

Instructions

- The Department of Justice and Equality has developed this sample Business Risk Assessment to assist High Value Goods Dealers in complying with their section 30A obligation to carry out a business risk assessment.
- This sample must be adapted by High Value Good Dealers to suits their business’s individual needs. No two Business Risk Assessments will be the same.
- See **Section 2 – 2018 Guidance** for comprehensive information about what section 30A requires.
- The factors outlined within this sample can be considered when assessing the inherent ML/TF risk to which your business is exposed. Inherent ML Risk is not the same as actual ML risk, and is the risk inherent in your business before any mitigating factors or controls (policies, training, CDD etc.) are deployed. This document should be completed on that basis – i.e. do not note any controls your firm deploys to mitigate its ML/TF risk in this document. Instead document your robust AML controls tailored to suit your firm’s inherent ML/TF risks in your Policies Controls and Procedures (sample provided separately).
- The factors outlined below are non-exhaustive– there may be other important risk factors which should be taken into account, dependent upon the size and nature of your business.
- Business risk assessments must approved by senior management and reviewed and kept up to date in tandem with Policies, Controls and Procedures.
- **Colour key:**
 - Text in black can be used in your firm’s Business Risk Assessment.
 - **Text in blue can be adapted and developed by businesses to suit their specific compliance needs.**

BUSINESS NAME:

VERSION HISTORY:

Date	Change	Name of person reviewed by

General Overview of Business and Sector ML/TF Risk

General Overview of Firm	<p>Include a general paragraph regarding the overall size and nature of your firm and provide information about the following.</p> <ul style="list-style-type: none"> • No. of management/staff • Is there a high staff turnover at the business? • Type of Firm – E.g. New car sales, used car sales, high end jewellery, art dealer, antique dealer, motor home dealer, farm machinery dealer • Type of clients – E.g. Mostly Companies, mostly consumers • Geographical location of the firm – rural, urban • Is there any international element to your business? • Any other ML/TF risks specific to your business?
Credible sources of information about sectoral ML/TF risk	<p>Section 30A requires that regard is had to specific sources of information about risk factors particular to your sector.</p> <p>Include here:</p> <ul style="list-style-type: none"> • a list of the sources of information about ML/TF risks specific to your sector (and update should new risks emerge) E.g. National Risk Assessment of Ireland, Trade Periodicals etc. • in general terms, your firm’s exposure to sector ML/TF risk set out by reference to credible sources of information <p>You can provide detail below about specific inherent ML/TF risk factors to which your business is exposed.</p>

Business Specific ML/TF Risk Factors

Customer Risk Factors	<p>Information about the business’s assessment of ML risk inherent in its customer base.</p> <p>Include here a note of your assessment of Customer Risk Factors. Ensure you reach an overall conclusion e.g. does your customer base pose a high, medium or lower inherent ML risk? Depending on your business’s size and turnover, you may be able to categorise types of customers into varying categories of risk to be mitigated differently in your Policies Controls and Procedures.</p> <p>A (non-exhaustive) list of questions to ask yourself in completing this section:</p> <ul style="list-style-type: none"> • Does your business have a high turnover of customers (higher risk) or a stable existing customer base? (lower risk) • Is there a high proportion of one-off clients/deals? (higher risk) • Do you know your clients personally? If not, what additional steps do you take to mitigate the risks that this poses? (Please note that whether you know a client personally or not, the obligations for proper implementation of your AML obligations remain the same)
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	<ul style="list-style-type: none"> • Mostly face-to-face or non- face-to-face contact with customers? (non-face-to-face = higher risk) • Does the firm have a significant number of non-EU-based clients (where AML regulation may not be as tight) or any high-risk third countries? (higher risk) • What is the source of clients – referrals, walk-in or from internet advertisements?
<p>Product/Service Risk Factors</p>	<p>Information about the firm’s assessment of ML risk inherent in the products/services it provides.</p> <p>Include here a note of your assessment of Product/Service Risk Factors. Ensure you reach an overall conclusion e.g. do the products or services your business provides pose a higher, medium or lower inherent ML risk? Depending on your firm’s size and business, you may be able to categorise types of products/services into varying categories of risk to be mitigated differently in your Policies Controls and Procedures.</p> <p>A (non-exhaustive) list of questions to ask yourself in completing this section:</p> <ul style="list-style-type: none"> • Consider your stock profile and whether any products you offer are attractive to money launderers. This should include whether products sold are new or used, higher or lower value etc. • Does the firm undertake work which may be of lower AML risk (E.g. parts and servicing)
<p>Geographical Risk Factors</p>	<p>Information about the firm’s assessment of ML risk inherent in its areas of practice/customer base.</p> <p>Include here a note of your assessment of Geographical Risk Factors. Ensure you reach an overall conclusion e.g. do geographical risk factors present a higher, medium or lower inherent ML risk? Depending on your firm’s size and business, you may be able to categorise customers/products into varying categories of geographical risk to be mitigated differently in your Policies Controls and Procedures.</p> <p>A (non-exhaustive) list of questions to ask yourself in completing this section:</p> <ul style="list-style-type: none"> • Could the areas in which your customers are based (or from which they operate their businesses) have high levels of crime? • Does your business conduct trade across borders? • Does the firm have a specific client-base, niche or sell products to customers from outside the EU (where AML regulation may not be so tight) (or from any high-risk third countries? (higher risk)
<p>Transaction Type Risk Factors</p>	<p>Information about the firm’s assessment of ML risk inherent in the transaction connected to the legal services it provides.</p> <p>Include here a note of your assessment of Transaction Type Risk Factors. Ensure you reach an overall conclusion e.g. do transaction type risk factors present a higher, medium or lower inherent ML risk? Depending on your firm’s size and business, you may be able to categorise customers/products into varying categories of transaction type risk to be mitigated differently in your Policies Controls and Procedures.</p> <p>A (non-exhaustive) list of questions to ask yourself in completing this section:</p> <ul style="list-style-type: none"> • Do you accept cash payments? • Do you have a limit to the amount of cash you will accept? E.g. Does not accept cash over €8,000. • How frequently do you carry out higher risk transactions? Are there any features in transactions delivered by the firm which may represent higher risk? • Factors that might make a transaction higher risk include: <ul style="list-style-type: none"> • the size and value of the transaction

	<ul style="list-style-type: none"> the payment type (for example cash transactions or fund transfers from outside the EU)
<p>Delivery Channel Risk Factors</p>	<p>Information about the firm’s assessment of ML risk inherent in the delivery channels through which it provides products.</p> <p>The way products are delivered can enhance or reduce ML/TF risk.</p> <p>Include here a note of your assessment of Delivery Channel Risk Factors. Ensure you reach an overall conclusion e.g. do delivery channel risk factors present a higher, medium or lower inherent ML risk? Depending on your firm’s size and business, you may be able to categorise customers/products into varying categories of delivery channel risk to be mitigated differently in your Policies Controls and Procedures.</p> <p>A (non-exhaustive) list of questions to ask yourself in completing this section:</p> <ul style="list-style-type: none"> Do you sell product to customers online? Do you sell product to customers you have not met face-to-face? (higher risk) Do you conduct a large percentage of your business on a non-face-to-face basis? (higher risk) Do you always meet all customers face-to-face? (lower risk) Do you always meet/have a relationship with the underlying customer? (lower risk) Do you undertake work which is conducted through intermediaries or other third parties? (higher risk)
<p>Overall Conclusion</p>	<p>Include here a note of your overall conclusion.</p> <p>A (non-exhaustive) list of questions to ask yourself in completing this section:</p> <ul style="list-style-type: none"> A note of the business’s responses to risk factors, what is the overall conclusion/summary regarding the inherent ML/TF risk applicable to the business? Does the nature, scale and product offering of the business put it at a higher, medium or lower risk of being used for the purposes of money laundering? Why?

The Department of Justice and Equality accepts no responsibility for any compliance failures or loss incurred as a result of reliance on this sample adaptable Business Risk Assessment. High value goods dealers must always ensure they are in compliance with all of their statutory AML obligations. The Department is grateful to the Law Society of Ireland on whose template this sample document is based, adapted for the high value goods sector.