COMPLIANCE CIRCULAR	**17/2024 [CC 17_2024]**
To:	**ALL FIRMS OF THE INTITUTE** **ALL COMPLIANCE OFFICERS OF THE INSTITUTE**
Date:	**9 May 2024**
Subject:	**Update of Question 7 of FAQs in relation to reporting requirements of Article 5r or Regulation EU 833/2014**

ICPAC would like with this circular to inform all firms and compliance officers of an update in relation to **Question 7** of the **FAQs regarding the reporting obligation of Article 5r of Regulation 833/2014** issued by the Ministry of Finance.

Updated guidance provided by the European Commission notes the following:

- Reporting is based on the understanding that reportable transfers are those that leave the EU jurisdiction. Thus, funds that the EU reporting entity holds in a third country bank account (where the bank is not a branch of an EU bank) would not be subject to the reporting requirement if transferred, because such funds are already outside EU jurisdiction.

- Conversely, funds transferred by the reporting entity (including its EU and non-EU branches) from an EU bank account to a non-EU bank account of the recipient are reportable, even if the recipient is an EU person or company.

A summary table is provided below for easy review:

Transferring Entity	Bank Account Transferor	Receiving Entity	Bank Account Recipient	Reportable
EU Person	EU Bank Account	EU Person	Non-EU Bank Account	Yes
EU Person	EU Bank Account	Non-EU Person	EU Bank Account	No
EU Person	EU Bank Account	Non-EU Person	Non-EU Bank Account	Yes
EU Person	Non-EU Bank Account	Non-EU Person	Non-EU Bank Account	No

The FAQ's will be updated in due time and uploaded to the Ministry's website.