AML & KYC Standards by Jurisdiction (BVI, Seychelles, Malta, etc.)

This comparative guide outlines the Anti-Money Laundering (AML) and Know Your Customer (KYC) standards applicable in several key offshore jurisdictions. While most follow FATF guidelines, implementation, enforcement, and risk appetite vary significantly across jurisdictions.

WWW.HPTGROUP.COM
12 RUE LE CORBUSIER, 1208 GENEVA, SWITZERLAND

Executive Summary

- All jurisdictions discussed are committed to FATF compliance and have enacted enabling legislation for AML/CFT controls.
- Regulatory stringency, enforcement, and onboarding documentation vary.
- Understanding local AML/KYC requirements is critical for corporate service providers, trust companies, and financial institutions managing client onboarding and monitoring.

Comparison Table: AML & KYC Requirements by Jurisdiction

Jurisdiction	AML Law & Regulator	KYC Requirements	Risk-Based Approach (RBA)	Beneficial Ownership Register	PEP/EDD Requirements	Enforcement Profile
BVI	Anti-Money Laundering Regulations (AMLR), FSC	Full CDD, source of funds, ID, PoA, entity structure	Yes – FATF-aligned	Yes – private, available to competent authorities only	EDD mandatory for PEPs and high-risk	Moderate to High
Seychelles	Anti-Money Laundering Act, FIU & FSA	CDD, ID, PoA, business profile, UBO ID	Yes – RBA enforced	Yes – private, maintained by Regulator & RA	High-risk clients require EDD	Moderate
Malta	Prevention of Money Laundering Act, FIAU	Full KYC, business justification, financial statements, ID, PoA	Yes – detailed ML/TF risk assessments required	Yes – public access	Mandatory EDD for all foreign PEPs	High – EU-supervised
Cayman Islands	Proceeds of Crime Act, AMLRs, CIMA	CDD, source of wealth/funds, ongoing reviews	Yes – FATF and CFATF-aligned	Yes – private but accessible to regulators	EDD required for high-risk, trusts, PEPs	High
Belize	Money Laundering and Terrorism (Prevention) Act, IFSC	Basic KYC, ID, address, entity ownership	Yes – requires documented RBA	Yes – available to competent authorities	EDD required but enforcement inconsistent	Low to Moderate
Nevis	AML Regulations 2023, FSRC	CDD, ownership verification, ID, purpose of structure	Yes – follows RBA	Yes – limited visibility, regulator access	EDD where necessary	Moderate
UAE (ADGM & DIFC)	AML Rules, FSRA/DFSA	Stringent KYC, UBO registry, source of wealth	Yes – full RBA and ML risk assessments	Yes – central UBO registry with access by FIUs	Full PEP & EDD procedures	Very High – FATF greylisted but strong local enforcement

Key Observations

- Malta and UAE have the most stringent AML regimes, including public registers and mandatory EDD.
- BVI, Cayman, and Seychelles maintain private registers accessible only by regulators — preferred by HNW clients seeking privacy-compliant jurisdictions.
- Belize and Nevis have improved frameworks but lag behind in enforcement consistency.
- All jurisdictions follow a Risk-Based Approach (RBA) and require appropriate documentation for onboarding and ongoing monitoring.

Practical Implications for CSPs and Financial Professionals

- Do not rely on minimum statutory requirements — banks, especially Tier 1 institutions, often require more than what is locally mandated.
- Jurisdictions with strong enforcement (Malta, Cayman, UAE) require sophisticated internal AML programs to avoid penalties.
- Use of nominee structures or layered entities should be paired with strong documentation on source of wealth and purpose.