

**FEDERAL PUBLIC SERVICE ECONOMY, S.M.E.s, SELF  
EMPLOYED AND ENERGY  
[IC - 2013/11538]**

**7 OCTOBER 2013. - Royal decree approving the regulation pursuant to the law of 11 January 1993 on preventing use of the financial system for purposes of money laundering and terrorist financing by diamond dealers who are registered in terms of article 169, § 3, of the programme law of 2 August 2002.**

FILIP, King of the Belgians, To all who now and hereafter present, Our Greetings.

Having regard to the law of 11 January 1993 on preventing use of the financial system for purposes of money laundering and the terrorist financing, article 38, § 1 added to the law of 18 January 2010;

Taking into account the advice of the Inter-ministerial Economic Commission of 27 May 2013;

As proposed by the Minister of economy,

We have decided and conclude:

Art. 1. The regulation included in the decree pursuant to the law of 11 January 1993 on preventing use of the financial system for purposes of money laundering and terrorist financing by diamond dealers, in terms of article 169, §3 of the programme law of 2 August 2002, is approved.

Art. 2. The royal decree of 22 October 2006 approving the regulation pursuant to the law of 11 January 1993 on preventing use of the financial system for purposes of money laundering and terrorist financing by diamond dealers registered pursuant to article 169, § 3 of the programme law of 2 August 2002, is repealed.

Art. 3. The Minister of Economy is responsible for the implementation of this decree.

Brussels, 7 October 2013.

FILIP

By order of the King,

The Minister of Economy

J. VANDE LANOTTE

## Attachment.

**Regulation of 7 October 2013 (hereinafter the 'regulation') pursuant to the act of 11 January 1993 on preventing use of the financial system for purposes of money laundering and terrorist financing (hereinafter the 'act') for diamond dealers registered under article 169, § 3 of the programme law of 2 August 2002**

### INTRODUCTION

Registered diamond dealers (as defined below) must implement this regulation, as approved by the royal decree of 7 October 2013 (hereinafter referred to as the 'regulation'), pursuant to and in order to comply with the provisions of the law.

The Federal Public Service Economy, S.M.E.s, Self-employed and Energy chooses to limit the text and content of this regulation to the essential requirements for application of the law by registered diamond dealers.

In addition to its regulatory powers, the Federal Public Service Economy, S.M.E.s, Self-employed and Energy must set up effective mechanisms to verify diamond dealers' compliance with the obligations of chapter II of the law and with the obligation to provide information (as well as the obligations imposed by regulations, decrees and other measures pursuant to the law) (art. 39 of the law).

The organisation of these mechanisms falls under the responsibility of the Federal Public Service Economy, S.M.E.s, Self-employed and Energy.

Subject to the special transitional provisions of article 44 of the law, the provisions of this regulation shall apply mutatis mutandis to the business relationships that existed at the time of the coming into force of the law, namely on 5 February 2010.

### CHAPTER I. – *Definitions*

#### Article I. – *Definitions*

For the purposes of this regulation, the following definitions shall apply:

1° '**Antwerp World Diamond Centre private foundation (AWDC)**': the Foundation's objectives are the advancement, promotion, representation and support of the diamond trade and diamond industry in Belgium and in the Antwerp region in particular, as well as the promotion of the international image of Antwerp as a world class diamond and gem centre. The AWDC also supports diamond dealers' compliance with anti-money laundering obligations;

2° '**The Financial Intelligence Processing Unit (abbreviated CFI)**': the administrative authority with legal persona responsible for processing and providing information with a view to combating money laundering and the financing of terrorism as provided in article 22, § 1 of the law;

3° '**License Service**': the department of the Federal Public Service Economy, S.M.E.s, Self-employed and Energy charged with supervision as defined in Article 169, § 1. of the programme law of 2 August 2002;

4° '**Diamond dealer**': a diamond dealer registered at the License Service of the Federal Public Authorities Economy, S.M.E.s, Self-employed and Energy pursuant to Article 169, § 3 of the programme law of 2 August 2002 and the royal decree of 30 April 2004 concerning measures for the supervision of the diamond sector and accordingly registered and numbered. The register of diamond dealers can be viewed at [www.registereddiamondcompanies.be](http://www.registereddiamondcompanies.be) or via a search on the website of the Belgian Databank of companies (*Kruispuntbank van Ondernemingen*, <http://economie.fgov.be>) where more detailed

information can be found;

5° '**Anti-money laundering officer**': the person responsible for the application of the law and this regulation and identified as such in terms of article 15 of this regulation;

6° '**Money laundering**':

- the conversion or transfer of money or assets with the intention of concealing the illegal origin thereof or to obscure the involvement of a person involved in a crime from which such money or assets originate, in order to help that person escape the legal consequences of their actions;
- the concealment or disguise of the nature, source, location, disposition, movement or ownership of money or assets of which the illegal origin is known;
- the acquisition, possession or use of money or assets known to be of illegal origin;
- participating in, being complicit in, attempting, aiding, inciting, facilitating or counselling with regard to one of the three preceding points as provided in article 5. § 1. of the law.

7° '**Illegal origin**': when money or assets originate from;

1° a crime that is connected with;

- terrorism or the financing of terrorism;
- organised crime;
- illegal drug trade;
- illegal trade in weapons, goods and merchandise including anti-personnel mines and/or submunitions;
- trafficking in illegal workers;
- trafficking in human beings;
- exploitation of prostitution;
- illegal use in animals of substances having an hormonal effect or illegal trade in such substances;
- illegal trade in human organs or tissues;
- fraud in relation to the financial interests of the European Union;
- serious tax fraud, whether or not organised;
- embezzlement by persons exercising a public function, and corruption;
- serious environmental crime;
- counterfeiting of coins or bank notes;
- replicas of goods;
- piracy.

2° a stock exchange offence, illegally soliciting investment or the provision of investment services, currency trading or money transfer services without permit;

3° scam, breach of trust, abuse of corporate assets, hostage taking, theft or extortion, or a crime related to bankruptcy.

8° '**Terrorist financing**': the supply or collection of funds, however performed, whether directly or indirectly, with the intention or knowledge that these will be used entirely or partially by a terrorist or a terrorist organisation or for committing one or more terrorist acts as provided in article 5, § 2, of the law;

9° '**Business relationship**': a business relationship is established when a client regularly and repeatedly contacts the same diamond dealer for the implementation of a number of separate and successive commercial transactions and for the resulting financial transactions as provided in article 7, § 1, first paragraph, 1° of the law;

10° **'Individual transaction'**: concluding a one-off commercial transaction with a non-regular client as provided in Article 7, § 1, first paragraph, 2° of the law;

11° **'Atypical transaction'**: a transaction particularly suitable for laundering money or for financing terrorism in the sense of article 14, § 1 2nd paragraph of the law, especially as regards its nature or unusual character with regard to the activities of the client or if such activities seem in conflict with the diamond dealer's knowledge of the client or the client's professional activities and risk profile and, if applicable, with the origin of the money;

12° **'Third party business introducer'**: a credit institution, financial institution, auditor, external accountant, external tax consultant, registered accountant, registered tax accountant, notary or other independent legal professional in terms of article 10 § 1, 1° or 2° of the law;

13° **'Agent'**: a person authorised by the client to act in its name in any given capacity, in other words the client's representative who specifically handles a transaction;

14° **'Politically prominent persons'**: natural persons who live abroad and hold or held a prominent position abroad and their direct family members or close associates as provided in article 12, § 3 of the law;

15° **'Trust'**: a trust which has been established pursuant to the clearly formulated, typically written ('express trust') expression of the will of its founder(s), excluding a trust established pursuant to the law but without the explicit expression of the will of a founder;

16° **'Ultimate beneficiary'**: the natural person (or persons) and ultimate, beneficial owner(s) or person(s) in control of the client (e.g. the shareholder/s) or for whose account a transaction or activity is performed or with whom the client wishes to establish a business relationship or wishes to conduct a transaction as stipulated in article 8, § 1 of the law.

## **CHAPTER 2. – Scope**

### **Article 2. – Scope**

§ 1. The provisions of this regulation apply to diamond dealers.

§ 2. In accordance with article 6 of the law diamond dealers will cooperate fully in the implementation of the law. They will commit all necessary resources to identifying acts of money laundering and of the financing of terrorism and will establish suitable internal systems for this purpose.

## **CHAPTER 3. – Identification and verification of clients, suppliers and their agents**

### **Article 3. – When to identify and verify**

§ 1. A diamond dealer must establish and verify the identity of a client or client's agent;

1° when establishing a business relationship;

2° in relation to each transaction of 10,000 euros or more, regardless of whether it is carried out in one or

several stages which appear to be linked;

3° when there is any doubt as to whether the previously obtained identification information with regard to an already identified client is reliable;

4° in all cases other than those described above, if there is a suspicion of money laundering or terrorist financing.

§ 2. A diamond dealer must establish and verify the identity of a diamond supplier or, where appropriate, its agent when purchasing transactions result in payments made in whole or in part, directly or indirectly, other than by means of transfers to bank accounts held with credit institutions as provided in article 10, § 1, 1° of the law.

§ 3. A business relationship cannot be established and certain occasional transactions cannot take place if it is not possible to exercise due diligence with regard to clients and their agents. In such cases it must be decided whether it is necessary to submit a report to the financial intelligence processing unit (CFI) as provided in chapter 9.

#### **Article 4. – How to identify and verify**

§ 1. The diamond dealer normally concludes transactions in the physical presence of his client.

§ 2. A diamond dealer identifies his client or diamond supplier (and with regard to the latter only in the case of payments effected otherwise than by transfers to bank accounts as defined in article 3, § 2) and their agents as follows:

1° If the client or supplier is a registered diamond dealer, via [www.registereddiamondcompanies.be](http://www.registereddiamondcompanies.be) or by means of a search on the website of the Belgian Databank of companies (*Kruispuntbank van Ondernemingen*, <http://economie.fgov.be>), where more extensive information is available.

The diamond dealer must print and retain the webpage containing the identification data of the client or supplier. The ultimate responsibility for compliance with identity requirements as well as the implementation thereof is always vested in the diamond dealer.

2° If the client or supplier is a natural person located in Belgium, not registered as diamond dealer by means of a

- valid identification document; or
- if such person has no Belgian identity card, a valid proof of registration in the aliens' register; or
- if such person has no valid identity document and no valid proof of registration in the aliens' register, a valid document issued by the Belgian public authorities stating that his stay in Belgium is legal.

If such natural person is resident abroad his identity may be checked on the basis of a valid passport or any other relevant and credible official identification document bearing a photograph. The diamond dealer must copy the documents that have served as identification.

Identification requires the following information: surname, first name, date and place of birth and, if possible, address.

3° If the client or supplier is a legal person, located in Belgium and not registered as a diamond dealer, by means of the following:

- the latest version of the articles of association; or
- the most recent extract from the articles of association published in the annexures to the Belgian Official Gazette (1).

These supporting documents should at least contain:

- company name
- registered office
- the list of directors of the legal person and the publication of their appointment in the Belgian Official Gazette or any other evidence by which the position of director can be proven (inter alia by means of publication in the Belgian Official Gazette or the annual accounts of the National Bank of Belgium or via the website of the Federal Public Service Justice);
- description of the powers of the officers of the legal person as published in the Belgian Official Gazette.

The diamond dealer must copy the documents that have served as identification.

4° If the client or supplier is a legal person located abroad and not registered as diamond dealer, on the basis of equivalent supporting documents as listed in 3°, if necessary for the diamond dealer, translated into one of the official languages or into English. The diamond dealer must copy the documents that have served as identification.

5° If the client or supplier is a trust, a de facto association, a fiduciary or any other legal structure without legal personality, the diamond dealer checks the management, representation and purpose of the legal entity on the basis of all documents that can serve as evidence thereof, and retains copies thereof.

6° The diamond dealer must check the power of representation of the office holder on the basis of documents (inter alia power of attorney) which can serve as evidence thereof and retain copies thereof.

§ 3. The diamond dealer must verify the identity of his client, supplier or their agents on the basis of the above-mentioned identification documents and verify whether these identification documents are relevant and credible.

## **CHAPTER 4. – *Identification and verification of ultimate beneficiaries***

### **Article 5. – Who to identify and verify**

§ 1. The diamond dealer must identify the ultimate beneficiary or beneficiaries of the client and, if possible, take measures that are appropriate and in proportion to the perceived risks to verify their identity.

§ 2. The diamond dealer must also respect the obligation under § 1 with regard to the ultimate beneficiary or beneficiaries of diamond suppliers in purchases resulting in payments that will be carried out in whole or in part, directly or indirectly, otherwise than via transfers to bank accounts held with credit institutions.

§ 3. An ultimate beneficiary is the natural person or persons for whose account or benefit a transaction is carried out or a business relationship entered into, or who is or are the final owner(s) of or have ultimate control over the client.

1° If the client is a company, the following persons are considered to be ultimate beneficiaries:

- the natural person or persons who are the ultimate owner of more than 25% of the shares or voting rights of that company or who directly or indirectly hold such percentage;
- the natural person or persons who otherwise have actual control over the management of the company.

2° If the client is a legal person other than a company, such as a foundation, a non-profit association, a trust, a fiduciary or similar legal construction that manages or distributes monies, the following persons are considered the ultimate beneficiaries:

- If the future beneficiaries are already designated, the natural person or persons who control 25% or more of the equity of the legal person or legal construction;
- If the future beneficiaries have not yet been designated, the abstractly defined group of persons in whose interest the legal person or legal construction was primarily founded or mainly operates;
- The natural person or persons who have control over 25% or more of the equity of the legal person or legal construction.

§ 4. If the client or the holder of a controlling interest in a listed public company (in accordance with article 11, § 1, 2° of the law), the shareholders are not required to be identified nor verified.

#### **Article 6. – How to identify and verify**

§ 1. Identification of an ultimate beneficiary is by name and first name and, to the extent possible, by date and place of birth. The person's address should also be obtained, if possible.

§ 2. The diamond dealer shall take appropriate measures, in proportion to the prevailing level of risk, to establish the identity of the ultimate beneficiary or beneficiaries in accordance with the diamond dealer's client acceptance policy and must verify whether the information so collected is relevant and credible.

### **CHAPTER 5. – *Third party intervention in the identification of clients, suppliers and their agents and ultimate beneficiaries***

#### **Article 7. – Third party business introducer**

§ 1. When commencing or maintaining business relationships with clients or when carrying out occasional transactions for clients the diamond dealer may use a third party business introducer for the identification and verification of clients and for the maintenance and updating of the resulting data. The third party business introducer may not use another third party business introducer to fulfil such identity requirements.

§ 2. If the diamond dealer consults a third party business introducer this implies that the latter:

- 1° will immediately supply the diamond dealer with all information that he possesses about the clients, their agents and ultimate beneficiaries;
- 2° will supply on the diamond dealer's request copies of the documents on the basis of which he verified the identity of the persons mentioned under 1°.

§ 3. When a diamond dealer works with a third party business introducer his personal responsibility to comply with the provisions of the act and this regulation apply in full.

If necessary the diamond dealer will institute a supplementary or even completely new client survey at his own initiative.

### **CHAPTER 6. – *Intensified client investigation measures and client acceptance policy***

## Article 8. – Intensified client investigation measures

A diamond dealer will intensify the client investigation measures required by his client acceptance policy according to the degree of perceived risk in situations that, because of their nature, carry an increased risk of money laundering or the financing of terrorism, and will do so at least in the following cases:

1° when he enters into a business relationship with or performs a transaction for a client who was not physically present for identification. The diamond dealer takes (one of) the following specific and appropriate measures:

- the client is required to submit additional documents to support his identity (e.g. an electronic identity card or legalised copy of identity card); available information is checked against the information that can be obtained via reliable sources that are independent of the client;
- a procedure is introduced where the client is directly identified at a later stage, but as soon as possible;
- ensures that personally addressed mail is regularly sent to the client's address with close monitoring of reply mail.

The diamond dealer must not enter a business relationship or execute an occasional transaction with a client who he has not met face-to-face:

- when there are grounds for believing that the client is trying to avoid direct contact in order to conceal his true identity;
- when he suspects that the client intends to perform transactions related to money laundering or the financing of terrorism;
- when it is implied that the transactions to be carried out in the context of that relationship will be paid in cash.

2° when he enters into a business relationship or performs a transaction with or on behalf of politically prominent persons living abroad who have or have held prominent public positions or with the immediate family members or close associates of politically prominent persons.

Natural persons who hold or have held 'prominent public positions' are understood to include:

- heads of state, heads of government, ministers and secretaries of state;
- members of parliament;
- members of supreme courts, constitutional courts and other high courts that make decisions against which typically no further appeal is possible except in exceptional circumstances;
- members of audit institutions and of the boards of central banks;
- ambassadors, envoys and high-ranking military officers;
- members of administrative, directorial or supervisory bodies of public enterprises

Mid-level or junior civil servants do not fall into the aforementioned categories.

'Immediate family members' of politically prominent persons means: the spouse or cohabiting partner; the children and their spouse/s and parents.

'Close associates' of a politically prominent person means:

- a natural person who is known to be the joint ultimate beneficiary, together with a politically prominent person, of legal entities and legal constructions or who has other close business relationships with said person;
- a legal entity or legal construction of which the ultimate beneficiary is only the person mentioned under (a) and where it is known that the entity or construction has been set up for the benefit of the politically prominent person.



As regards transactions or business relationships with politically prominent persons, the diamond dealer:

- must have appropriate risk-based procedures to determine whether a client is a politically prominent person;
- must have permission from more senior management (i.e. the first hierarchical level above that of the person requesting the permission) to engage in business relationships with such clients.
- take adequate measures to establish the source of the equity and funds that are used in the business relationship or transaction;
- continuously and closely monitor the business relationship.

#### **Article 9. – Client acceptance policy**

§ 1. The diamond dealer must outline a client acceptance policy that is appropriate to his activities and enables him, and where necessary his designate(s), on entering a business relationship with clients or in relation to an occasional transaction, to investigate in advance the risks of money laundering or terrorist financing associated with the profile of the client and with the nature of the business relationship or the desired transaction.

In applying the client acceptance policy, the diamond dealer must divide his clients into categories differentiated by level of risk. These risk categories are defined on the basis of coherently interrelated, objective risk criteria to form an appropriate risk scale. This risk scale must take express account of:

- a. situations with increased risk of money laundering or financing of terrorism as defined in article 12, §§ 2 and 3 of the act and article 8;
- b. specifically defined risk criteria, taking particularly into account;
  - the risk criteria associated with the country of residence or registered office;
  - the risk criteria associated with the client;
  - the risk criteria associated with service requested or used by the client.

Based on this client acceptance policy the diamond dealer will carry out a thorough investigation and decide whether to accept the client or not and whether a report to the CFI is necessary.

§ 2. The diamond dealer who properly applies the procedures and tools made available by the AWDC and drawn up in consultation with the License Service and the CFI is deemed to meet the requirements set out in chapters 3 to 10.

### **CHAPTER 7. – *Data storage, sustained vigilance and updating***

#### **Article 10. – Data storage**

§ 1. The diamond dealer must retain copies in his medium of choice of all supporting documents used for identification for at least five years after the termination of a business relationship or execution of an occasional transaction. The diamond dealer must be able to produce this supporting documentation immediately at the request of the competent authorities pursuant to chapter 10.

§ 2. The diamond dealer must also retain, for at least five years after implementation of transactions, copies of the registrations, dockets and documents used in the transactions such as to enable their accurate reconstruction. The diamond dealer also retains the written reports referred to in article 11.

#### **Article 11. – Sustained vigilance and written reporting**

§ 1. The diamond dealer must demonstrate sustained vigilance in relation to its business relationships and occasional transactions and where necessary investigate the origin of funds to ensure that this is consistent with the available knowledge about clients, suppliers and their agents, their professional

activities and risk profiles. The diamond dealer must, in particular, examine all transactions and facts that may be indicative of money laundering or terrorist financing either because of their nature or unusual character having regard to the activities of the client or due to the attendant circumstances or the situations of the persons concerned.

§ 2. The diamond dealer must draw up a written report on investigations resulting from application of § 1. The report shall be kept for the period of 5 years prescribed in article 10 and shall be made available to the License Service upon request of this service.

#### **Article 12. – Updating**

The diamond dealer must update collected identification data:

- 1° according to the level of perceived risk;
- 2° if it appears that it is no longer up to date and in any event at least once every two years.

### **CHAPTER 8. – *Internal organisation***

#### **Article 13. – Internal procedures**

§ 1. The diamond dealer must set up:

- 1° appropriate internal control measures and procedures to ensure compliance with the provisions of this regulation and to take into account increased risk of money laundering and financing of terrorism;
- 2° procedures for centralisation of communication and information to detect, prevent and inhibit transactions related to money laundering or financing of terrorism.

#### **Article 14. – Staff training and sensitivity**

§ 1. The diamond dealer must take appropriate measures to familiarise its staff with the provisions of the act and the provisions of this regulation. These measures apply to members of staff who run the risk of being confronted by attempts at money laundering or financing of terrorism on the basis of the tasks they perform for clients, or as a result of the operations that they carry out.

§ 2. The training and sensitisation of staff and regular provision of information to staff is especially aimed at:

- helping them to acquire the necessary knowledge and develop the required critical reflex to detect atypical transactions or facts;
- helping them to acquire the knowledge of procedures necessary to respond appropriately when confronted by such transactions or facts.

§ 3. The diamond dealer must introduce appropriate procedures in the recruitment and appointment of employees to take into account the requirement of reliability in relation to the risks associated with their tasks and functions.

#### **Article 15. – Designation of a anti-money laundering officer**

§ 1. The diamond dealer must designate at least one person in the enterprise as anti-money laundering officer, responsible for the application of the act and this regulation.

§ 2. The anti-money laundering officer must have the professional experience, the hierarchical level and the powers needed to exercise that function effectively and autonomously within the company.

§ 3. The anti-money laundering officer must:

- ensure that the diamond dealer complies with its obligations in the area of prevention of money laundering and the financing of terrorism;
- ensure that the prohibition of payment in cash is complied with;
- establish and introduce internal procedures to fulfil the requirements of this regulation. In addition, he/she must educate and sensitise staff on this issue.
- ensure the flow of information to the CFI in the form of special reporting (as defined in chapter 9) and ensure the flow of information from the CFI. He/she is the primary contact person for the CFI and License Service with regard to all questions on the prevention of money laundering and the financing of terrorism.

§4. The anti-money laundering officer must produce a written or electronic annual activity report on the application of the act and of the regulation within the enterprise. This report should in particular allow evaluation of the identification, verification and prevention processes, administrative organisation, internal organisation, cooperation of diamond dealer staff and training and sensitisation of staff. The report shall be drawn up according to a standard format set out by the License Service in consultation with the AWDC. A copy of this annual activity report must be kept as provided in article 10 and the original submitted to the License Service annually and at the latest by 31 March of the following year.

## **CHAPTER 9. –**

### ***Obligation to report to the Financial Intelligence Processing Unit (CFI)***

#### **Article 16. – When to report to the CFI**

§ 1. The diamond dealer must inform the CFI when he suspects or knows that a transaction is related to money laundering or the financing of terrorism and must do so before he carries out the transaction. In addition, the diamond dealer must report the period within which the service is to be provided.

§ 2. In exception to § 1 the report to the CFI may take place immediately after the execution of the transaction, provided:

1° it is not possible to postpone the execution of the transaction in view of its nature;

2° such postponement could obstruct prosecution of the beneficiaries of the alleged money laundering or financing of terrorism.

In such a case, the reason why a report was not possible before the transaction must be mentioned.

§ 3. The diamond dealer must inform the CFI of circumstances within the context of his professional activities that could indicate money laundering or financing of terrorism.

§ 4. The notification requirement remains in force in the case of transactions or facts that are already the subject of a declaration to the judicial authorities.

The duty to report also remains despite a client's decision not to carry out a transaction.

#### **Article 17. – How to report to the CFI**

§ 1. The report to the CFI must be in writing or electronic. Such notification may also be made by telephone, but must be confirmed in writing immediately.

§ 2. Reporting of the information referred to in article 16 to the CFI is, in principle, done by the anti-money laundering officer.

§ 3. If the anti-money laundering officer has not been appointed or does not fulfil his responsibilities the report to the CFI may be made by any employee or any representative of the diamond dealer.

#### **Article 18. – Effects of report to the CFI - increased vigilance**

§ 1. The CFI will issue written confirmation of the receipt of a report by the diamond dealer. The CFI may oppose the execution of any transaction due to the serious or urgent nature of the reported case. The diamond dealer must immediately be informed of such decision to oppose, by telefax or, failing that, by any other written method. Notification of such opposition prevents the execution of the transaction for a maximum period of five working days.

The transaction may not be carried out without prior verbal or written confirmation by the CFI provided:

1° there is no opposition within the period in which the transaction is planned, as communicated to the CFI in accordance with article 16;

2° opposition has been noted but the period for such opposition has expired.

§ 2. After submitting a report the diamond dealer must increase the level of the vigilance applied to its business relationship with the parties to whom the reported information relates.

This increased vigilance is maintained as long as necessary:

- depending on the circumstances; or
- in order to satisfy itself that the suspected transaction is merely an isolated instance; or
- to establish any new suspicious facts.

If necessary, the diamond dealer must submit a new report to the CFI.

§ 3. Under no circumstances may the diamond dealer inform the client or third parties that information was communicated to the CFI in terms of articles 15 to 18, or that an investigation with regard to money laundering or financing of terrorism is under way.

This prohibition does not apply to communication with the Federal Public Service Economy or to communication with criminal investigation officers or judicial authorities.

### **CHAPTER 10. – *Monitoring and control***

#### **Article 19. – Monitoring**

§ 1. Supporting documents and reports as mentioned in this regulation must be held by the diamond dealer at the disposal of the License Service, to which inspection of same must be granted on first request.

§ 2. The annual activity reports as mentioned in article 15, § 4 must be provided by the diamond dealer on a systematic, annual basis, in writing or by electronic means, to the License Service together with the declaration as prescribed by royal decree in relation to diamond stocks and diamond processing, not later than 31 March of the following year.

#### **Article 20. – Cooperation by the diamond dealer**

In order to allow the supervisory authorities (as referred to in this chapter) to monitor the application of the act and this regulation the diamond dealer is obliged to:

1° communicate all information that the authorities deem useful for the conduct of its monitoring assignments;

2° respond to each request for information by the competent monitoring authority or its delegate and to do this within the period and in the form specified in such request;

3° respond to any request for organisation of an audit in the office or offices of the diamond dealer;

4° allow such auditors to make all necessary investigations and findings and to supply the documents, items or books they require for their investigations and findings at first request and allow them to copy same.

#### **Article 21. – Competent supervisory authorities**

§ 1. Without prejudice to the powers of police officers, the detection and establishment of violation of the obligations referred to in articles 7 to 20, 23 to 30 and 33 of the law as well as of those obligations referred to in this regulation and in the royal decrees and other measures taken in execution of the same provisions of the law, will be carried out by the officials of the Directorate-General of Enforcement and Mediation of the Federal Public Service Economy, S.M.E.s, Self-employed and Energy, as well as by the officials appointed for that purpose by the Minister of Economy.

§ 2. The Minister of Economy may, on the basis of the findings mentioned in § 1, impose an administrative fine in accordance with article 40 and pursuant to the law after having heard the persons concerned or having properly summoned them. Such fine will be collected by the Administration of value added tax, registration and domains on behalf of the Treasury.

### **CHAPTER 11. – *Entry into force and transitional provisions***

#### **Article 22. – Effective date**

This regulation shall enter into force on the effective date of the royal decree by which it is approved.

#### **Article 23. – Transitional provisions**

Diamond dealers will take the necessary measures to, within a reasonable period and no later than one year after the coming into force of this regulation;

- implement the changes required by this regulation;
- execute the client acceptance policy;
- identify suppliers in accordance with the provisions of article 3, § 2.

- Annexed to our decree of 7 October 2013 approving the regulation pursuant to the law of 11 January 1993 on preventing use of the financial system for purposes of money laundering and terrorist financing for diamond dealers registered in terms of article 169 § 3 of the programme law of 2 August 2002.

FILIP

By order of the King,

The Minister of Economy

]. VANDE LANOTTE

Note

(1) The website of the enterprises database (*Kruispuntbank van Ondernemingen*) can be of assistance as it contains a direct link to the relevant publications;  
<http://kbopub.economie.fgov.be/kbopub/zoekwoordenform.html>