evaluating persons on the basis of a “fit and proper” test; and

- has effective, proportionate and dissuasive sanctions in line with Recommendation 35 available to deal with failure to comply with AML/CFT requirements.
- > Are supervised and monitored by supervisors or SRBs who:
  - ✓ have a clear understanding of the ML and TF risks: (a) present in the country; and (b) associated with the type of DNFBP and their customers, products and services;
  - ✓ in assessing the adequacy of the AML/CFT internal controls, policies and procedures of DNFBPs, properly takes into account the ML and TF risk profile of those DNFBPs and the degree of discretion allowed to them under the RBA;
  - ✓ have adequate powers to perform their functions (including powers to monitor

- and sanction), and adequate financial, human and technical resources; and
- ✓ have staff who maintain high professional standards, including standards concerning confidentiality, and should be of high integrity and be appropriately skilled.