

Newsletter – FATCA and CRS

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FATCA – FFI Agreement Renewal

Foreign Financial Institutions (FFI) have until Oct. 24, 2017 to complete their FFI Agreement renewal. Those that don't renew their agreements could be removed from the November FFI list.

A financial institution can determine whether it must renew its FFI agreement using the link to "Renew FFI Agreement." The following table provides guidance for FFIs with this determination.

FATCA Status	Type of Entity	FFI Agreement Renewal Required?
Reporting Financial Institution under a Model 1 IGA	Reporting Model 1 FFI that is <u>NOT</u> operating branches outside of Model 1 jurisdictions;	NO
Reporting Financial Institution under a Model 1 IGA	Reporting Model 1 FFI <u>operating</u> branches outside of Model 1 jurisdictions	YES, on behalf of branches operating outside of Model 1 jurisdictions
Participating Financial Institution not covered by an IGA	Participating FFI not covered by an IGA	YES

For the full table and more information, please visit the FATCA [FAQ web page](#).

If you are an entity that is not required to renew, you do not need to take any action with respect to your registration. You are not required to answer "No." You will remain in "Approved Status," and you will remain on the FFI list.

FATCA Reporting in Bahrain

FFIs in Bahrain completed the submission of their first FATCA report, covering the years 2014, 2015 and 2016, to the Central Bank of Bahrain, in August

CRS – Next Steps

- Financial Institutions will be required to complete the review of pre-existing customer accounts as per the timelines specified by their local regulatory authorities.
- Develop policy and procedures for CRS covering customer onboarding, review, data collection and reporting. Update other relevant procedures which are affected by the introduction of CRS.
- FFIs will need to identify and implement changes to core-banking systems or CRMs to include fields for recording new information required for CRS reporting.
- Provide training to staff on updated procedures to cover CRS requirements.
- Conduct a quality check of CRS classification of a sample of new customers and entities, along with a review of documents collected.
- Identify reporting requirements applicable in the jurisdictions where the FI operates.
- Prepare for CRS reporting as per timelines informed by the local regulator.

CRS Reporting

Financial Institutions in the 49 jurisdictions committed to first exchanges of tax information in 2017 have completed reporting for the year 2016.

20 of the 53 jurisdictions committed to first exchanges in 2018 have already put the international legal requirements in place to commence exchanges under the CRS MCAA next year (including the Kingdom of Bahrain).

FFIs in jurisdictions that have committed to first exchanges in 2018 will need to ensure information on reportable accounts are maintained and up-to-date in preparation for their first reporting.

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- Trust administration
- Energy efficiency & conservation
- FATCA & CRS compliance
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- Tax

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