



EDBS/KH/C/23/2021
26th May 2021

Chief Executive Officers
All Banks
Manama - Kingdom of Bahrain

Dear Sir/ Madam,

Consultation: Proposed Amendments to the Financial Crime Module (Module FC)

As part of the CBB's objective in enhancing its regulatory framework, CBB is proposing certain amendments to the Financial Crime Module (Module FC). The proposed amended Module FC, for Volumes 1 and 2 of the CBB Rulebook, now incorporates the detailed proposed requirements relating to the following:

1. Risk based approach to ensure consistency across licensees (See Chapter FC-C: Risk Based Approach);
2. Amendments to customer due diligence requirements in light of the introduction of the National E-KYC solution and for allowing licensees own digital on-boarding solutions and the associated governance, technical and process requirements (See Chapter FC-1); and
3. The removal of Section FC-1.12 - Simplified CDD: For entities Operating under Regulatory Sandbox, which will be addressed in CBB's Regulatory Sandbox Framework separately.

The proposed amendments to Module FC Volumes 1 and 2 shall be available on the CBB website (www.cbb.gov.bh) under the "open consultations" section.

CBB requests all licensees, to whom this circular is addressed, to provide their comments, including 'nil comments' on the proposed amendments.

Responses must be sent electronically, in an editable format, to consultation@cbb.gov.bh by 23rd June 2021.

Yours faithfully


Khalid Hamad Al Hamad

cc: Bahrain Association of Banks
External Auditors