



**Circular No 240/2021
Dated 17 June 2021**

To Members of the Malaysian Bar

Issuance of Data Compliance Report 2021 by Bank Negara Malaysia

On 16 June 2021, Bank Negara Malaysia (“BNM”) has issued the Data Compliance Report (“DCR”) 2021 pursuant to section 8(3)(a) of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (“AMLA”) read together with section 143(a) of the Financial Services Act 2013 (“FSA”).

DCR allows reporting institutions (“RIs”) to self-assess their risks and vulnerabilities to money laundering and terrorism financing as well as help them to understand and mitigate the risk of their business from being exploited by criminals. BNM’s Circular dated 16 June 2021 entitled “Data and Compliance Report 2021 for DNFBPs and NBFIs” can be accessed [here](#).

Kindly take note that BNM has made the submission of DCR 2021 **MANDATORY** for all RIs carrying out gazetted activities (“GAs”).

List of GAs with examples for lawyers are provided below:

(1) GA I Buying and selling of immovable property

Examples:

- Advisory services related to buying and selling of real property
- Preparation of legal documents to facilitate buying and selling of immovable property
- Facilitating payments for buying and selling of immovable property

(2) GA II Managing of client’s money, securities or other property

Examples:

- Hold or keep client monies/funds/assets in separate account (client/escrow account) and use the monies according to the client’s instructions in conjunction with any of the specified GAs, eg holding of earnest deposit in firm’s client account as stakeholder funds pending completion of property acquisition
- Administer and manage client assets in a separate account (client/escrow account), eg in relation to lawyer’s role as a trustee for the administration of client’s assets

(3) GA III Managing of accounts including savings and securities accounts

Examples:

- Managing of client’s accounts including bank accounts or securities accounts, eg acting as authorised signatory on behalf of client to facilitate funds transfer/salary payment from client’s bank account to third party/employees, power of attorney over account

- Make investments on behalf of clients in securities and/or other assets
- Book-keeping and the preparation of annual and periodic accounts

(4) GA IV Organising of contributions for the creation, operation or management of companies

Examples:

- Advisory services related to capital contribution or funding/financing arrangement of companies, eg initial public offerings (“IPOs”) or issuance of bonds
- Preparation of agreement related to funding/financing arrangement, eg IPOs or issuance of bonds
- Advisory services related to tax/tax planning, investments in securities and/or other assets

(5) GA V Creating, operating or managing of legal entities or arrangements and buying and selling of business entities

Examples:

- Formation or setting up of companies/entities, including the related advisory services
- Formation or setting up of trust arrangement, including the related advisory services and preparation of trust deed
- Provision of nominee director/shareholder services
- Takeover, mergers and acquisition arrangement, including the related advisory services and preparation of Share Sale Agreement
- Insolvency/receiver-managers/bankruptcy, including the related advisory services

Members who do not provide any of the listed GAs are required to declare non-provision of GAs through the online portal.

The DCR does not apply to any RI which has been selected and informed for onsite assessment for 2021.

This year, RIs are required to submit the DCR through [this online portal](#), which is accessible beginning from 16 June until 31 Aug 2021.

Important points to take note:

- (a) RIs are required to appoint a compliance officer (“CO”) before attempting to answer the DCR;
- (b) The estimated time for a DCR to be completed would be approximately between 30 to 45 minutes;
- (c) The DCR Portal **does not** have the “save” function; therefore RIs cannot save progress to continue at a later time;
- (d) Submitted DCRs cannot be amended. No new DCR should be submitted as BNM will only record the first submission by the RI; and
- (e) For firms with multiple branch offices, submission is done by the head office only. However, if the branch is operating independently from the head office, then the branch office should respond to the DCR separately.

BNM has prepared the AML/CFT Data & Compliance Report Information Kit (“DCR Kit”) to guide RIs on how to complete the DCR 2021, which can be accessed [here](#). Members are advised to go through the DCR Kit before logging into the online portal to answer the DCR 2021.

Summary of items in the DCR Kit:

- Pages 5 and 6: DCR Reporting Checklist
- Pages 7 and 8: Information on GAs
- Pages 9 to 26: DCR Reporting Guide
- Pages 27 to 33: Frequently-Asked-Questions on DCR

Members are strongly advised to go through the DCR Kit before attempting to answer the DCR. The pdf version of the DCR is available [here](#).

A “Report Card” will be emailed back to Members once BNM has assessed your DCR responses.

The deadline for the submission is **31 Aug 2021 (Tuesday)**.

~~BNM will be conducting DCR 2021 Clinics, to assist RIs. Details of the DCR 2021 Clinic for lawyers are as follows:~~

~~**Title: National AML/CFT Compliance Programme
Data & Compliance Report (DCR) 2021 Clinic
Date: 5 July 2021 (Monday)
Time: 10:00 am**~~

Click [here](#) to register.

~~BNM will also conduct sessions in Mandarin and Bahasa Malaysia on 7 July 2021, which are opened to all sectors. Click [here](#) for more details about the DCR 2021 Clinics.~~

Should you have any enquiries, please contact BNM by telephone at 03-2694 2876 or by email at dcr@bnm.gov.my.

Thank you.

Shahareen Begum
Secretary
Malaysian Bar