

Annual Anti-Money Laundering Return

Frequently Asked Questions

September 2025

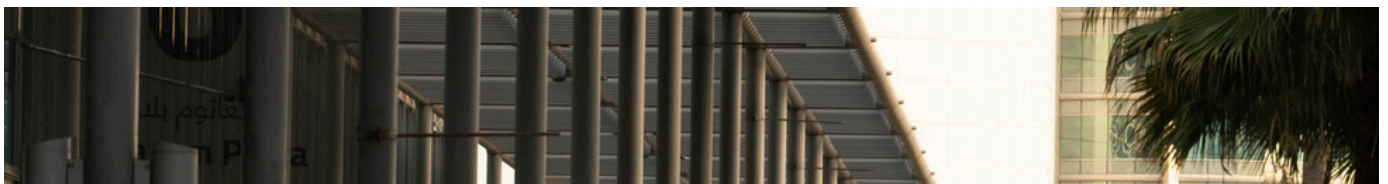
Introduction

This Frequently Asked Questions (FAQ) document is not intended to be a complete guide to the DFSA Anti-Money Laundering (AML) Return and is not a substitute for reading the applicable rules, including, but not limited to, [AML Rule 14.5.1](#) of the DFSA Rulebook.

The questions and answers in this FAQ are based on the DFSA AML Return, which Firms are required to submit.

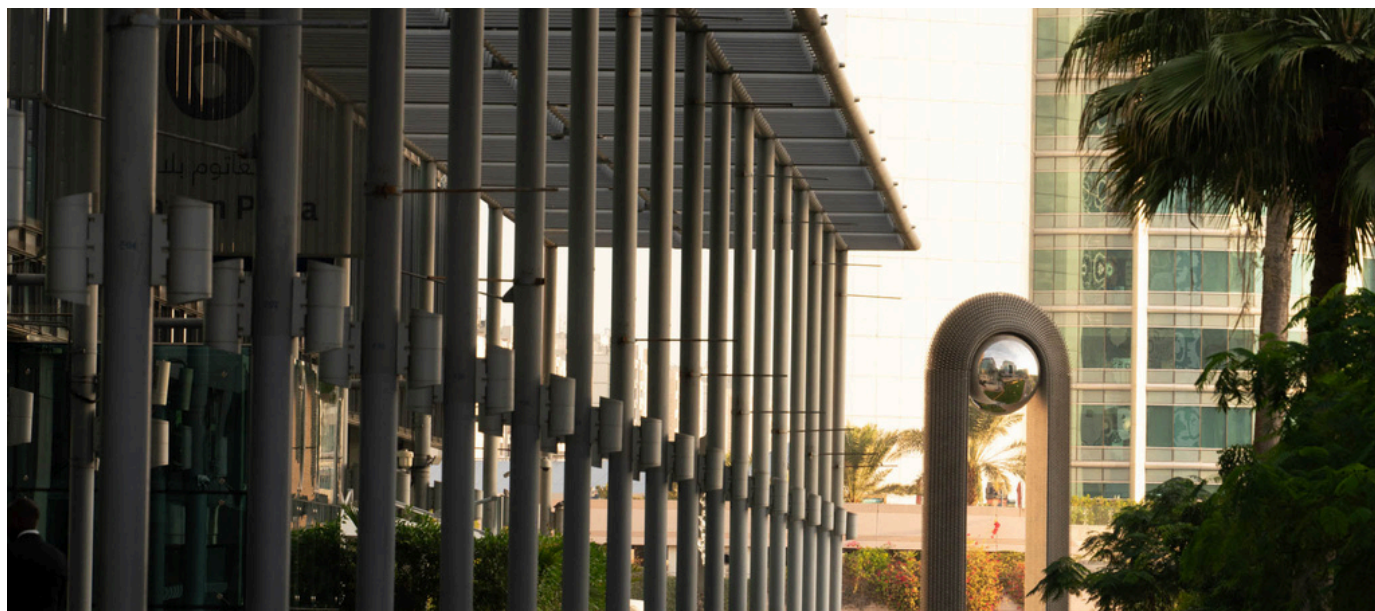
Reminders

- It is the **Firm's responsibility to submit the AML Return by the due date** to comply with AML Rule 14.5.1.
- The AML Return is typically made **available two months before the submission deadline**.
- **Notifications are sent to the Money Laundering Reporting Officers (MLRO)** of all Relevant Persons. If a notification has not been received within this timeframe, you should contact the DFSA as soon as possible.
- Firms should ensure that MLRO contact details are correct and up to date, especially if there have been changes to the MLRO prior to, or during, the period in which the Return is due.
- **If a Return is submitted after the due date** (usually 30 September), the **Fixed Penalty Notice process** may be initiated under [Article 91 of the Regulatory Law](#), as noted in Point 8 of the AML Return introduction notes.
- You should ensure that your **responses are concise and accurate**, and limited to the specific question. You are not required to submit additional explanatory notes or documents through the DFSA ePortal concurrently with the AML Return. If the DFSA has any queries during the assurance review, it will contact Firms individually, as stated in Point 9 of the AML Return introduction notes.
- Please ensure that signatures required under Question 15 "Declaration" of the AML Return are uploaded within that section, rather than submitted separately.
- **Data should be reported as at the date of the Return.** The DFSA recognises that figures may fluctuate during the reporting period (1 August of the previous year to 31 July of the reporting year). For consistency, figures as at 31 July should be used.
- General communications with the DFSA, including any questions regarding the Annual AML Return, should be made via the **Supervised Firm Contact Form on the DFSA ePortal**.



General Frequently Asked Questions

Question	Answer
Q1. The Firm was only authorised in July. Is a Return still required?	Yes. If a Firm was authorised within the reporting period, they are required to submit a Return.
Q2. The Firm has only done very limited/no business since being authorised this year. Is a Return still required?	Yes. The obligation to submit a Return applies irrespective of the level of business activity.
Q3. Why does the submission deadline sometimes change?	AML Rule 14.5.1 sets the deadline at the end of September each reporting year. The DFSA normally makes the Return available at least two months before this deadline. If the release of the Return is delayed, the submission date will be adjusted to ensure that Firms still have the full timeframe to complete and submit it.
Q4. Do I need to submit my Business AML Risk Assessment (BARA) with the Return?	No. You do not need to submit the BARA with the Return.
Q5. Why haven't I received a reminder to submit the Return?	A notification is sent to the Money Laundering Reporting Officer (MLRO) once the Return is available on the DFSA ePortal. It is the Firm's responsibility to ensure timely submission in accordance with AML Rule 14.5.1 without relying on further reminders.



Section-specific Frequently Asked Questions

AML Return Section	Question	Answer
"4.11. Is the firm: <ul style="list-style-type: none"> • A branch? • A subsidiary? • A stand-alone entity?" 	Does this refer to specific entity type, and does it include only those incorporated in or operating from the DIFC or the UAE?	It includes all entity types, regardless of jurisdiction. The purpose is to confirm the Firm's status and whether it is part of any wider group, wherever the parent is located.
"4-32. During the Relevant Period and in order to serve its customers, did the firm maintain ongoing business relationships with financial institutions and DNFBPs?"	Does the definition of 'financial institutions' include banking institutions used to hold the clients' funds?	Financial institution has a broad definition. Firms should refer to a) the UAE Cabinet Decision No (10) of 2019 (as amended) which defines Financial Institutions as: "whoever conducts one or more of the financial activities or operations for or on behalf of a client", and sets out those activities in Article 2 of that Cabinet Decision; and b) the DFSA AML Glossary which defines a Financial Institution as "a regulated or unregulated entity, whose activities are primarily financial in nature."
	What type of "business relationship" does the Return refer to?	Please note that "business relationships" is not a DFSA defined term. The DFSA would take a dictionary definition. In this case it will refer to any relationship a firm may have with another firm, financial institution or DNFBP, that enables it to provide services to its customers.
"5-15. During the Relevant Period, how many customers were subject to a review to ensure the information retained by the firm is kept up to date?"	What is the difference between these two questions?	Section 5-15 refers to reviews ensuring that customer due diligence (CDD) information is up to date. Section 5-17 relates to reviews of customer risk ratings, usually as part of any ongoing CDD review or trigger event. These figures may be the same.
"5-17. During the Relevant Period, how many customers were subject to a review to ensure that the risk rating assigned to a customer under Rule 6.1.1(1) (b) remains appropriate for the customer in light of the money laundering risks?"		

AML Return Section	Question	Answer
"4-23. During the Relevant Period, has the firm provided any of the following products or services?"	Does this include the activities of advising or arranging for the products and services?	Yes. The question includes advising/arranging.
"5-12. Has the firm suspended existing customer relationships (including accounts/matters/engagements) during the Relevant Period?"	How does the DFSA define "suspended"?	"Suspended" is not a DFSA defined term. The DFSA applies a dictionary definition. In this case it would be customers that have been suspended for a temporary period by a firm.
"5-14. Has the firm terminated customer relationships (including accounts/matters/engagements) during the Relevant Period?"	How does the DFSA define "terminated"?	"Terminated" is not a DFSA defined term either. The DFSA applies a dictionary definition. In this case it would be customers that a firm ended a relationship with.
"8-3. Does the firm have any customers who are resident in a country of proliferation concern, and/or nationals of a country of proliferation concern?"	What countries are considered to be of proliferation financing (PF) concern? Is it only Iran and the Democratic People's Republic of Korea?	<p>The Executive Office for Control and Non-proliferation's (EOCN) "Proliferation Finance Institutional Risk Assessment Guidance for FIs, DNFBPs and VASPs" (December 2023) stipulates that firms conduct a BARA that includes PF risk. Therefore, considering what is a Country of PF risk would be part of a firm's methodology for its Business AML Risk Assessment.</p> <p>The EOCN guidance also includes risk factors and examples of country risk scoring that may assist with this.</p>
8-12. Does the firm engage with countries subject to sanctions or embargos, or countries identified as lacking appropriate AML/CFT/CPF laws and regulations?	This is a broad question. Does this include grey-listed jurisdictions? What is the DFSA seeking, and what should Firms consider?	This again should be drawn from a firm's Business AML Risk Assessment, taking account the focus of this section is TFS – PF related.

AML Return Section	Question	Answer
<p>"8-13. Does the firm engage with jurisdictions identified as providing funding or support to terrorist activities?"</p>	<p>This is another broad question. There could be organisations in the jurisdictions where firms have clients that are alleged to have supported terrorist activities but are not clients of the firms in question. Would that require a Yes response?</p>	<p>This question relates to the Firm's BARA. If the Firm's methodology identifies certain jurisdictions as TF risk, then the response should be "Yes".</p>
<p>Products, services and transactions (new and existing):</p> <p>"8-14. Does the firm provide any of the following products, services or transactions?"</p> <p>"Guidance: the firm should also consider whether it is advising on such activities or otherwise engaged with customers who are carrying such activities."</p>	<p>The guidance suggests that the firm should also consider whether it is advising on such activities or otherwise engaged with customers who are carrying out these activities. Could you please confirm whether we are required to report on: 1. The types of services that our firm provides, or 2. The types of services that our clients provide or may provide?</p>	<p>Both. Firms must report if:</p> <ol style="list-style-type: none"> 1. They directly offer the listed products, services, or transactions; 2. They advise on such products, services, or transactions, either directly or for customers that offer them; or 3. They provide other services to customers who offer such products, services, or transactions. <p>This allows the DFSA to consider direct and indirect risk indicators.</p>
<p>"11. Effectiveness of AML policies, procedures, systems and controls"</p>	<p>Question 11-1(b) lists "external audit firm" and "external compliance firm" as options for undertaking the effectiveness review. Does this mean that the review is expected to be carried out independently, by someone other than the firm's compliance team or internal audit function?</p>	<p>This question is focused on the effectiveness testing done as part of satisfying AML Rule 5.2.1. The Firm is expected to have in process/procedures in place which states who will carry out this assessment.</p> <p>This assessment may be done by internal or external reviewers. It may involve a second line assurance review of first line of defence controls (possibly by the MLRO), a third line assessment of the second and/or first lines, or an independent external audit.</p> <p>According to Guidance Point 2 of AML Rule 5.2.1, "the regularity of risk assessments will depend on the nature, size and complexity of the Relevant Person's business and also on when any material changes are made to its business."</p>

AML Return Section	Question	Answer
<p>"11-1. Has the firm assessed the effectiveness of its AML policies, procedures, systems and controls?"</p> <p>"12-1. Was an audit conducted of the firm's AML policies, procedures, systems and controls and its compliance with the obligations under the AML Module (AML Rule 9.4.1) during the Relevant Period?"</p>	<p>If the DFSA conducted a Risk Assessment during the period, should that be included?</p>	<p>No. Questions 11-1 and 12-1 relate to testing and audits conducted by the Firm, internally or with external parties.</p> <p>A DFSA Risk Assessment should instead be reflected in Question 4-7, particularly if it resulted in a Risk Mitigation Programme (RMP) being recorded.</p> <p>The guidance attached to Question 4-7 clarifies that:</p> <ul style="list-style-type: none"> • If a Firm was subject to a regulatory review, audit, or AML programme review that identified deficiencies in its BARA, the Firm should reflect these findings in it. • Similarly, if the Firm identified that the control assessment requires enhancement, this should also be reported.
<p>"12-1. Was an audit conducted of the firm's AML policies, procedures, systems and controls and its compliance with the obligations under the AML Module (AML Rule 9.4.1) during the Relevant Period?"</p>	<p>For Q.12 this may have been answered under Q.11-1 if we only used an external audit firm and only did the one assessment or audit of effectiveness.</p>	<p>In this case, Q.12-1 can be completed noting the outcomes and whether any actions have been addressed.</p> <p>This question relates to AML Rule 9.4.1 and seeks to establish how and whether a firm has satisfied that Rule requirement.</p> <p>AML Rule 9.4.1 Guidance clarifies that the review and assessment required under AML Rule 9.4.1 may be conducted:</p> <ol style="list-style-type: none"> internally by the Authorised Person's internal audit function; or by a competent firm of independent auditors or compliance professionals.





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