

TECHNICAL COMMUNIQUÉ CT-01/2023

Andorra la Vella, 13th February, 2023

Dear Sirs/Madams,

Technical Communiqué TC-02/2019 issued in 2019 established that within the context of ongoing monitoring of business relationships and, in order to comply with article 10.5 of *Law 14/2017, of 22 June, on the prevention and fight against money laundering and terrorist financing* (hereinafter, *Law 14/2017*), parties under obligation must carry out, among other measures, a review of existing clients in order to ensure that there are no changes in relation to the identification of the beneficial owner.

In this sense, the present Technical Communiqué updates Technical Communiqué CT-02/2019 mentioned above, to introduce the new provisions of *Law 37/2021, 16 December*, that amends *Law 14/2017*, which establish a new case that has an impact in the frequency of the review of existing clients that each party under obligation must carry out.

Therefore, the frequency of this review should be established in accordance to their risk exposure, whenever there is evidence that the beneficial owner has changed or should a situation occur that justifies its review (as for example: company mergers, the death of a shareholder, new account openings within the framework of business relationships of financial entities, etc.), or when the party under obligation has any legal duty in the course of the relevant calendar year to contact the customer for the purpose of reviewing any relevant information relating to the beneficial owners or in application of the obligations set out in *Law 19/2016, of November 30, on the automatic exchange of information in tax matters*.

Whatever the case, the UIFAND determines that the frequency of this review should not exceed five years.

In addition, it is important to stress that the scope of this review implies a new evaluation in order to identify and verify the identity of the beneficial owner and not only the update of the documentation used in the previous review.

This Technical Communiqué abrogates and replaces Technical Communiqué (CT-02/2019), concerning the update of beneficial owner information.

We remain at your disposal for any clarification you might deem necessary.

Best regards,

Carles FIÑANA PIFARRÉ
Cap de la UIFAND