ST. KITTS BRANCH
Financial Services Regulatory Commission

NewsLetter

June 2026
Issue No.144

Best Practices for Gatekeepers to Combat AML/CFT/CPF

Gatekeeper professions represent the first line of defence against financial crime. Their position within the financial system can enable them to detect and prevent illicit activities and protect the integrity of the financial sector.

Gatekeepers are professionals that act as intermediaries within the financial system and are therefore vulnerable to be misused for money laundering, terrorist financing and proliferation financing activities.

These professionals often provide legal and financial advice, manage clients assets and facilitate transactions. Their direct interaction with the customers and understanding of complex transactions place them in a unique position to identify suspicious activities.

Key Gatekeeper Professionals

- **Trust and Corporate Service Providers (TCSPs)**
- **Lawyers and Legal Professionals**
- **Real Estate Agents**
- **Accountants and Auditors**
- **Dealers in precious metals and precious stones**

BEST PRACTICES FOR EFFECTIVE COMPLIANCE

Adopt a Risk Based Approach
- Understand your business and customers
- Identify, assess and document AML/CFT/CPF risk
- Apply enhanced measures for higher-risk situations

Develop a Robust AML/CFT/CPF Program
- Due Diligence Procedures
- Risk Assessments
- Policies and Procedures
- Internal Controls
- Training Programs

Perform Robust Customer Due Diligence
- Verify customer identity and beneficial ownership information (shareholders, directors and senior management)
- Understand the purpose of the business relationship
- Conduct ongoing transaction monitoring

Strengthen Governance and Oversight
- Establish clear policies and procedures
- Conduct independent reviews and regular internal audits

Promote a Culture of Compliance
- Conduct regular AML/CFT/CPF Training
- Review and update Compliance Procedures

Invest in Training and Awareness
- Conduct regular AML/CFT/CPF Training for Board of Directors and staff
- Training should be role-based and timely
- Be informed about new risks, trends and threats to the sector

Establish Monitoring and Reporting Systems
- Implement systems to detect unusual and suspicious activity
- Monitor transactions and customer behaviour
- Review and investigate alerts promptly
- Report suspicious activity to the Financial Intelligence Unit.
- Review various sanctions lists including those from the United Nations and the Office of Foreign Assets Control (OFAC)

Stay Informed, Collaborate and Share
- Work with regulators and Competent Authorities
- Participate in industry information sharing activities

Gatekeeper Compliance in Practice

The Challenge

Criminals often exploit professional services to conceal beneficial ownership, move illicit proceeds and conduct complex transactions.

The Response

Gatekeepers apply customer due diligence mechanisms and transaction monitoring processes to detect and prevent financial crimes. If suspicion is noted, the Gatekeepers should implement appropriate suspicious transaction reporting procedures to inform the FIU of possible financial crime.

The Outcome

Strong AML/CFT/CPF controls safeguard the integrity of financial system and enhance public confidence in the regulated sectors.

Effective Compliance helps to:

- Detect unusual customer behaviour or transactions.
- Prevent illicit funds from entering the financial system.
- Maintain public confidence and financial stability.
- Identify risks and emerging trends within the financial services sector.
- Support national and international AML/CFT/CPF efforts.

Common Challenges

Gatekeepers may encounter:

⇒ Balancing confidentiality obligations with reporting requirements.

⇒ Limited resources and operational burdens.

⇒ Increasing sophisticated money laundering, terrorist and proliferation financing methods.

⇒ Evolving Regulatory Requirements.

Recognise the Red Flags

- Unusual or complex transactions without any clear purpose.
- Reluctancy to provide identification or information of ownership or controlling structure.
- Transaction inconsistent with the client's profile
- Use of third parties with no clear explanation or relation to the business or entity.
- Transactions involving high risk jurisdictions.
- Structuring transactions to avoid reporting thresholds.

Key Takeaway

Gatekeepers are trusted advisors and custodians of the financial system. By embracing their AML/CFT/PF responsibility they help stop financial crimes and protect the financial system.

REFERENCES

***Anti– Money Laundering Regulations * Financial Action Task Force (FATF) Recommendations**

*** AML House Insights Gatekeeper Professions**

South Independence Square Street, P.O. Box 898, Basseterre, St. Kitts
Tel: (869) 466-5048 | (869) 662-5940
Website: www.fsrc.kn / Email: info@fsrc.kn