



BUNA PARTICIPANT ONBOARDING

Participation Eligibility Information

Buna – The Regional Payment Platform

3.2020

Arab Regional Payments
Clearing and Settlement
Organization

المؤسسة الإقليمية لمقاصة وتسوية
المدفوعات العربية

1 INTRODUCTION

The purpose of this document is to provide participants with a list of requested documents and requirements necessary to assess the eligibility of financial institutions applying to participate in the Buna platform.

A financial institution who wishes to become a Participant in Buna must satisfy, at a minimum from the date on which it submits its participation application, each of the eligibility criteria to be approved as a Participant in the System, as provided under Section 3.1 of Buna Rules and further included in APPENDIX A of this document.

As such, Buna requests the below information to complement the institution’s participation application to join the platform.

2 INFORMATION REQUESTED

No.	Request	Participant Response
2.1	Please provide your institution’s bank license issued by the Central Bank of your host country	(E.g., please refer to document “Trade License XYZ”)
2.2	Please provide all necessary information regarding the composition of your Board of Directors; this includes the list of members and their qualifications	
2.3	Please submit all necessary information regarding the Executive Management team; this includes but is not limited to the name, date of birth, nationality, qualifications, country of residence, position, and valid passports of each member	
2.4	Please provide your institution’s FCC/AML policy along with any relevant information you may want to share regarding your controls and processes	
2.5	Please provide a copy of your institution’s standard response of the Wolfsberg questionnaire	

APPENDIX A BUNA PARTICIPATION CRITERIA

1. A Person who wishes to become a participant, hereafter referred to as an Applicant, must satisfy, at a minimum from the date on which it submits its participation application, each of the following criteria to be approved as a Participant in the System.

National Pre-requisites

- 1.1 The Applicant must be a financial institution that is subject to prudential supervision by a governmental authority acceptable to the System Operator;
- 1.2 The Applicant must have in place all necessary regulatory authorizations, licenses, permissions and approvals in its country of origin and any other jurisdiction in which it conducts business;
- 1.3 The Applicant must have obtained the written approval of the Central Bank of its home state to participate in the System (if such approval is required by that Central Bank);
- 1.4 The Applicant must be an existing participant of its domestic RTGS payment system. In the event that the Central Bank of its home state does not have a domestic RTGS system, then the Applicant must hold an account with the Central Bank for domestic payment purposes;

Participation Agreement

- 1.5 The Applicant must have executed a Participation Agreement with the System Operator;

Compliance

- 1.6 The head office of the Applicant must not be located in a jurisdiction or country that belongs to, or whose currency belongs to specific international sanctions lists;
- 1.7 The Applicant must adhere to Anti-Money Laundering (AML), Combating the Financing of Terrorism (CFT), and anti-corruption compliance requirements, or any other relevant compliance requirements that the System Operator considers necessary for the protection of the System or its Participants or to comply with legal or regulatory requirements;
- 1.8 The Applicant must have adequate capabilities and procedures in place designed to detect illegal money laundering, financing of terrorism and corruption activities of its customers or any other illegal activities
- 1.9 The Applicant must furnish to the System Operator such information, as may be reasonably requested by the System Operator based upon its determination that such information is relevant and necessary for the protection of the System or its Participants or to comply with legal or regulatory requirements;

Operational and Technical Capabilities

- 1.10 The Applicant must have successfully executed and passed a series of technical and operational readiness and cybersecurity resilience tests and trials as requested by the System Operator, to satisfy the technical and operational specifications established by the System Operator as set forth in the Procedures;

- 1.11 The Applicant must have such facilities, equipment, operational capability, personnel hardware and software systems as are capable of supporting the proper performance of its business as a Participant, including such IT links to the System as required by the System Operator as set forth in the Procedures;
- 1.12 The Applicant must be able to submit, amend and rescind Payment Messages within the System as such functions are set forth in the Procedures;
- 1.13 The Applicant must have adequate business continuity procedures and contingency plans that satisfy the System Operator's minimum requirements for maintaining its operational capabilities in case of failures, disasters, or any other Force Majeure Event as set forth in the Procedures;
- 1.14 The Applicant must maintain at least one Participant Account and ensure that the Pre-fund Amount for each Participant Account is maintained in accordance with the Rulebook;
- 1.15 The Applicant must satisfy any other legal and technical requirements or those related to international standards that may be deemed necessary by the System Operator as set forth in the Procedures;
- 1.16 The Applicant must be fit and proper, have sufficient financial responsibility, technical, operational and security capacities, business integrity, reputation and such competence as the System Operator specifies in the Procedures taking into account international standards;
- 1.17 The Applicant must have nominated a Person, satisfactory to the System Operator who is;
 - a) a director, general partner, trustee or officer of the Applicant (or Person occupying similar status or performing similar functions); and
 - b) authorized to act on behalf of the Applicant in respect of its participation in the System and have nominated a second Person who meets the requirements of Rule 3.1.1.17(a) and is authorised to act on behalf of the Applicant in the event of the death, incapacity or other inability of the first Person;

Capital Requirements:

- 1.18 An Applicant must hold and maintain capital in accordance with the capital requirements of their home state regulatory authorities, provided that these capital requirements are aligned with the minimum standards established by the Basel Committee on Banking Supervision.
- 1.19 If the home state regulator's capital requirements are not aligned with those of the Basel Committee on Banking Supervision, the System Operator may impose capital requirements upon the Applicant as it shall determine at its reasonable discretion on a case by case basis. Capital requirements imposed by the System Operator shall be consistent with the standards established by the Basel Committee on Banking Supervision.

2. In addition, the System Operator must not have received any information or be aware of any circumstances in respect of an Applicant that it reasonably considers may adversely impact the System and compromise the overall stability, soundness and safety of the System or as a result of which such Applicant may pose risks to the System;
3. Applicants for Participant status must provide information or documentation to the System Operator evidencing compliance with the System Operator's criteria for admission pursuant to this Rule 3.1 and the Procedures.