

essential roles in preventing and combating financial crimes. As per FATF glossary:

- **Seize** means to prohibit the transfer, conversion, disposition or movement of property on the basis of an action initiated by a competent authority or a court under a freezing mechanism. However, unlike a freezing action, a seizure is effected by a mechanism that allows the competent authority or court to take control of specified property. The seized property remains the property of the natural or legal person(s) that holds an interest in the specified property at the time of the seizure, although the competent authority or court will often take over possession, administration or management of the seized property.
- **Freeze** means to prohibit the transfer, conversion, disposition or movement of any property, equipment or other instrumentalities on the basis of, and for the duration of the validity of, an action initiated by a competent authority or a court under a freezing mechanism, or until a forfeiture or confiscation determination is made by a competent authority. As part of the implementation of a freeze, countries may decide to take control of the property, equipment, instrumentalities, or funds or other assets as a means to protect against flight.
- **Confiscation** includes forfeiture where applicable, means the permanent deprivation of funds or other assets by order of a competent authority or a court. Confiscation or forfeiture takes place through a judicial or administrative procedure that transfers the ownership of specified funds or other assets to be transferred to the State. In this case, the person(s) or entity(ies) that held an interest in the specified funds or other assets at the time of the confiscation or forfeiture loses all rights, in principle, to the confiscated or forfeited funds or other assets. Confiscation or forfeiture orders are usually linked to a criminal conviction or a court decision whereby the confiscated or forfeited property is determined to have

been derived from or intended for use in a violation of the law.

B) goAML related FAQs

1) How to register in goAML System?

Reporting Entities (REs) can register themselves in the goAML system through a user-friendly web-based application or can contact the FIU-Nepal Nepal, which is responsible for administering the system. The FIU-Nepal has developed various guiding documents (e.g. videos, operation guidelines etc.) and in addition FIU-Nepal will provide guidance and procedures for registration, including the necessary documentation and compliance requirements.



As part of the registration process, REs need to submit institution's details, including its legal status, the nature of the business, and designated personnel responsible for AML/CFT compliance. The FIU will review the application and, upon approval, provide the necessary access credentials and instructions to access the production environment of goAML for reporting and compliance with AML/CFT regulations.

2) Do Reporting Entities (REs) need to pay fee or any charges to FIU-Nepal for membership of goAML software?

No. REs do not need to pay any fee or charges to FIU-Nepal for goAML membership or for reporting purpose. Membership of goAML software to all REs (*BFI's, Insurance companies, Securities companies, Cooperatives, Remittance companies etc.*) is absolute free.

3) How should TTR be reported?

TTR can be reported either in XML format or manually through Web. XML files can be uploaded individually or as a zip file comprising of multiple TTRs. Zip upload is recommended for large volume of TTRs.

4) In which format should TTR be reported?

One XML file should be submitted for each TTR Category as specified in directive. i.e. One XML file should contain TTR related to only one person or account comprising of all the transactions in that particular day in which TTR was generated. Different XML file should be submitted for different TTRs.

5) Should we submit separate TTR for debit threshold, credit threshold, cross border transfer threshold and foreign currency exchange thresholds if TTR was triggered by two or more instances?

For cash transaction threshold, single TTR should be submitted comprising of all debit and/or credit transactions for that day. For cases where two or more threshold categories (Cash, Cross Border and Foreign Currency Exchange) are triggered at same day separate TTR should be submitted for each TTR Category.

6) How should STR be reported?

STR can be reported either in XML format or through Web reporting in goAML. If large number of suspicious transaction has to be reported, XML format is recommended. Information to be provided with STR is mentioned in Operational guideline designated to reporting entities. While reporting STR as XML file, related attachments and the XML should be zipped together and uploaded as single zip file.

7) What information should be provided in Reason Fields of STR?

It has been specified in Operational guideline designated to reporting entities.

8) What attachments should be provided with STR?

It has been specified in Operational guideline designated to reporting entities.

9) What information to provide in 'Registration No.' field for Entity that do not have registration number e.g. Joint Venture Accounts, Upabhokta Samtiti etc.?

Provide 'Not Applicable' in such cases.

10) What information to provide in 'PAN/VAT Number' field for Entity that do not require PAN/VAT to be registered?

Provide 'Not Applicable' in such cases.

11) Should Entity details be provided for My Client > Account > Entity though it is not Mandatory?

'My Client > Account > Entity' is not mandatory only if the account is individual or joint account. In case the account belongs to an Entity, Entity details should be provided along with Director(s) and Signatory details.

12) Should Director(s) and Signatory details be provided for My Client > Entity though it is not mandatory?

Yes, Director(s) and Signatory details should be provided for all cases where REs need to collect such information. It is Non-Mandatory only for cases when such information isn't required to be collected as per existing regulations.

13) If the Director or Signatory of an Entity having account in the BFI is involved in a Transaction, should they be reported as 'My Client' – Person or 'Not My Client' - Person?

Individual or Joint Account holders in the BFI should always be reported as 'My Client' - Person.

In cases where the Director or Signatory has separate individual or joint account in the BFI, then in such cases also it is required to be reported as 'My Client' - Person.

In other cases, it is recommended to report the Director and Signatory of an Entity having account in the BFI as 'My Client'-Person.

14) Should L/C transactions be reported as TTR?

Regular Trading related L/C transactions needn't be reported as TTR but suspicious L/C related transactions should be reported as STR.

15) What information should be provided for Mandatory fields that are not available or not relevant in the context?

For Text fields - Provide 'Not Available' for information that could be available but not currently in the system. Provide 'Not Applicable' for the information that isn't relevant to the specific case.

For Date fields -Provide 01/01/1900

For Number fields - Provide 0

16) Should Non-Mandatory information be provided? What information should be provided in Non-Mandatory fields?

Mandatory fields are meant to capture only minimum information applicable to most of the cases. Depending upon different cases, additional information is required and it is recommended that any information available with the banks be provided in relevant fields whether Mandatory or Non-Mandatory.

If Non-Mandatory/Optional information is unknown, such fields may be omitted in XML or left blank instead of providing 'Unknown', 'Not Available', '-' etc. Same should be considered while submitting reports manually through Web.

17) What information should be provided in 'Citizenship No.' field, 'ID number' field, 'Passport' node and 'Identification' node for Nepalese ID?

- In case of Nepalese Citizenship – Citizenship number should be provided in 'Citizenship No.' field and 'ID number' in respective field. Other Citizenship details should be provided in 'Identification' node as follows:
- In case of any other form of Identification that have Citizenship number e.g. Driving License – Provide Citizenship number in 'Citizenship No.' field, Driving License number (ID number) in 'ID number' field and Driving License details (ID details) in 'Identification' node.
- In case of Nepalese Passport – Citizenship number should be provided in 'Citizenship No.' field, Passport number should be provided in 'ID number' field. The Passport number and Country should also be provided

in 'Passport' node and other Passport details should be provided in 'Identification' node.

In case of any other form of Identification that do not have Citizenship number – Provide 'Not Applicable' in 'Citizenship No.' field, corresponding ID number in 'ID number' field and other available ID details in 'Identification' node.

18) What additional details should be provided in Identification node for Nepalese Citizenship?

For Nepalese Citizenship, Citizenship number should be provided in 'Citizenship No.' and 'ID number' field and Citizenship details should be provided in 'Identification' node. Information that should be provided in 'Identification' node is Citizenship Number, Issuing Authority (Name and Address E.g. District Administration Office, Jhapa), Issue Date and Issue Country.

19) What information should be provided in 'Citizenship No.' field, 'ID number' field, 'Passport' node and 'Identification' node for Indians and Foreigners?

- Citizenship Number is a mandatory field as per goAML schema so in case of Foreigners and Indians having Passport– Passport number should be provided in 'Citizenship No.' field and 'ID number' field. The Passport number and Country should also be provided in 'Passport' node and other Passport details should be provided in 'Identification' node.
- In case of Indian Citizenship – Citizenship number should be provided in 'Citizenship No.' field and 'ID number' field. Other Citizenship details should be provided in 'Identification' node.
- In case of Indian with any other form of Identification that have Citizenship number – Provide Citizenship number in 'Citizenship No.' field, ID number in 'ID number' field and ID details in 'Identification' node.
- In case of Indian with any other form of Identification that do not have Citizenship number – Provide 'Not Applicable' in Citizenship No. field and ID number in 'ID number' field and other available ID details

in 'Identification' node.

- Any other relevant Information regarding ID can be provided in Comments field of Identification in all situations.

20) How to provide Citizenship number if it exceeds 25 characters?

If Citizenship number exceeds 25 characters (as per limit in goAML), first 25 characters should be provided in Citizenship No. field. The complete Citizenship number should be provided in Id Number field and other details in Identification node.

21) What information should be provided in Identification details if there's no sufficient information?

Mandatory information required for ID is ID Type, Number, issued by (Issuing Authority) and Issue Country. Provide other information if available like Issue Date and Expiry Date. If mandatory information is not present in the ID provide 'Not Applicable' in such fields.

22) Should SWIFT/TT be reported as TTR?

Yes, SWIFT/TT should be reported as per existing regulations.

23) Can we register/report through multiple users for same organization?

No, only one user (Compliance Officer or Authorized Personnel) per Reporting Entity is responsible for reporting in goAML. Hence, the registration email should be generic and information update request can be sent through goAML in case of personnel change.

24) Can we use abbreviations/short forms for common terms?

Abbreviations/short forms should be avoided as far as possible while providing information like Person Name, Entity Name, address, occupation, business etc. but if abbreviations/short forms are present in legal documents like Citizenship, Registration Certificate etc., then such information should be provided exactly as per legal documents.

25) How long will Drafted Reports be available for editing prior to submission?

Currently, FIU-Nepal has set it as '15 days' which can be changed as per requirement.

26) How long will be Processed/Failed Validation reports be available for preview on the Web?

Currently, FIU-Nepal has set it as '15 days' which can be changed as per requirement.

27) What does the different status of submitted report mean and do we need to take any action?

- In General, status is Transferred from Web, Processed, Rejected and Failed Validation.
- If there are some errors in the structure of XML file, then the status for such file can be seen as Failed Validation and REs can click on Failed Validation link to know more about the validation errors.
- If the XML file is validated the status changes to Transferred from Web and further upon approval from the screening officer of FIU or based on XML validation and rejection rules, the status will be change to Processed. The REs do not need to take any actions if the status is Processed.
- In case if 'Transferred from Web' status is seen for longer period of time (>1 day), the REs should check their message board or email for any notification or rejection message regarding the report.
- If there are some logical mistakes or missing information in validated XML files, then the screening officer (manually) or goAML rejection rules (automatically) may reject the report with proper reason which appears as *Rejected*.
- REs should correct the mistakes in reports with Failed Validation, Rejected and Transferred from Web status and resubmit those files.

28) How to validate bulk of XML files?

The 'XML Report Validator' in the Web Interface

and an offline XML Validator Tool can be used to validate one XML file at a time. It is not necessary to validate every XML file prior to submission if the REs have solved the common validation issues and they are assured that no such validation errors exists in the reports. As the reports being submitted by REs get error free with time, it is advised that the REs validate the samples from the bulk uploads. Nevertheless, there might be some third party tools that may be available for validating bulk of XML files against the provided XML Schema.

29) What will happen when STR/SAR/TTR is not reported?

As per ALPA, 2008, STR/SAR must be submitted as soon as possible, not exceeding three days and TTR must be submitted within 15 days of date of transaction. Non-submission of STR/SAR/TTR or failure to submit within prescribed time/format are subject to fine and penalties. Punishment ranges from written clarification or fine up to NPR. 5 crores, FIU-Nepal can impose fine up to NPR. 10 lakhs.

FAQs regarding reporting through ‘Message Board’

30) Where can we find format of TTR or STR/SAR, that ought to be attached while reporting through Message Board of goAML?

Appropriate format of TTR and STR/SAR can be found in the annexure of AML/CFT directive issued by your concerned regulator. Some selected directives can also be found in official website of FIU-Nepal: <https://www.nrb.org.np/departments/fiu/>

NOTE: For updated directive, please always check official website of concerned regulator.

31) In which file format we need to submit/attach STR/SAR and TTR report while submitting through goAML Message Board?

TTR must be submitted in excel format and STR/SAR must be submitted either in word or in pdf format. As specified by regulator.

32) Do we need to send CD also after submitting through goAML Message Board?

No.

33) Can we submit reports by usual mechanism through CDs?

No.

34) Do we need to send reports by web or XML medium from goAML (Production Environment)?

No, you need to send reports by Message Board only. However, if you have capabilities to submit XML or web reports you must first take approval from FIU-Nepal.

35) Do we need to send reports by web or XML medium from goAML (Test Environment) as well?

Yes. Message Board platform of goAML (Production Environment) is only for temporary use and it is solely aimed to replace currently used unsecured reporting mediums such as CD/Paper/Letter/Email. In the future, each reporting entities have to submit reports via ‘web or XML’ medium of goAML (Production environment). To prepare and practice for that, reporting entities are also requested to submit reports by web or XML medium of goAML (Test Environment), for now, as well.

Note: For any further queries or confusions regarding goAML, please do contact the ‘**goAML Implementation Team**’ of FIU-Nepal through **Email:** goaml@nrb.org.np & **Tel:** 01-5719641 (Ext. 418). Please do visit our website www.nrb.org.np/departments/fiu/ for latest documents, notices, goAML related video tutorials and other information.