

REFORM OF LAW NO. 977 BY MEANS OF WHICH LAWYERS AND NOTARIES PUBLIC OF NICARAGUA ARE COMPELLED TO REPORT TO THE FINANCIAL ANALYSIS UNIT



On August 19th of this year 2019, the Law No. 1000, Law of Reforms and Additions to Law No. 977, Law Against Money Laundering, Financing of Terrorism and Financing of Proliferation of Arms of Mass Destruction came into force through its publication in La Gaceta, Official Gazette No. 157. (Hereinafter “Reform of Law No. 977”). The main reform of Law No. 977 is in relation to the Lawyers and Notaries Public, who will be considered as Subjects Obligated¹ to inform the Financial Analysis Unit (UAF) directly and without being able to make reservations or secrecy of any kind about activities developed under this profession qualified as non-financial.

Likewise, through the Reform of Law No. 977, the Judiciary will be in charge of extending the provisions that indicate how the reports should be presented to the UAF, supervision with a risk approach of Lawyers and Notaries, and impose corrective measures and/or administrative sanctions to them.

Under the Reform of Law No. 977, Lawyers and Notaries Public must make use of the standard measu-

res of Client Due Diligence (DDC) by establishing certain types of services or minimum values for their operations in order to verify and identify the natural and legal persons with whom they establish and maintain or attempt to establish business or service relationships.

If you have any questions or want further information about the subject, please do not hesitate to contact us.

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¹ Natural or legal persons that have the responsibility of implementing obligations of prevention, detection and reporting of activities potentially linked to Money Laundering, Terrorism Financing and Financing of Proliferation of Weapons of Mass Destruction and previous crimes associated with Money Laundering in accordance with a Risk Based Approach.