

Property Service Providers (PSPs) Key AML/CFT Responsibilities

1. Internal Policies, Procedures and Training

PSPs must have appropriate policies and procedures in place for detecting and preventing the commission of money laundering and/or terrorist financing involving their business. All staff involved in the conduct of the PSP's business must be provided with ongoing training on identifying money laundering activity and on steps to be taken where such activity is suspected or identified.

2. Business Risk Assessment

PSPs must complete a full business risk assessment in respect of the money laundering and/or terrorist financing risks posed to their business. This assessment should identify and evaluate the relevant risk factors and the associated control measure(s) in place. The Business Risk Assessment should be regularly reviewed and updated as new risks emerge and evolve.

3. Client Risk Assessment

PSPs must complete an individual risk assessment on all clients in respect of the money laundering and/or terrorist financing risks they pose. This assessment should be categorised as high, medium or low and a risk rating should be clearly recorded in respect of each client.

4. Customer due diligence (CDD)

PSPs involved in the sale, purchase or auction of property, or in the management of a multi-unit development, must complete sufficient CDD on all clients. This should be carried out before commencing the business relationship (i.e. before signing a letter of engagement with the client). Such PSPs must also complete CDD on customers with whom they do not have a contracted business relationship but with whom they are carrying out an occasional transaction or series of occasional transactions which have a value greater than or equal to €15,000 (e.g. a purchaser paying a booking deposit).

PSPs involved in the letting of immovable property must complete CDD in respect of transactions for which the monthly rent is greater than or equal to €10,000.

Where money laundering or terrorist financing is suspected, PSPs must always carry out CDD regardless of the type of service or the transaction amounts involved.

5. Suspicious Transaction Reporting

PSPs are obliged to examine the background and purpose of all transactions that are; complex, unusually large, conducted in unusual patterns, or do not have an apparent economic or lawful purpose. Where a suspicious transaction has occurred, PSPs are obliged to report this as soon as possible to both the Gardaí and the Revenue Commissioners.

6. Record Keeping

PSPs must retain all AML records for a minimum of 5 years, even where the Property Service Provider has ceased trading. PSPs must identify a reasonable retention period for all personal information on AML records (of at least 5 years) and ensure that such information is deleted when the retention period has ended.

A template Policies & Procedures document for PSPs is available on the Property Services Regulatory Authority (PSRA) website (www.psr.ie). This document outlines the measures required by PSPs to fulfil the responsibilities outlined above. The PSRA recommend that every business carrying out property services adopt these policies and procedures with immediate effect.