



Non-Resident Customer & Offshore Client Risk Assessment Checklist

Introduction

Non-Resident Customers (NRCs) carry an elevated financial crime risk profile due to their absence of physical presence in the UAE and their complex cross-border transactional behaviour.

Limited face-to-face interaction can make identity verification, document authentication, and beneficial ownership determination more challenging. When coupled with transactions routed through multiple jurisdictions and currencies, the risk of obscuring fund origin and movement increases, creating opportunities for money laundering (ML), terrorism financing (TF), and proliferation financing (PF).

ML,TF, and PF Risks are particularly acute where NRCs are linked to high-risk or sanctioned jurisdictions, operate through offshore structures, or use layered transactions to disguise their true activities.

This checklist supports Financial Institutions (FIs) and Designated Non-Financial Businesses and Professions (DNFBPs) in assessing, mitigating, and monitoring NRC-related risks, in line with UAE AML/CFT regulations and the Ministry of Economy's supervisory expectations. It is intended for use both at onboarding and throughout the customer lifecycle.

Why NRC Risk Matters in the UAE

- ▶ **Heightened Exposure:** The UAE's position as a global financial and trade hub makes it a target for cross-border financial crime.
- ▶ **Regulatory Priority:** NRC risk management is a key focus area for the Ministry of Economy and other supervisory bodies.
- ▶ **Complex Risk Landscape:** High-value transactions, multi-currency flows, and offshore structures increase the potential for illicit fund movement.

Applicability

This checklist is intended for:

Financial Institutions (FIs)

- Retail and commercial banks
- Private banks and wealth management firms
- Payment service providers and MSBs
- Insurance companies
- FinTech and digital banking platforms

Designated Non-Financial Businesses and Professions (DNFBPs)

- Real estate agents and brokers
- Dealers in Precious Metals and Stones (DPMS)
- Lawyers, notaries, and legal professionals
- Trust and company service providers (TCSPs)
- Auditors and accountants

How to Use This Checklist

Use this checklist during:

- **Onboarding:** To identify jurisdictional, transactional, and structural red flags for NRCs.
- **Periodic Reviews:** To monitor ongoing relationships and detect emerging risks.
- **EDD Triggers:** To ensure enhanced due diligence is consistently applied.

Front-line staff – Verify documentation, flag inconsistencies.

Compliance teams – Apply checklist items in sanctions screening and adverse media checks.

MLROs – Escalate and report as required via goAML (CNMR, PNMR, SAR, STR).

Transaction monitoring analysts – Correlate activity with risk indicators and escalate suspicious patterns.

Tip: Incorporate into your **RACI matrix** for clear accountability and audit readiness.

Non-Resident Customer & Offshore Client Risk Assessment Checklist

(Aligned with UAE AML/CFT Law, Cabinet Resolution No. 10 of 2019, and Ministry of Economy supervisory guidance)

AML/CFT Control Measures		
A. Customer Identification & Verification	Yes/No	Risk Level (Low / Medium / High)
Valid government-issued ID and proof of foreign address obtained and verified		
Country of residence high-risk under UAE AML/CFT or FATF Grey Lists or Blacklists		
Overseas business/employment independently validated		
B. Source of Wealth & Funds	Yes/No	Risk Level (Low / Medium / High)
Source of wealth and income streams declared		
Income/fund flows match declared activity		
Evidence of capital movement from offshore/secretary jurisdictions		
C. Transaction Behavior	Yes/No	Risk Level (Low / Medium / High)
Transactions unusually complex or inconsistent with NRC patterns		
Funds routed through multiple jurisdictions/currencies without clear reason		
Frequent changes to beneficiary accounts/destinations		

D. Geographic Risk	Yes/No	Risk Level (Low / Medium / High)
Home jurisdiction sanctioned, or subject to privacy laws		
Transactions involve high-risk/sanctioned regions		
Evidence of third-country facilitation or layering		

E. Legal & Entity Structure	Yes/No	Risk Level (Low / Medium / High)
Operates via legal entities, trusts, or offshore companies		
UBOs disclosed, verified, and screened		
Nominee/shareholder layering to obscure ownership		

F. Communication & Physical Presence	Yes/No	Risk Level (Low / Medium / High)
In-person interaction (branch visit, video KYC) conducted		
Solely digital communication or via intermediaries		
Documents notarised, embassy-certified, or authenticated		

G. Monitoring, Reviews & Red Flags	Yes/No	Risk Level (Low / Medium / High)
Activity previously triggered EDD, SAR, or STR filings		
Red flags reviewed and updated regularly		
Ongoing monitoring in place for unusual patterns		

Scoring Methodology

Assign a numeric score to each Risk Level:

- Low Risk = 1 point
- Medium Risk = 2 points
- High Risk = 3 points

Step 1: For each control point, determine if the risk exists and rate it Low, Medium, or High.

Step 2: Add up the total score for all control points.

Step 3: Compare the total to the Overall Risk Rating Scale below:

Total Score	Overall NRC Risk Rating	Suggested Required Action
0 – 15	Low	Proceed with Standard CDD; routine monitoring
16 – 30	Medium	Apply Enhanced Due Diligence increase monitoring frequency
31+	High	Apply EDD and consider filing SAR/STR with UAE FIU

Note: Where any single control point indicates a severe breach or unmitigated red flag (e.g., sanctioned jurisdiction, unverifiable UBO), treat the overall risk as High regardless of score.

Want NRC Risk Management Built into Your Training Program?

From KYC Analysts to MLROs, we train teams to apply the checklist effectively: Not just once, but every time an NRC is onboarded or reviewed.

[Book a Training Session](#)

Best Practices: Using the NRC & Offshore Client Risk Assessment Checklist

1. Integrate into Customer Due Diligence (CDD) & Enhanced Due Diligence (EDD)

- Apply the checklist at onboarding for all non-resident customers.
- Trigger EDD whenever a Medium or High-risk factor is identified.
- Reference UAE Cabinet Decision No. 10 of 2019 and Ministry of Economy guidance for high-risk jurisdictions.

2. Strengthen Documentation & Verification

- Require certified or notarised documents for identity and beneficial ownership verification.
- Use independent sources for overseas employment/business validation.
- Retain verification evidence in line with Federal Decree-Law No. 20 of 2018 on AML/CFT.

3. Enhance Transaction Monitoring Parameters

- Link checklist findings to transaction monitoring scenarios.
- Adjust thresholds for customers with Medium/High NRC risk scores.
- Review patterns for complex routing, third-country facilitation, and unusual currency use.

4. Review and Update Periodically

- Conduct checklist-based reviews at least annually for ongoing NRC relationships.
- Reassess after significant changes in ownership, structure, or transaction behaviour.

5. Link Risk Ratings to Reporting Obligations

- Escalate High-risk findings to the MLRO for review and decision on CNMR, PNMR, SAR, or STR filing via goAML.
- Document all escalation and decision-making for audit readiness.

6. Train Front-Line and Compliance Staff

- Use checklist examples in staff training on NRC risks and typologies.
- Run mock onboarding and review exercises to test checklist application.

Need Support in High-Risk NRC Cases?

Our AML specialists can review flagged NRC client files, advise on escalation, and assist with CNMR, PNMR, SAR, or STR filing via goAML.

[Speak to a Compliance Advisor](#)

RACI Chart: NRC & Offshore Client Risk Management

What is a RACI Chart?

A RACI Chart is a responsibility assignment tool that maps and clarifies who is Responsible, Accountable, Consulted, and Informed for each step in a process involving multiple stakeholders.

RACI stands for:

- **R – Responsible:** The person or team who performs the task or executes the work.
- **A – Accountable:** The individual ultimately answerable for correct completion and legal accountability.
- **C – Consulted:** Subject matter experts or stakeholders whose input is sought before action is taken.
- **I – Informed:** Individuals who are kept updated on progress, outcomes, or changes.

In an NRC (Non-Resident Customer) risk management context, RACI Charts help Financial Institutions (FIs) and Designated Non-Financial Businesses and Professions (DNFBPs) assign and track ownership of high-stakes compliance tasks—such as verifying overseas source of funds, assessing high-risk jurisdiction links, and escalating suspicious cross-border transaction patterns.

For example, during offshore client onboarding, the KYC Analyst may be **Responsible** for reviewing foreign address proof, the MLRO may be **Accountable** for sign-off, the Risk Analyst may be **Consulted** for jurisdiction risk scoring, and Senior Management may be **Informed** of final onboarding decisions.

By documenting “who does what” for each NRC-related control, a RACI Chart reduces ambiguity, minimises overlaps, and ensures that no step—such as Enhanced Due Diligence (EDD) triggers or reporting obligations—is missed.

RACI Chart for NRC & Offshore Client Risk Management					
Task / Responsibility Area	KYC Analyst	Screening Analyst	Risk Analyst	MLRO	Senior Management
NRC onboarding due diligence	R	C	I	A	I
Source of funds & wealth verification	R	C	C	A	I
UBO identification and validation	R	C	C	A	I
High-risk jurisdiction screening	C	R	C	A	I
Review of entity structures	C	C	R	A	I
Transaction monitoring flags escalation	C	C	R	A	I
STR/SAR filing decision	I	C	C	R & A	I
Regulatory audit readiness	I	I	C	R	A

How a RACI Matrix Enables Task Delegation and Role Clarity

In the complex landscape of Non-Resident Customer (NRC) and Offshore Client risk management, multiple teams often touch the same customer file—from KYC Analysts at onboarding to Screening Analysts in sanctions checks, and from Risk Analysts assessing jurisdiction risk to the MLRO deciding on reporting obligations. Without clear role mapping, tasks can be duplicated, delayed, or missed entirely exposing the business to compliance breaches and regulatory penalties.

A RACI Matrix prevents these gaps by:

- ▶ **Defining ownership:** Ensures that specific NRC-related controls—such as verifying source of wealth from overseas accounts—have a clearly designated Responsible and Accountable person.
- ▶ **Streamlining communication:** Clarifies who needs to be Consulted for expert input, such as complex corporate structures, and who must be Informed of high-risk onboarding decisions.
- ▶ **Preventing bottlenecks:** Avoids situations where multiple teams assume someone else has handled a critical step, such as escalation of unusual cross-border transaction patterns.
- ▶ **Improving audit readiness:** Creates an evidence trail showing regulators that all NRC-related processes—EDD triggers, high-risk jurisdiction screening, beneficial ownership verification—are allocated, completed, and signed off in a structured manner.

For instance, in an NRC onboarding case, the KYC Analyst may be **Responsible** for verifying all documents, the MLRO **Accountable** for the onboarding decision, the Risk Analyst **Consulted** for jurisdiction risk scoring, and Senior Management **Informed** of final approval.

By mapping roles to each NRC control point, a RACI Matrix ensures that every stakeholder knows their exact function—reducing compliance blind spots and strengthening the organisation’s defence against cross-border financial crime.

Struggling with Overlaps or Missed EDD Steps?

Our team can map your NRC onboarding and monitoring processes to clearly define who is Responsible, Accountable, Consulted, and Informed at every stage.

[Book a Workflow Health Check](#)

Best Practices for Using a RACI Matrix in NRC Risk Management

Implementing a RACI Matrix is only effective if it is accurate, updated, and embedded into daily compliance operations. For NRC and offshore client risk assessment, consider the following best practices:

1. Map RACI to Specific Risk Controls

- a. Assign RACI roles to each NRC risk control point—such as identity verification, high-risk jurisdiction screening, beneficial ownership validation, source of wealth verification, and transaction pattern review.
- b. Avoid generic assignments like “Compliance Team” and instead name specific roles (e.g., KYC Analyst, Risk Analyst, MLRO).

2. Integrate RACI into Workflow Tools

- a. Embed RACI responsibilities in onboarding systems, case management software, and compliance checklists so tasks are allocated automatically and tracked in real time.

3. Review and Update Regularly

- a. Conduct quarterly reviews to ensure RACI assignments still align with regulatory updates, organisational changes, or emerging NRC typologies.
- b. Adjust responsibilities when new roles are created (e.g., Sanctions Screening Specialist).

4. Clarify “Accountable” vs. “Responsible” Early

- a. In NRC cases, the MLRO is often Accountable for high-risk onboarding approvals, while KYC Analysts or Screening Analysts are Responsible for executing checks. Ensure all stakeholders understand this distinction.

5. Use RACI for Escalation Protocols

- a. Define exactly who should be consulted or informed when red flags—such as shell companies, multi-layered offshore structures, or sanctioned jurisdiction links—are detected.

6. Train Teams on RACI Application

- a. Conduct practical case-based training to familiarise teams with RACI usage in NRC-specific scenarios.
- b. Include examples of failures caused by unclear responsibilities, such as missed Enhanced Due Diligence triggers or delayed suspicious transaction reports.

7. Document for Audit Defence

- a. Keep RACI matrices in a central repository with version control.
- b. During regulatory inspections, present RACI charts as evidence of clear responsibility allocation in NRC risk management.

How This Checklist + RACI Helps with Regulatory Audits

In the UAE, supervisory bodies such as the Ministry of Economy, Central Bank of the UAE, and other competent authorities place particular emphasis on how effectively regulated entities identify, assess, and mitigate Non-Resident Customer (NRC) and offshore client risks.

Using this checklist at onboarding and during periodic reviews enables your organisation to:

- ▶ **Evidence a structured, documented NRC risk assessment process** for every relationship, consistent with Cabinet Resolution No. 10 of 2019 and MoE supervisory expectations.
- ▶ **Demonstrate consistent application of Enhanced Due Diligence (EDD)** for high-risk jurisdictions, offshore structures, and complex ownership arrangements.
- ▶ **Link findings to clear escalation and reporting protocols** — showing decision-making that leads to CNMR, PNMR, SAR, or STR filings where appropriate.
- ▶ **Maintain an audit-ready trail** through dated, signed, and securely stored checklist records.
- ▶ **Meet record-keeping obligations**
- ▶ **Respond swiftly to regulator queries** with completed checklists, risk scoring data, and supporting documentation.

By integrating this checklist into your customer lifecycle management, updating it periodically, and aligning it with your RACI matrix for NRC risk controls, you can confidently demonstrate:

- Proactive risk mitigation for cross-border clients
- Clear role allocation in compliance workflows
- Readiness for both scheduled and surprise audits

This approach significantly reduces the likelihood of adverse audit findings, supervisory notices, or administrative penalties – and reinforces your standing as a compliance-forward regulated entity.

Want a Tailored NRC RACI & EDD Framework?

We design custom RACI charts, EDD workflows ensuring role clarity and zero compliance gaps.

[Request a Custom Framework](#)

AML Compliance Simplified!

AML UAE is an Anti-Money Laundering (AML) consulting firm with decades of experience supporting businesses across the UAE.

We have expertise in providing various AML services to DNFBPs, such as Lawyers, Real Estate Agents, Accountants and Auditors, Dealers in Precious Metals and Stones, and Company Service Providers. We also provide AML consultancy services to Virtual Asset Service Providers.

We are equipped to help you register on the goAML portal. We conduct Enterprise-Wide Risk Assessments and align your AML/CFT policies and procedures in line with them. We design customized forms and templates for carrying out KYC, Customer Risk Assessment, and Enhanced Due Diligence for your customers. We help you prepare and submit reports like SAR, STR, FFR, PNMR, HRC, HRCA, DPMSR, etc. We ensure that your employees are well-trained from an AML perspective.

Not just this, we assist regulated entities with decoding the Remedial Action Plan and effectively implementing the authority's recommendations around the AML program.

AML UAE is your go-to partner for handling all your compliance-related requirements.

Once we enter the picture, AML compliance is ensured. With that, you can continue to be a highly reputed business, actively striving to counter money laundering, terrorist financing, and proliferation financing.

Our Team



Pathik Shah

Founder

CAMS, FCA, CISA, CS, DISA (ICAI), FAFP (ICAI)

Pathik is a Chartered Accountant with proven experience in governance, risk, and compliance. He helps companies with end-to-end AML compliance services, from conducting Enterprise-Wide Risk Assessments to implementing robust AML compliance frameworks. He has played a pivotal role as a functional expert in developing and implementing RegTech solutions for streamlined compliance.



Jyoti Maheshwari

Partner

CAMS, ACA

Jyoti is a Chartered Accountant and Certified Anti-Money Laundering Specialist (CAMS), with extensive hands-on experience in regulatory compliance, legal advisory, policy-making, tax consultation, and technology project implementation. Jyoti holds experience with Anti-Money Laundering regulations prevalent across various countries. She helps companies with risk assessment, designing and deploying adequate mitigation measures, and implementing the best international practices to combat money laundering and other financial crimes.

Our Team



Dipali Vora

Partner

CAMS, ACS

Dipali is an Associate member of ICSI and a Certified Anti-Money Laundering Specialist (CAMS). She has a strong background in the compliance domain, including Anti-Money Laundering, due diligence, secretarial audit, and managing scrutiniser functions. She currently assists clients by advising and helping them navigate through all the legal and regulatory challenges of Anti-Money Laundering Law. She helps companies to develop, implement, and maintain effective AML/CFT and sanctions programs.



Purva Buch

Senior Consultant

CAMS, LLB

Purva is a Certified Anti-Money Laundering Specialist (CAMS) and a Lawyer. She has substantial knowledge of Anti-Money Laundering Laws, Rules, Regulations, and AML Compliance Processes. Purva has been instrumental in drafting RegTech processes, corporate policymaking, and fulfilling various legal research and drafting requirements arising from AML laws and regulatory technology.

Service Matrix

Service	Common Drivers							Value Proposition
	Ensure legal compliance	Save time and costs	Need expert support	Automate compliance processes	Implement best practices	Crisis management	Change AML/CFT consultant	
goAML Registration	✓		✓					Streamlines the process of registering with the UAE FIU goAML portal. Ensures compliance and reduces administrative burden.
Enterprise-Wide Risk Assessment	✓	✓	✓		✓		✓	Identifies risk factors, gross risk, controls deployed and their effectiveness, residual risk, and need for additional controls.
AML/CFT Policy Drafting	✓	✓	✓		✓		✓	Provides tailored AML/CFT policy frameworks that are up-to-date with current laws, enhancing regulatory compliance.
In-house Compliance Department Set-up	✓		✓		✓		✓	Establishes a robust internal compliance structure, helps recruit the right resources and ensures ongoing compliance efficiency.
KYC Managed Services	✓	✓	✓		✓	✓		Outsourced KYC processes that speed up customer onboarding and maintain high compliance standards.
Ongoing AML/CFT Consulting	✓	✓	✓	✓	✓	✓	✓	Continuous expert advice tailored to address specific challenges, enhancing overall compliance strategies.
AML/CFT Health Check	✓		✓		✓	✓	✓	Conducts comprehensive reviews and assessments to pinpoint vulnerabilities and recommend improvements.
AML Training	✓	✓	✓		✓		✓	Offers comprehensive training programs that enhance the compliance skills of employees at all levels.
AML Software Selection	✓	✓	✓	✓	✓			Helps choose the best AML software that fits the company's needs, improving efficiency and cost-effectiveness.
Screening Software Validation	✓		✓	✓	✓			Tests and validates screening tools to ensure they meet regulatory requirements and operational needs.
Regulatory Reporting	✓	✓	✓		✓		✓	Streamlines the process of creating and submitting SAR, STR, PNMR, FFR, DPMSR, REAR, HRC, and HRCA reports accurately and on time.

AMLVerse

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