

Question and Answer

The DNB Wwft Q&As and Good Practices

	Vraag	Antwoord
1.	To what extent does the 'DNB Leidraad Wwft en Sw' (hereafter: DNB Leidraad) differ from the DNB Wwft Q&As and Good Practices?	<p>The DNB Leidraad was first published in 2011 and has been revised on several occasions, but not in its entirety. The last revision was in December 2020, which was merely a technical change to align the texts with the latest amendments to the Wwft. As a result, certain aspects of the DNB Leidraad are outdated.</p> <p>Furthermore, the current DNB Leidraad has the pretence of an extensive book of reference.</p> <p>By revising the DNB Leidraad the aim is to provide a more practical and concise guidance that assists entities in their daily operations. Each chapter includes a brief explanation of the rationale behind a legal obligation under the Wwft, after which Q&As and Good Practices are provided. With this new format (rationale legal obligation – Q&A – Good Practices), DNB intentionally adopts a less prescriptive tone.</p> <p>Furthermore, the examples (Good Practices) and questions-and-answers (Q&As) allow entities to gain practical understanding of the desired practices DNB has seen in its daily supervision. This means that not all legal obligations are covered in this new policy document. With this approach, DNB intends to give entities room for their own interpretation and application of the Wwft, based on their risk analysis.</p> <p>On the structure of the document: each topic covering a legal obligations of the Wwft is clearly sectioned in blocks. Moreover, flow charts are included in chapter 3 (customer due diligence) as well as chapter 4 (ongoing due diligence). These flow charts help the reader navigate through these chapters.</p>
2.	Why did the term 'Leidraad' disappear from the title?	<p>These past years, DNB often received questions on the (legal) status of different sections of the current DNB Leidraad. The wording of the document was being perceived by some entities as binding and</p>

		<p>prescriptive, whereas the guidance was not meant to be read as such. With the new format, consisting of Q&As and Good Practices, DNB wants to emphasize that the document should be read as guidance.</p> <p>For more information, see DNB-explanatory guide to DNB's policy statements: Explanatory guide to DNB's policy statements</p>
3.	What does the new guidance mean for the status of the DNB Leidraad? Is it still in force?	The current DNB Leidraad is no longer in force once the final version of the DNB Q&As and Good Practices is officially published.
4.	Why is the section on the Sanction Act not being covered in the new guidance document?	<p>A new legal framework on the Sanction Act (<i>Sanctiewet 1977 – Sw</i>) is being drawn up by the legislator. Consequently, the section on the <i>Sw</i> is not being covered in the Q&As and Good Practices document.</p> <p>The current DNB Leidraad will be entirely retracted to avoid any confusion. The section on the <i>Sw</i>, that is covered in current the DNB Leidraad, will be published separately when the final Q&As and Good Practices document is released.</p> <p>While awaiting the new legal framework, efforts are made to determine the best way to inform entities about the obligations under the <i>Sw</i>. It might be that a new chapter will be added to the DNB Wwft Q&As and Good Practices, or that separate guidance will be published on Open Boek Toezicht.</p>
5.	How does the DNB Wwft Q&As and Good Practices relate to DNB's existing guidance on the SIRA and transaction monitoring?	<p>The DNB Wwft Q&As and Good Practices are focused on the Wwft, whereas the SIRA guidance covers all aspects of the Systemic Integrity Risk Analysis (SIRA). The SIRA guidance is outdated and currently being revised. In due course, a new Good Practice document will be published.</p> <p>The DNB Wwft Q&As and Good Practices will replace various good practice documents on post-event transaction monitoring, with the exception of the Good Practice Transaction Monitoring for Trust Offices.</p>
6.	What is the 'status' of the Q&As and Good Practices in this document?	Q&As are solely based on the current legal framework. Q&As are our interpretation of regulatory requirements, and indicate how

		<p>we look at the implementation and application of these requirements. Entities can comply with laws and regulations by other means. In doing so, they must be able to demonstrate and substantiate that they comply with the laws or regulations.</p> <p>Good practices are practical examples that DNB sees as a good example of how entities can comply with their legal obligations. Supervised entities are free to adopt another approach as long as they otherwise comply with the laws and regulations, and are able to demonstrate this on reasoned grounds..</p> <p>See the Explanatory guide to DNB's policy statements for an explanation on the status of (other) policy statements.</p>
7.	<p>What do the developments on the EU level, such as the upcoming directive, regulation and establishment of the EU AML/CFT supervisor (AMLA) mean for this document?</p>	<p>The new policy document is based on the current national and European framework. Any relevant developments on the EU level in the future will not mean a full rework of this document, but rather of those parts that are impacted by the developments. In such cases the policy document and the text will contain a disclaimer that there are incoming changes.</p> <p>For example, the part that relates to the Wire Transfer Regulation (WTR2) is reworked to a minimal extent in this draft. Entities are informed of the upcoming Transfer of Funds Regulation (TFR), which will apply in the future. When this regulation enters into force, this part of the policy document will also be reworked and eventually supplemented with Good Practices.</p>
8.	<p>How does this document relate to the recommendations and guidelines of the European Banking Authority (EBA)?</p>	<p>The EBA is the competent authority to issue guidelines and recommendations to competent authorities or financial institutions to promote the consistent, efficient and effective application of the rules. The tasks relating ML/TF that were previously performed by the three supervisory authorities were later centralised at EBA.</p> <p>DNB's website has an overview of which recommendations and guidelines DNB applies as part of its supervision.</p>

		<p>See: Compliance Guidelines and Recommendations of the European Supervisory Authorities (dnb.nl)</p> <p>The guidelines, recommendations and other statements of the EBA help explain the obligations in the <i>Wwft</i>. The DNB Q&A and Good Practices Wwft is in conformity with the guidelines and recommendations of EBA.</p>
9.	How does the Q&A and Good Practices Wwft relate to the General guidance on the Wwft of the ministries of Finance and Justice and Security	<p>This document applies to entities under DNB supervision, and supplements the General guidance of the ministries of Finance and of Justice and Security (in Dutch: 'Algemene Leidraad Wwft'). Both documents help explain the obligations of the Wwft. The General guidance and the DNB Q&As and Good Practices Wwft must be read in conjunction.</p>
10	What is the intended audience for this document?	<p>The DNB Q&As and Good Practices Wwft is aimed at all entities that fall within Wwft supervision of DNB. Such as banks, life insurers, payment service providers and agents, electronic money institutions, crypto service providers,¹ exchange institutions, trust offices² and other financial institutions³ and certain branch offices.⁴ DNB acknowledges that the risks per sector and type of entity can vary. The less prescriptive character of this policy document is intended to ensure that it is useful for all entities under DNB supervision.</p>

¹ As included in Section 1a(4), under l and m, of the *Wwft*.

² Trust offices in particular are also subject to the *Wtt 2018*. This means that additional requirements apply to trust offices which are not covered in this document.

³ Other financial institutions referred to in Section 1a(3) of the *Wwft*. The *Wwft* refers to parties other than banks whose principal business is performing one or more of the activities included in points 2, 3, 5, 6, 9, 10, 12 and 14 of Annex I to the [Capital Requirements Directive](#).

⁴ These are branches in the Netherlands of banks, payment service providers, electronic money institutions, exchange institutions, life insurers and other financial institutions included in Section 1a(3), under a, of the *Wwft*.