

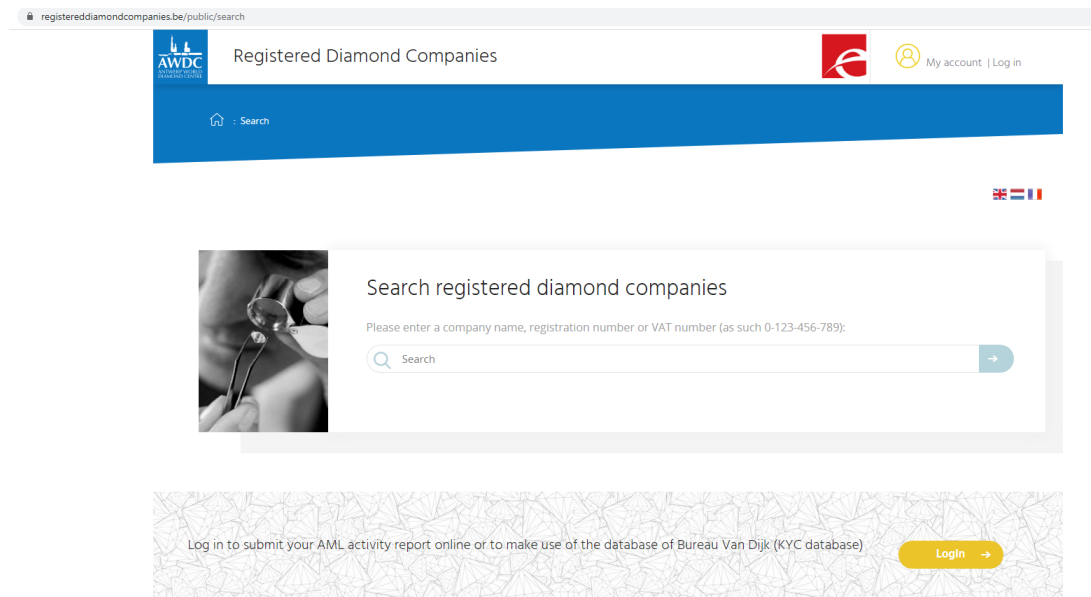
Guide how to submit your AML form online

Please find below instructions on how to submit your anti-money laundering form (AML form) online. The first part (p. 1-6) gives technical guidance how to access the portal, how to fill in the questions and how to submit the form. The second part (p. 5-18) gives further explanation on the questions in the form, in a Q&A format.

1. TECHNICAL GUIDANCE

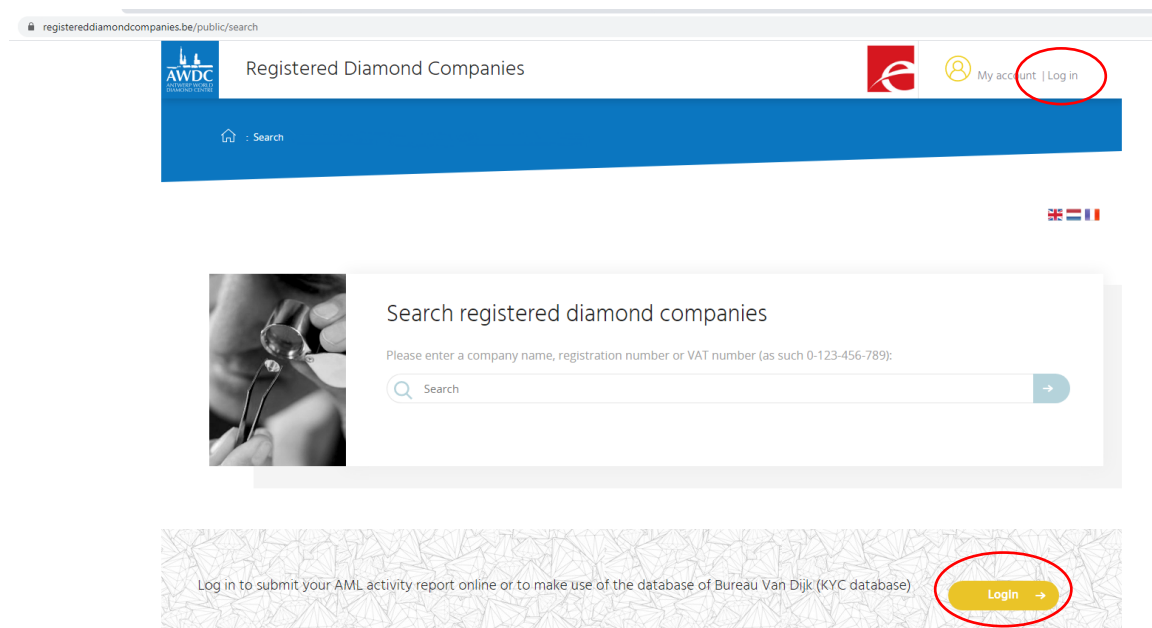
Step 1:

Go to the website www.registereddiamondcompanies.be.



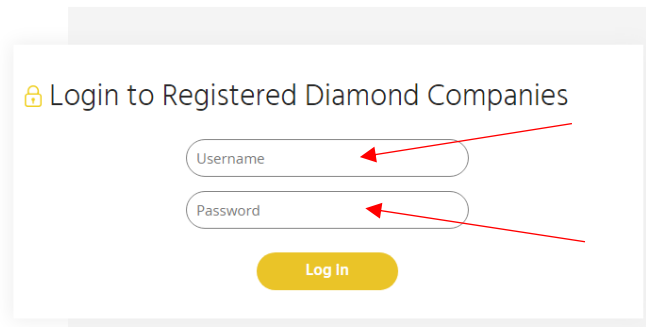
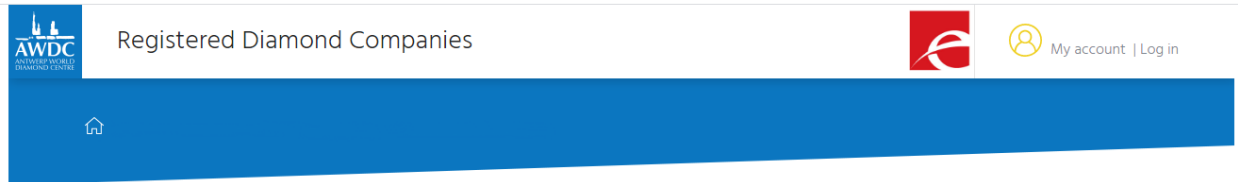
Step 2:

Click on "Login" in the right upper corner or in the middle of the page (yellow button)



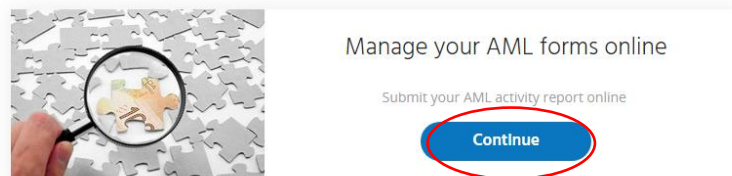
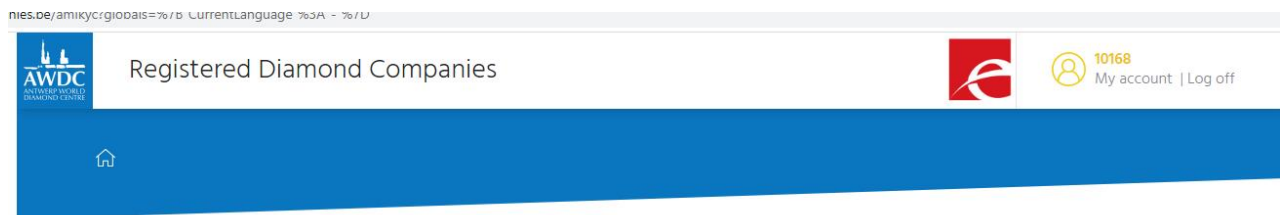
Step 3:

Log in with your company's personal login details. If you don't know your login details for this website, please ask these per e-mail via diamond@economie.fgov.be.



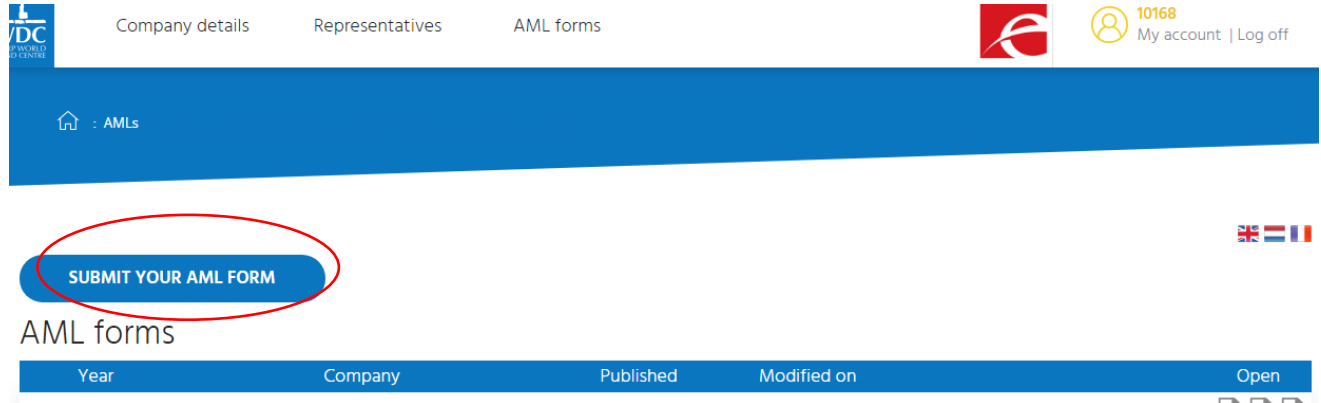
Step 4:

When you log in, you can click on "Continue" under the heading "Manage your AML forms online".



Step 5:

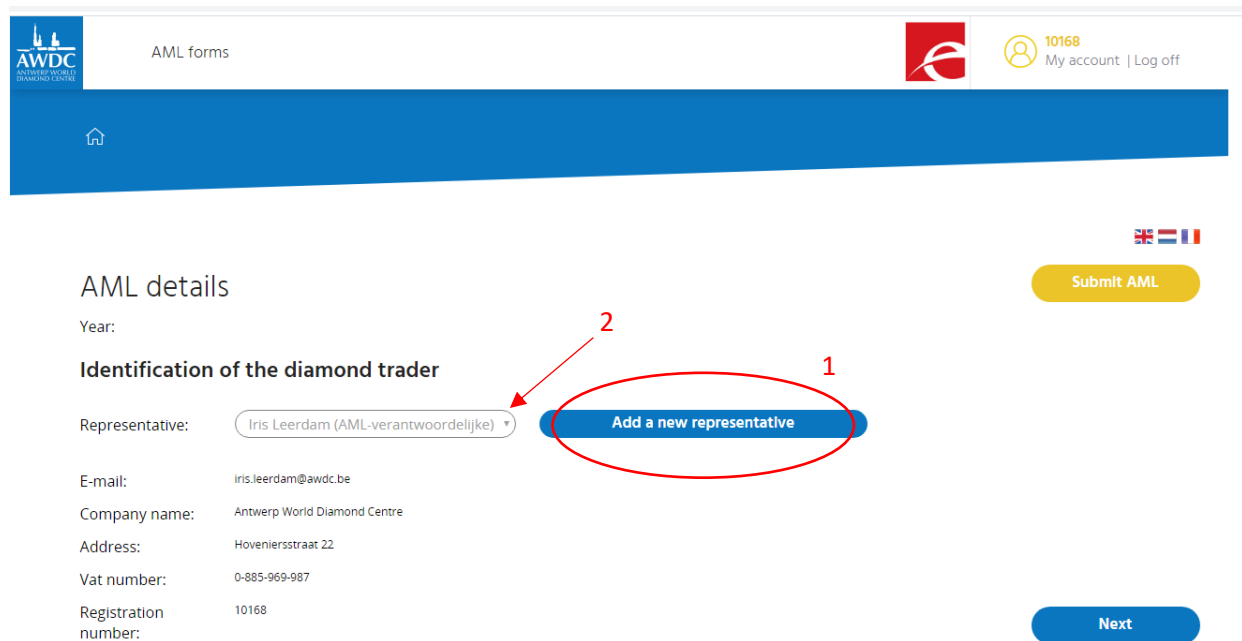
Click on "Submit your AML form" (left blue button).



The screenshot shows the top navigation bar with 'Company details', 'Representatives', and 'AML forms'. The 'AML forms' section is active, showing a blue header with a home icon and 'AMLs'. Below this is a blue button labeled 'SUBMIT YOUR AML FORM' circled in red. The main content area is titled 'AML forms' and has a table with columns: Year, Company, Published, Modified on, and Open. There are also flags for language selection in the top right.

Step 6:

First, you will be asked to fill in the representative of you company. If you click on "Add a new representative", you can add your name, function and e-mail address and save it. Then you can select your name in the drop-down menu and go "next" to the questions.



The screenshot shows the 'AML details' form. The 'Identification of the diamond trader' section is highlighted. The 'Representative' field has a dropdown menu with 'Iris Leerdam (AML-verantwoordelijke)' selected. A blue button labeled 'Add a new representative' is circled in red and labeled '1'. A red arrow labeled '2' points to the dropdown menu. Other fields include E-mail (iris.leerdam@awdc.be), Company name (Antwerp World Diamond Centre), Address (Hoveniersstraat 22), Vat number (0-885-969-987), and Registration number (10168). There are 'Submit AML' and 'Next' buttons on the right.

Step 7:

Answer the questions. You can fill in all the questions by clicking on "Edit" and subsequently selecting "yes", "no", or "not applicable" and clicking "Save".

AML details Print Intermediate AML form

1 IDENTIFICATION OF THE SUBJECTED ENTITY

Year: 2019

Question	Answer:
Have one or more of the director(s) and/or manager(s) been replaced or added within your company during the last year?	Edit 1
Have one or more of the ultimate beneficiaries(*) within your company been replaced or added during the last year? <small>(*) Are considered as ultimate beneficiary: 1. Natural persons who own 25% or more of the shares or voting rights in your company 2. Natural persons who have control by any other means</small>	Edit
Are you a Belgian registered diamond company?	Edit

AML details Print Intermediate AML form

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Are you a Belgian registered diamond company?	Edit

Question

Have one or more of the director(s) and/or manager(s) been replaced or added within your company during the last year?

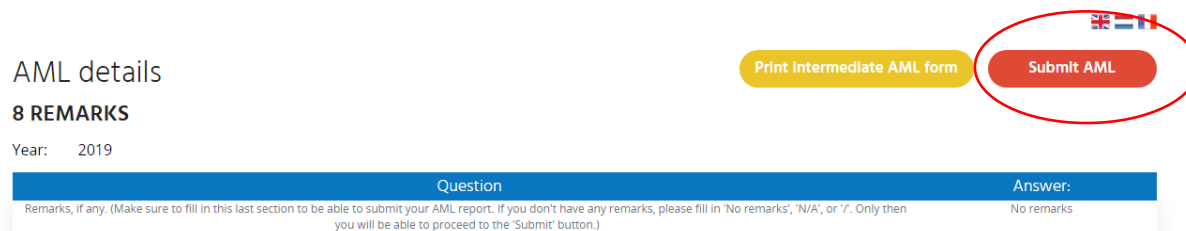
Answer: Yes No *

3

Make sure to answer every question, because only then you will be able to proceed until the end and submit the file.

Step 8:

Once you have filled in everything, you can click on the “Submit” button and you will get a confirmation pop-up that your file has been received by the FPS Economy.



AML details

Print Intermediate AML form

Submit AML

8 REMARKS

Year: 2019

Question	Answer:
Remarks, if any. (Make sure to fill in this last section to be able to submit your AML report. If you don't have any remarks, please fill in 'No remarks', 'N/A', or 'r'. Only then you will be able to proceed to the 'Submit' button.)	No remarks

Questions:

If you have any questions related to the form or you don't understand one of the questions, please consult the second part of this guide. If any further questions remain, please get in touch per e-mail with diamond@fgv.economie.be for further clarification.

2. Q&A ANNUAL AML FORM

GENERAL

1. Do you need to submit your annual AML form?

All registered diamond traders have the obligation to submit their annual AML activity report, relating to the activities in the previous year (deadline 31st of March every year).

If you are registered with the FPS Economy for your diamond-related activities, but you are **not a diamond trader (e.g. you are a broker, a polisher, a jeweler...)**, then you also need to submit the form, but only partly. You only need to fill in the form until the question “Are you a Belgian registered diamond company?”, where you can answer ‘no’ and indicate what your activities were. You need not fill in the form further, but you do have to submit it.

Even if you are a diamond trader but didn't have any activity in the past year, you still have to complete and submit the AML activity report. However, the form only has to be completed partly until the question : “Have you had any commercial transactions in diamonds in the last year?”. You can answer ‘no’ to this question and only still need to fill in the questions under the section on your company's Organization and Internal Monitoring. The other sections, you need not fill in. You do have to submit the form.

2. How to submit your annual AML form?

You can submit your AML form **online** as explained above in part 1 of this guide. Strong preference is given to online submission.

In case it is impossible for you to submit the AML form online, you can still download the form in Word format from the [website of the FPS Economy](#). You can then print the form and send it to the FPS Economy per mail. Please note that **AWDC does no longer process paper forms**. Paper versions of the AML form should thus be sent to the FPS Economy directly.

SECTION I: IDENTIFICATION of the SUBJECTED ENTITY

3. “Have any directors and/or managers (Q1) or any ultimate beneficiaries (Q2) in your company been replaced or added?” What should you indicate?

The form always relates to the year previous to the one during which you fill in the form. If anything has changed in the board of directors resp. the ultimate beneficiaries of your company (in particular when new people are added), you will have to answer ‘**YES**’ to this question.

Ultimate beneficiaries are:

1. Natural persons who own 25% or more of the shares or voting rights in your company.
2. Natural persons who have control by any other means:
 - Who have the right to appoint or remove a majority of the members of the administrative, management or supervisory body.
 - Who control alone, pursuant to an agreement with other shareholders in or members of that undertaking (a subsidiary undertaking), a majority of shareholders' or members' voting rights in that undertaking.
3. Natural person that is a member of the management of the company (e.g. CEO) – in case all other means above are exhausted.

You will have to send the names and identity document of the new directors resp. ultimate beneficiaries to the FPS Economy separately. You can e-mail this to diamond@economie.fgov.be.

If there have been no changes in your board or shareholder structure during the previous year, you can answer ‘**NO**’ to this question.

4. “Are you a Belgian registered diamond company?” What should you indicate?

If during the previous year, you were only active as **a broker / jeweler / polisher / seller of materials / other** professional activities which did not involve the purchase or sale of diamonds, you can answer ‘**NO**’ to this question. In the next question, you will be asked to indicate what your activities related to during the previous year (e.g. exclusively brokerage, jewelry activities, polishing activities etc.). That will then be the last question you need to answer. You can submit the form as it is, and you need not need to answer the rest of the questions.

If during the previous year, you were registered as a diamond trader for the purchase/sale of diamonds, even if you did not have any commercial activities (purchases or sales) during the previous year, you should answer ‘**YES**’ to this question.

SECTION II: ORGANIZATION and INTERNAL MONITORING

5. “You have an anti-money laundering policy in which you divide your clients into risk categories based on objective criteria, taking into account the nature and size of your company.” What is this?

All diamond trading companies should have an anti-money laundering policy. This is a document in which they explain how they implement the anti-money laundering legislation in their company. Companies can either make their own policy document, or use the AWDC AML policy template and adopt it as their own after customizing the document to the company's reality.

If you have such a (written) anti-money laundering policy, you can answer **'YES'** to this question.

If you don't have such an anti-money laundering policy, you should answer **'NO'** to this question. Please make sure to adopt one as this is one of the anti-money laundering obligations which you as a diamond trading company need to comply with. You can download AWDC's anti-money laundering policy in an English and a Dutch version from the AWDC website [through this link](#).

6. "You participated to an AML seminar (e.g. one organized by AWDC) last year." What should you answer?

The question relates to whether you attended an AWDC anti-money laundering seminar in the previous year. AWDC regularly organizes AML/Compliance seminars, to inform the diamond traders about the legal obligations they need to comply with. The anti-money laundering seminars deal with this legislation and its implications for the diamond traders in-depth. These seminars are organized for free. On AWDC's website www.awdc.be/events you can find the latest overview of upcoming seminars and you can register for the seminars online.

If you, or one of the employees within the company, have/has attended an AML seminar in the previous year, you can answer **'YES'** to this question.

If no one in the company has attended an AML seminar in the previous year, you should answer **'NO'** to this question.

Please note that as per the new registration requirements for diamond traders, it is mandatory that at least one of the directors of the company has at least once attended an AML seminar. Proof of this should be submitted to the FPS Economy. If no one of the board of your company has attended an AML seminar before, please make sure to sign up for one of the upcoming AML/Compliance seminars to fulfill the requirements.

It is recommended to attend an AML seminar every year, to stay up-to-date on the legal obligations and developments with regard to this legislation.

7. "You have at least two anti-money laundering officers in your company." What should you answer?

In principle, the legislation requires companies to have **at least two anti-money laundering officers**. One should be at the highest level of the company (director and/or manager) who monitors the implementation of and compliance with the anti-money laundering legislation. Aside of that, another anti-money laundering officer should in principle be appointed, who is charged with the practical execution of and monitoring on the (internal) organization and implementation of the anti-money laundering law and the related recommendations. This anti-money laundering officer needs to have the necessary reliability, expertise, experience, hierarchical level and competences to perform these functions in an effective, independent and honest manner.

If one has a **small organization**, it is possible to appoint **only one** anti-money laundering officer: someone at the highest level (director and/or manager) who his charged with the practical execution and monitoring on the (internal) organization and implementation of the anti-money laundering law.

If you have designated at least two persons as anti-money laundering officers in your company, you can thus answer **'YES'** to this question.

If you do not have two anti-money laundering officers in your company, you should answer **'NO'** to this question. If you answer 'NO', in the next question, you will then be able to specify the reason why. Here you will be able to answer that you only have a small company and that the person at the highest level does both supervision and execution, or another reason.

8. "Your company is part of an (international) group." What should you answer?

Your company is part of an international group when your company is for example a subsidiary of a foreign mother company, or the mother company of international subsidiaries. Companies that are part of an international group, are expected to uphold similar levels of AML compliance in all entities falling under the group. The idea is that it would not only be the Belgian entity that complies with the AML legislation, but that the other group companies to the same.

If your company is part of an international group, you should answer **'YES'** to this question. You will then in the next question have to answer whether the associated companies within the group apply similar AML standards as the ones you apply (again a 'YES'/'NO' answer).

If your company is not part of an international group, you can answer **'NO'** to this question.

9. "You had employees last year." What should you answer?

If you did not have any employees in your company in the previous year, or if you are for example a sole proprietor, you should answer **'NO'** to this question.

If you had employees in your company in the previous year, you should answer **'YES'** to this question. You will then get a few additional questions related to your employees. You will need to indicate how many you had.

You will also need to answer whether you applied monitoring procedures and if you took appropriate measures to raise awareness among your employees on AML ('YES'/'NO' question). It is important that all employees for whom this is of relevance, are well informed about the AML legislation (e.g. who have professional activities related to purchase or sale of diamonds, who do the finance in the company, who do the KYC work in the company etc.). You can ensure they are well informed by e.g. instructing them to participate to an AWDC AML seminar, or by sharing the information that you learned at an AML seminar with your staff afterwards.

You will need to answer whether you organized an in-house AML seminar by AWDC at your company's offices. Bigger companies which want to ensure that all their staff members are fully informed about the AML legislation, can request AWDC to do an in-house seminar at their offices. The company's staff does then not need to register to a regular AML seminar at AWDC's premises, but instead the seminar can be held at the company's office. A minimum number of participants is required in order for AWDC to be able to give such an AML seminar. For smaller companies, it is recommended to just sign up for an AML seminar held at AWDC's premises. Should you be interested in organizing an in-house AML, please contact our AML/Compliance Helpdesk for more information.

Lastly, you will be asked if you have any further remarks regarding your employees. This field gives you room to specify e.g. a change in staff last year, if you are not sure how many staff members to indicate in the question above, or any other remarks you may have. If you fill in the AML form online and you

don't have any remarks, please write 'no remarks' in the box, as only then you will be able to proceed in the rest of the form.

10. "You keep a copy of this annual anti-money laundering report." What should you answer?

If you fill in your AML form online, the system will automatically keep your submitted file and you will always have a digital copy of your form. You can thus answer '**YES**' to this question. You can download this form and keep it on your serves, or print it out and keep it in your administration, should you wish to do so.

If you fill in your AML form in paper, make sure to take a copy of the form that you submitted to the FPS Economy and keep it in your administration, so that you could present when you, for example, get a spot check by the FPS Economy.

11. "You had commercial activities last year." What should you answer?

Commercial activities in diamonds mean whether you purchased or sold any diamonds during the previous year. If you indeed had purchases or sales in the previous year, even if these were only very few or very small transactions, you should answer '**YES**' to this question.

If your company did not have any diamond sales or purchases in the previous year, or if you have a dormant company, you can answer '**NO**' to this question. In case of the latter, this is the last question you need to answer and you need not proceed to answer the rest of the questions in the form, as these questions relate to your client relationships etc. which you did not have in the previous year.

SECTION III: VIGILANCE

1. IDENTIFICATION and VERIFICATION of CLIENTS

12. "You had (a) Belgian registered diamond company(ies) as client(s) in the past year?" What should you answer?

If you sold any diamonds to diamond companies registered in Belgium, you should answer '**YES**' to this question. You can know whether a diamond company is indeed registered, by searching them on the database at www.registereddiamondcompanies.be. All active Belgian registered diamond companies can be found on this website.

If you did not have any Belgian registered diamond companies as clients last year, you can answer '**NO**' to this question.

Diamond traders are required to identify all their clients ('KYC obligation'). For Belgian registered diamond companies as clients, there is a simplified KYC obligation. If your client is a Belgian registered diamond trader, you can search your client through the search engine on www.registereddiamondcompanies.be, click on the 'Print' button and save or print this document. It is sufficient if you have this document from this client for KYC purposes – you need no further documents from them. Of course, you do still need to make a risk analysis of your client relationship and if you notice something suspicious, please notify the SPOC of AWDC or the Financial Intelligence Unit (in Dutch abbreviated as CFI).

For that reason, if you indicate that indeed you have had Belgian registered diamond companies as clients last year, you will have to indicate whether you have used the website www.registereddiamondcompanies.be or the website of the Central Enterprise Databank (Kruispuntbank der Ondernemingen) (<http://economie.fgov.be>) to identify your clients and you print/save the webpage of the search of the identification data ('YES'/'NO' question).

13. “You had (a) Belgian unregistered diamond company(ies) as clients in the past year (e.g. private individuals, jewelers...)?” What should you answer?

If you sold any diamonds to Belgian persons or companies which are not registered as a diamond company, you should answer **'YES'** to this question. This applies if you sold diamonds to for example a jewelry company or a natural person (private).

If you did not sell any diamonds to either Belgian private persons, nor to Belgian companies which are not registered as diamond traders, you can answer **'NO'** to this question.

If you answer 'YES', you will subsequently need to specify whether you had any natural persons (private) as clients, and if so, if you asked for their KYC information (passport copy). If you did not sell to natural (private) persons, you can answer 'NOT APPLICABLE' to this question.

You will also need to specify whether you had any Belgian companies as clients which were not registered as a diamond trader, and if so, if you asked for their KYC information (the statutes/proof of incorporation of the company; list of the directors/managers of your client with their names, date and place of birth, if possible also their address; copy of the identity card of passport of the representative and proof that he can represent the company (e.g. proxy); names of the ultimate beneficiaries of your client and if possible, also their date and place of birth and their address). If you did not sell to Belgian companies not registered as diamond traders, you can answer 'NOT APPLICABLE' to this question.

14. “You had (a) foreign client(s) in the past year?” What should you answer?

If you sold any diamonds to persons or companies based abroad (outside of Belgium), you should answer **'YES'** to this question. This applies if you sold diamonds to a natural (private) person or a company based in another EU country or based outside of the EU.

If you did not sell any diamonds to either foreign private persons, nor to foreign companies, you can answer **'NO'** to this question.

If you answer 'YES', you will subsequently need to specify whether you had any foreign natural persons (private) as clients, and if so, if you asked for their KYC information (passport copy). If you did not sell to foreign natural (private) persons, you can answer 'NOT APPLICABLE' to this question.

You will also need to specify whether you had any foreign companies as clients, and if so, if you asked for their KYC information (the statutes/proof of incorporation of the company; list of the directors/managers of your client with their names, date and place of birth, if possible also their address; copy of the identity card of passport of the representative and proof that he can represent the company (e.g. proxy); names of the ultimate beneficiaries of your client and if possible, also their date and place of birth and their address). If you did not sell to foreign companies, you can answer 'NOT APPLICABLE' to this question.

15. “You make use of Bureau Van Dijk or similar information sources to verify the information provided by your client and to screen your client.” What should you answer?

AWDC offers free access to the Bureau Van Dijk database to all Belgian diamond traders. This database comprises, amongst others, identification details of over 250 million companies worldwide (including names of the directors, of the ultimate beneficiaries, shareholder structures etc.), as well as various sanctions lists, lists of Politically Exposed Persons and FATF/EU high-risk countries. The database also screens according to specific risks pertaining to the diamond industry and attaches a risk level to the search result.

This tool helps diamond traders to verify information received from their clients and also provides better insight into the potential risks that come with transactions and/or business relationships. As such, it helps in the verification stage of the KYC process as well as in conducting a risk analysis.

It is particularly recommended to use this tool to screen your foreign clients (both natural persons and companies), but it can also be useful to check your Belgian clients (e.g. to see if the database finds any possible risks related to the company).

If you used the Bureau Van Dijk tool in the previous year, you can answer **'YES'** to this question. If you did not use it, you should answer **'NO'** to this question.

If you have not used the database yet but you would like to get access, please get in touch with the AML & Compliance helpdesk.

16. "You identify your client and verify his identification details before concluding the business relationship or executing the occasional transaction." What should you answer?

The AML legislation requires diamond traders to identify their clients and verify their identification details before the business relationship is entered into / before the occasional transaction is executed. Before you do the deal, you need to know who you are dealing with.

Only in exceptional circumstances, for example in case of a trade fair, the identification and verification can be done afterwards, as it is in this case practically impossible to do this before concluding the deal. In these situations, the identification and verification should be done as soon as possible after the transaction.

If you asked for the KYC information and screened your clients before concluding the transactions during the previous year, you can answer **'YES'** to this question. If you did not obtain the KYC before concluding the transaction, you should answer **'NO'** to this question.

17. "You paid diamond transactions in cash to suppliers last year or received cash payments from clients (or payments through other means than through bank transfers)." What should you answer?

In Belgium, payments in cash are limited to a maximum of 3,000 euros. Please be aware of the risks of cash payments. Dealing in cash above this amount is considered a criminal offence and the fines for illegitimate use of cash are very high in Belgium.

If the transaction was executed abroad, the cash limits of the country where the transaction is executed apply. For example, when you carry out a sale in Hong Kong, the cash limits of Hong Kong apply, which can differ from the cash limit in Belgium. However, the legislation presupposes that the transaction has been executed on the Belgian territory when a Belgian party is involved, unless proven otherwise. This means that you will have to provide the evidence that the transaction was indeed executed in another jurisdiction where a different cash limit was applicable. Thus make sure to keep all

evidence related to this transaction which was executed abroad (transport documents, proof of participation in a foreign trade fair etc.).

Note that you have to declare all amounts above 10,000 euros cash at customs when entering the EU.

If you have paid or received certain transactions in cash last year, you should answer **'YES'** to this question. If you did not pay or receive anything in cash, you can answer **'NO'** to this question.

If you answered 'YES', you will have to indicate whether you paid or received in cash (select 'paid' or 'received'). You will then also need to indicate whether you respected the cash limit of 3,000 EUR ('YES'/'NO' question). As explained above, it is possible that you were abroad and that a higher cash limit than the Belgian one applied and thus that you paid or received more than 3,000 EUR of cash. If you indicate that you did not respect the cash limit of 3,000 EUR, you should in the next question indicate the reason why. You can select either that you were in a country where a different cash limit applied, or another reason.

18. "You experienced difficulties to identify your clients, their representatives or their ultimate beneficiaries during the last year." What should you answer?

Sometimes, certain clients do not want to provide their identification details to their suppliers. However, Belgian diamond traders who sell diamonds are legally required to obtain the identification details of their clients and to check these.

If during the previous year you have encountered difficulties to obtain or find the KYC details of your clients, you can answer **'YES'** to this question. If you did not have any difficulties and you always received the information upon request, you can answer **'NO'** to this question.

19. "You make use of a third party intermediary (a person outside of your company, e.g. your accountant or your bank) who does the identification and verification of your client for you." What should you answer?

It is possible that diamond companies do not do the KYC of their clients themselves, but that they delegate this work to another person or company, e.g. that they ask their bookkeeper, their bank or another company to collect the KYC information from their clients. It is allowed to do this, but bear in mind that it is always the diamond company itself which bears the responsibility for compliance with the legal obligation to obtain this information from their clients.

If you let another entity than your own company do the KYC work for you, you can answer **'YES'** to this question. If you do all the KYC work yourself within your company, you can answer **'NO'** to this question.

If you do make use of a third party, you should indicate who this third party is (in the next question, fill in the name of the company that does this work for you).

2. ASSESSMENT of the SPECIFICS of the CLIENT, NATURE and GOAL of the BUSINESS RELATIONSHIP/TRANSACTION

20. "You have gathered sufficient information about your client to be able to assess who your client is and the reasons why he wants to do business with you." What should you answer?

The AML legislation requires you to identify your clients and verify their identity, so that you know who your counterparty is and that you can make a risk assessment.

If another diamond trading company or a jewelry company buys your diamonds, it is usually rather straight forward why they want to do business with you, as it is their core activity to trade in / work with diamonds. If you have a very unusual client (e.g. a company active in a completely different sector or a private individual who places an unusual order), it is important that you try to understand what their motives are to do business with you, to ensure that they are not trying to launder their money of finance terrorism by transacting in diamonds with you. You should thus always make sure that you understand who your counterparty is and why they want to do business with you.

If you have been able to gather sufficient information about your clients in the previous year, to be able to understand who they are and why they want to do business with you, you can answer **'YES'** to this question. If you have had clients of whom you did not really know who they were or if you did not understand why they wanted to do business with you, you should answer **'NO'** to this question.

21. "You make use of the client acceptance policy to make an assessment of the risk level of your client and how you should respond to that." What should you answer?

A client acceptance policy is a written policy document in which you explain which clients you identify, how you identify them, which documents you ask, which information you check etc. It also includes a description of the different 'risk factors' that you watch out for in your client relationships. There can be low risk indicators as well as increased risk indicators. If an increased risk applies, you may need to take some extra measures to mitigate the risk that could apply (e.g. do more thorough screening, ask for additional documentation, monitor the transaction more closely etc.).

AWDC has included an client acceptance policy in its template anti-money laundering policy (see question 5 in this document). If you have adopted the AWDC template AML policy or your own AML policy in your company and you apply the parameters to be able to make a risk assessment of your counterparty, you can answer **'YES'** to this question. If you do not have a client acceptance / anti-money laundering policy or you do not apply the instructions in order to make a risk assessment of your counterparties, you can answer **'NO'** to this question.

3. CONSTANT VIGILANCE

22. "During the business relationship or when executing occasional transactions, you remain vigilant for possible risk indicators related to the client or to the transaction." What should you answer?

The AML legislation requires you to remain vigilant, to continue to always watch out, for possible risks that could apply to your client or the transaction. Even when you already have a business relationship with a particular client, you need to continue to watch out for any possible indications that there could maybe be money laundering or financing of terrorism. For example, you may have had a business relationship with a particular client for a while, but all of a sudden the client may start paying from a different bank account located in a tax haven. This is a clear example of a risk indicator which you should be able to detect by remaining vigilant during your business relationships.

If you continue to watch out for any possible risk indicators related to your clients or the transactions, you can answer **'YES'** to this question. If you do not continue to watch out while you are already in a business relationship with a client or about to execute a transaction, you should answer **'NO'** to this question.

23. "You notified suspicions of money laundering or of financing of terrorism, atypical transactions and/or problematic situations to the CFI (Belgian Financial Intelligence Unit) or to the SPOC at AWDC, during the past year." What should you answer?

All entities subjected to the AML legislation, including diamond traders, carry the obligation to notify the Belgian Financial Intelligence Unit (in Dutch abbreviated as 'CFI') if they encounter any suspicion of money laundering or financing of terrorism, or any atypical transactions or problematic situations in this regard. The Financial Intelligence Unit processes such notifications and decides whether or not to investigate certain notifications further. They can send this notification to the public prosecutor's office, so that they could investigate this further and that, if appropriate, a court case can be filed against a particular person/entity for allegations of money laundering or financing of terrorism.

AWDC has also set up a notification point in collaboration with the Financial Intelligence Unit, so that traders can also notify AWDC and AWDC can advise the diamond trader as well as pass on the information to the Financial Intelligence Unit as appropriate.

For the government, these notifications are of great importance to get 'insider information' from the market, to be able to tackle any money laundering or financing of terrorism incidents. That is why they strongly protect persons/companies which do such a notification (e.g. their identity is kept anonymous and they are immune, meaning that no civil, criminal or disciplinary action can be taken against him).

If you have done such a notification to the Financial Intelligence Unit or to AWDC last year, you can answer **'YES'** to this question. If you have not done any such notification, you can answer **'NO'** to this question.

24. "You copy and save all identification details during 10 years after the termination of the business relationship and keep them available to the competent authorities." What should you answer?

The AML legislation requires you to store all identification data gathered under the scope of the AML legislation for a period of 10 years after the end of the business relationship or after the date of the occasional transaction.

After this period has lapsed (you have not traded with this client anymore for 10 years), the Belgian privacy legislation requires you to delete this personal data.

If you keep the KYC data you gathered from your clients for 10 years, you can answer **'YES'** to this question. If you do not keep the KYC data from your clients for 10 years, you can answer **'NO'** to this question.

25. "You update all identification details, the timing of which depends on the risk level of the business relationship with your client." What should you answer?

The Belgian law requires that diamond traders should update the identification documents of their clients if they continue to business with them over a course of time. There is no strict legal time frame how often one should update this information: the timing depends on the risk level of the client

relationship. For low risk clients, it can take a bit longer before you ask for an update of the KYC information and documents, whereas for clients with a medium or high risk, this information can be updated more regularly.

One only needs to update the information of the client who one still does business with. In case you don't deal with a particular client anymore, you also don't need to update these KYC files.

If you update the KYC information from your clients in due course, you can answer '**YES**' to this question. If you only ask the KYC information from your clients once and you never update this, even though you continue to do business with them over a longer period of time, you can answer '**NO**' to this question.

26. "You keep a report of all atypical transactions and problematic cases." What should you answer?

It is recommended that diamond trading companies write a small report on a particular counterparty if they have experienced an atypical transaction or a problematic situation with this counterparty. In particular when there has been a suspicion of money laundering or financing of terrorism, it is recommended to write a small report on this for your company's administration, and to do a notification of this to the Financial Intelligence Unit in Belgium (see question 23 in this document).

If you have made such written records of atypical or problematic situations in the previous year, you can answer '**YES**' to this question. If you have not made such written records in the previous year, you can answer '**NO**' to this question. If you have not witnessed any atypical transactions or problematic cases in the previous year, you can answer '**NOT APPLICABLE**' to this question.

4. ENHANCED VIGILANCE

27. "During the past year, you traded with a politically exposed person." What should you answer?

Politically exposed persons (PEPs) and persons close to them, meaning persons who hold a political mandate, their family members and close associates, are more considered to be more vulnerable to corruption / money laundering / financing of terrorism according to the Belgian legislator. It is allowed to trade with them, however extra vigilance measures should be taken when trading with a PEP.

If you have traded with a PEP, whether he/she is located abroad or in Belgium, in the previous year, you can answer '**YES**' to this question. If you have not traded with any PEP in the previous year, you can answer '**NO**' to this question.

If you have answered 'YES', you will have to indicate whether you took into account the vigilance measures which the law prescribes you to take (you obtained permission of the senior management staff in your company to conclude the business relationship and/or carry out the transaction; You took appropriate measures to determine the source of the funds used; You performed enhanced supervision of the transaction). If you traded with a PEP and you indeed applied these measures for the transaction with the PEP, you can answer 'YES' to this question. If you did not apply these measures, you can answer 'NO' to this question.

28. “You traded with clients located in a high-risk third country.” What should you answer?

High-risk third countries are to be understood as countries outside of the EU, where there exists an increased risk of money laundering, financing of terrorism or corruption, as there is no adequate legal framework in place in these countries.

The European Commission has drafted a list on what they consider as ‘high-risk third countries’. This list can be consulted on the website of [the European Commission](#). The Bureau Van Dijk database also includes this list and flags it if a country is located in a high-risk country.

If you trade with parties based in such high-risk countries, it is recommended to apply extra vigilance measures as to ensure that there are no indications of money laundering or financing of terrorism, and that the counterparty seems to be a legitimate business.

If you have traded with a client based in a country that is on this ‘high-risk’ list, you can answer **‘YES’** to this question. If you have not traded with any clients located in ‘high-risk’ countries, you can answer **‘NO’** to this question.

29. “You traded with clients located in a country without taxes or with a low taxation level (tax havens).” What should you answer?

Tax havens are country with a low taxation level or where there is even no taxation at all. Companies located in these countries are considered an increased risk for money laundering or financing of terrorism.

The European Council has drafted a list on what they consider as ‘tax havens’: the EU list of non-cooperative jurisdictions. It is available for consultation [on their website](#). The Bureau Van Dijk database also includes this list at flags it if a country is located in a tax haven.

If you trade with parties based in tax havens, it is recommended to apply extra vigilance measures as to ensure that there are no indications of money laundering or financing of terrorism, and that the counterparty seems to be a legitimate business.

If you have traded with a client based in a country that is on this ‘tax haven’ list, you can answer **‘YES’** to this question. If you have not traded with any clients located in ‘tax havens’, you can answer **‘NO’** to this question.

SECTION IV: SYSTEM of WARRANTIES

30. “You use the new World Diamond Council warranty on your invoices.” What should you answer?

The World Diamond Council is a body that has established the ‘system of warranties’. This system requires diamond traders to add a ‘warranty’ in a particular format on their invoices, in which they declare that the goods are conflict-free. This system builds on the Kimberley Process Certification Scheme, which requires all rough diamonds to be traded between Kimberley Process participants, to be accompanied by a Kimberley Process Certificate. That system only governs rough diamond trade. The system of warranties also applies to trade in polished diamonds and even B2B diamond jewelry trade.

The warranty to be used on diamond traders' invoices used to be phrased in the following way: *"The diamonds herein invoiced have been purchased from legitimate sources not involved in funding conflict and in compliance with UN resolutions. The seller hereby guarantees that these diamonds are conflict free, based on personal knowledge and/or written guarantees provided by the supplier of these diamonds."*

The use of this warranty is mandatory for diamond traders wishing to make use of the 'fast-track system' under the KP-resolution. This fast-track system allows for rough diamonds to be exported without having to provide conclusive evidence that the rough diamonds which are to be exported, have indeed legitimately entered the territory in compliance with the Kimberley Process regulations. In exchange, certain formalities need to be respected by the diamond trader in order to be able to make use of this system. The use of this warranty is also mandatory for diamond bourse members, as it is included in the bourses' code of conduct that their members should use abovementioned warranty on their invoices.

At the end of 2018, the World Diamond Council has changed the wording of the warranty a little bit, as to broaden its coverage. Now it is intended to not only provide a guarantee that the diamonds are not conflict-free, but also to provide guarantees that human rights, labor rights, anti-corruption and anti-money laundering regulations have been respected. The new wording reads as follows: *"The diamonds herein invoiced have been {sourced}* purchased from legitimate sources not involved in funding conflict, in compliance with United Nations Resolutions and corresponding national laws {where the invoice is generated}**. The seller hereby guarantees that these diamonds are conflict free and confirms adherence to the WDC SoW Guidelines."*

**{sourced} - may be used by companies that do not purchase from open market, but source and aggregate diamonds from production facilities that are owned/partly owned by them*

***{where the invoice is generated} - may be used by companies if they specifically want to reference the country of invoice issuance*

The use of this new warranty is optional. It is not mandatory by legislation nor by self-regulation. It may be your counterparty who asks you to use this new warranty on your invoices. You are free to do so. However, do note that if you use this warranty, you make a claim which you also need to be able to uphold. You should thus have internal procedures within your company as to ensure that all guarantees that you provide can be made in practice. This can for example mean that in order for you to be able to provide this warranty, all your suppliers who you buy diamonds from, should make this warranty as well.

If you use the new wording of the World Diamond Council system of warranties on your invoices, you can answer **'YES'** to this question. If you don't use a conflict-free warranty on your invoices at all or if you use the previous version (the latter is perfectly acceptable) you can answer **'NO'** to this question.

REMARKS

31. As a last question, you need to indicate whether you have any remarks. What should you answer?

In this fill-in field, you can add any additional information you want to share with the FPS Economy. If you want to specify any answers to the questions in the form, you can do that here. If you fill in the form online, please make sure to fill in this field, even if you don't have any remarks. In case of the latter, please write 'NO REMARKS', 'N/A' or something of the like in the field.



Only when this field has been filled in, you can click on the 'SUBMIT' button to submit your AML form online. Once you do that, you will get a notification that your form has been received and you need not do anything else.