

NICARAGUA



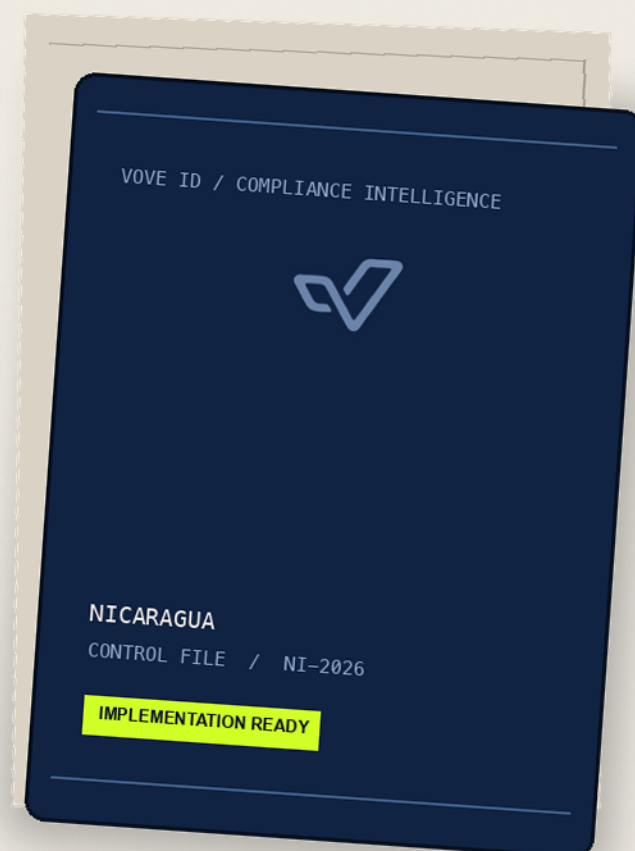
NICARAGUA / NI

KYC / KYB / AML

COMPLIANCE CHECKLIST

2026 EDITION

IMPLEMENTATION CHECKLIST / NOT LEGAL ADVICE



Nicaragua KYC, KYB & AML Compliance Checklist

An implementation-focused checklist for Nicaragua under Laws 976 and 977, including the 2026 Law 1282 amendments, UAF reporting, risk-based CDD, beneficial ownership, sanctions, records, privacy and sector supervision.

FIU	Unidad de Análisis Financiero (UAF)
Primary framework	Laws 976 and 977; Law 1282 amendments effective 19 June 2026
Suspicion reporting	ROS to UAF through SIREL immediately after analysis establishes suspicion; regardless of amount
Beneficial ownership	Identify ultimate natural-person ownership or control; mercantile-company register under Law 1035
Retention	At least 5 years after relationship termination or occasional transaction
FATF status	Not on FATF public lists dated 13 February 2026; recheck live lists

Scope and legal framework

Law 977 is the principal preventive AML/CFT/CPF statute; Law 976 governs the UAF. Their consolidated 2024 texts must be read with Law 1282, published and effective 19 June 2026. Decrees 14-2018 and 15-2018 and current UAF, SIBOIF and CONAMI rules apply by sector. Product and sector overlays must be confirmed before launch.

FATF context

Nicaragua is a GAFILAT member. FATF removed it from increased monitoring in October 2022, and it was not named on FATF's 13 February 2026 increased-monitoring or call-for-action lists, as reviewed on 10 August 2026. Recheck the live FATF lists before reliance.

IMPORTANT

General regulatory information, not legal advice or a licence determination. Reviewed 10 August 2026 and legally scoped as applicable on that date. Confirm live UAF/SIREL filing specifications, sector thresholds, SIBOIF and CONAMI overlays, registry access, sanctions procedures, data-protection administration and product-specific licensing with the competent authority and qualified Nicaraguan counsel before launch.

HOW TO USE THIS GUIDE

Turn each requirement into owned evidence

For every row, assign an owner, confirm whether the control applies, link the evidence, record gaps, and set a remediation date. A checked box is not evidence by itself.

01 / SCOPE	02 / DESIGN	03 / EVIDENCE	04 / REVIEW
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Confirm institution, supervisor, product, customer and risk scope.	Map each obligation to a policy, system control or human review.	Retain the document, decision, timestamp, owner and rationale.	Test the control and update it when rules or risks change.
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Checklist legend

CONTROL tells you what outcome to cover. IMPLEMENTATION ACTION translates that outcome into operational work. EVIDENCE suggests what an auditor or reviewer should be able to inspect. SOURCE points back to the primary rule or regulator guidance.

Minimum review record

Keep a compact decision record for each checklist row so a later reviewer can reconstruct what applied, who decided, and what evidence was inspected.

APPLICABILITY	OWNERSHIP	TRACEABILITY
Applicable, not applicable, or pending legal confirmation, with a short rationale.	Named control owner, reviewer, approval date and next review date.	Evidence link, source version, test result, gap status and remediation ticket.

1. SCOPE, AUTHORITIES, AND LICENSING

Scope, authorities, and licensing

Classify each entity, activity and delivery model before applying sector rules.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Determine whether each activity is a reporting entity and identify its prudential and AML supervisor.	Map services against Law 977 article 9 and current UAF, SIBOIF, CONAMI and professional-sector rules; document uncertain scope.	Applicability memo, service map and authority or counsel confirmation.	Law 977 arts. 9-10; Law 1282 (2026)
Treat UAF as the national FIU and recipient of required reports.	Complete required registration, nominate authorised users, test SIREL access and maintain current submission procedures.	UAF registration, user approvals, access test and channel procedure.	Law 976 arts. 3-5; UAF-N-023-2023
Obtain authorisation before regulated banking, payments, remittance, microfinance or virtual-asset activity.	Classify the product with the competent authority and secure every licence, registration or no-objection before launch.	Licence analysis, authorisation and permitted-activity register.	Law 977 art. 9; Law 1282 art. 1; sector legislation and regulations

Governance and risk assessment

Controls must reflect national, sector, institutional and customer risk.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Maintain a governing-body-approved risk-based prevention programme.	Document policies, risk appetite, CDD, monitoring, reporting, sanctions, training, assurance and remediation; update for legal and risk changes.	Approvals, manual, training records, testing and remediation log.	Law 977 arts. 11-12; UAF-N-019-2019 and UAF-N-020-2019
Appoint a qualified compliance officer where required.	Obtain UAF no-objection or sector approval, document authority and resources, and appoint a substitute where the current rule requires one.	Appointment, no-objection, role profile and board minutes.	Law 977 art. 15; UAF-N-024-2024
Assess and document institutional and customer risk.	Cover customers, products, services, channels and geography; submit periodic materials only on the timetable applicable to the entity and current supervisor instruction.	Risk methodology, assessment, customer scores and submission receipts.	Law 977 arts. 11-12; UAF-N-019-2019 arts. 4-6; UAF-N-020-2019 arts. 4-6

3. NATURAL-PERSON IDENTIFICATION

Natural-person identification

Identify and verify customers, users and representatives using reliable independent evidence.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Identify and verify customers before establishing a relationship or executing a triggered occasional transaction.	Collect official identity, address, occupation or activity, purpose and expected activity; authenticate evidence and resolve discrepancies.	Identity file, verification output, profile and approval.	Law 977 arts. 13-14; UAF-N-019-2019 arts. 13-16
Apply CDD on relationship, suspicion, threshold and unreliable-data triggers.	Configure current sector triggers and aggregation logic; do not treat any threshold as a safe harbour from suspicion review.	CDD trigger matrix, test results and case files.	Law 977 arts. 13-14; applicable sector rule
Verify representatives and authority to act.	Identify the representative, authenticate powers and verify the customer on whose behalf the person acts.	Identity results, power, registry evidence and approval.	Law 977 art. 13; UAF-N-019-2019 art. 14
Refuse or end service when required CDD cannot be completed.	Do not open or continue the relationship, document the decision and assess a confidential ROS without tipping off.	Decline or exit record, escalation and ROS decision.	Law 977 arts. 13, 20-21

KYB, registries, and beneficial ownership

Registry evidence supports but does not replace ownership and control verification.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Verify legal existence, purpose, address and authority.	Obtain current Public Mercantile Registry evidence, constitutive documents, tax identity, directors, signatories and powers.	Registry extract, constitutive documents, tax record and powers.	Law 977 art. 13 ; Law 1035 (2020)
Identify the natural person who ultimately owns or controls the customer.	Trace ownership and control through every layer and apply the applicable legal sequence; do not substitute a registry declaration for independent CDD.	Ownership chart, source records, control analysis and verified identities.	Law 977 arts. 4, 13 ; UAF-N-019-2019 ; UAF-N-020-2019
Verify and refresh the registered beneficial-owner position.	Obtain evidence of the Law 1035 declaration where applicable, monitor change cycles and escalate unexplained discrepancies.	Registry evidence, declaration, refresh log and discrepancy decision.	Law 1035 arts. 1-2 ; Registry Beneficial Owner Normative
Respect restricted access to the beneficial-owner register.	Use customer-supplied and lawfully accessible registry evidence; do not describe the register as an unrestricted public database.	Access basis, search log, customer evidence and legal assessment.	Law 1035 art. 1

PEPs, EDD, and remote onboarding

Higher risk requires senior oversight, provenance evidence and enhanced monitoring.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Detect domestic, foreign and international-organisation PEPs and relevant connected persons.	Screen customers and beneficial owners at onboarding and periodically; apply the definition as amended by Law 1282.	Screening output, match disposition and refresh schedule.	Law 977 art. 4 as amended by Law 1282
Apply enhanced PEP controls.	Obtain senior approval, establish source of wealth and funds and conduct enhanced ongoing monitoring.	Approval, provenance file and monitoring plan.	Law 977 arts. 13-14; applicable sector regulation
Control non-face-to-face onboarding risk.	Use proportionate document-authentication, liveness, device, fraud and first-payment measures and retain evidence of effectiveness.	Remote-onboarding assessment, test results and exceptions.	Law 977 arts. 11-14; UAF-N-019-2019 and UAF-N-020-2019

6. MONITORING AND SUSPICIOUS REPORTING

Monitoring and suspicious reporting

Suspicion is independent of amount and reporting information is confidential.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Monitor activity against the customer profile and risk.	Detect unusual, complex, linked and attempted activity; investigate promptly and preserve a reasoned conclusion.	Alerts, investigation, disposition and monitoring-rule governance.	Law 977 arts. 20-21; UAF-N-019-2019 and UAF-N-020-2019
Report suspicious operations to UAF regardless of amount or completion.	Immediately after analysis establishes suspicion, file the completed or attempted activity through SIREL with required support.	ROS decision, supporting file, SIREL receipt and UAF reference.	Law 976 art. 2; Law 977 arts. 20-21; UAF-N-021-2019 art. 9
Prevent tipping off and protect ROS confidentiality.	Restrict access, exclude ROS information from customer disclosures and train staff, agents and providers.	Access logs, confidentiality procedure and training.	Law 977 art. 21; Law 976 confidentiality provisions

Payments, wires, thresholds, and agents

Report types and thresholds vary by activity and current supervisory rule.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Configure every applicable objective report using the current UAF specification.	Confirm transaction type, amount, currency, aggregation, period and deadline directly from UAF-N-021-2019, current manuals and sector instructions before configuration.	Current rule copy, configuration approval, tests and receipts.	UAF-N-021-2019 arts. 10-13
Carry required originator and beneficiary information in transfers.	Validate required data, preserve traceability and apply a risk-based reject, suspend or escalation rule for missing information.	Payment message, validation and exception decision.	Law 977 art. 24 as amended by Law 1282; UAF transfer manuals
Control agents, third parties and outsourced providers while retaining accountability.	Perform diligence, contract for record access and security, monitor performance and retrieve CDD evidence without delay.	Due diligence, contracts, monitoring and retrieval tests.	Law 977 arts. 16, 24; applicable sector rule

8. TARGETED FINANCIAL SANCTIONS

Targeted financial sanctions

Law 1282 changed the 2026 immobilisation process; implement the current notice and judicial-validation sequence.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Screen against applicable UN designations and competent-authority notices.	Screen customers, beneficial owners, counterparties and transactions at onboarding, before execution and on list updates, including aliases and ownership or control.	List source, update logs, match logic and dispositions.	Law 977 arts. 41-42 as amended by Law 1282
Comply without delay with a notified immobilisation order.	Prevent movement or availability, search databases, report results, assets and attempts, and preserve the competent-authority and judicial-validation trail.	Notice, action timestamp, asset inventory, report and court record.	Law 1282 art. 1 amending Law 977 arts. 41-42
Release assets only under valid competent-authority process.	Document false-positive, exemption or delisting analysis and obtain legally sufficient release instruction before action.	Match file, authority instruction and controlled release approval.	Law 977 and Decree 15-2018, read with Law 1282

Records and regulator access

Records must reconstruct the relationship, transactions and compliance decisions.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Retain CDD and relationship records for at least five years after termination.	Preserve identity, beneficial ownership, authority, risk and refresh evidence in retrievable form.	Retention schedule, archive sample and deletion control.	Law 977 art. 25
Retain occasional-transaction and reporting support for at least five years.	Calculate the correct trigger and preserve transaction records, analyses, ROS and objective-report receipts.	Transaction archive, case file and filing copies.	Law 977 art. 25 ; UAF-N-021-2019
Respond completely to lawful UAF and supervisor requests.	Authenticate requests, protect confidentiality, produce retrievable records and log disclosure and receipt.	Request, legal review, production log and acknowledgement.	Law 976 arts. 4-5 ; Law 977 art. 25

Privacy, biometrics, and transfers

Law 787 applies to personal data in public and private files alongside sector secrecy and AML disclosure duties.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Process personal data on a documented lawful basis and for defined purposes.	Map notices, consent or other legal basis, proportionality, access, correction, security and retention; separately assess AML statutory disclosures.	Data inventory, notice, legal-basis record and rights procedure.	Law 787 arts. 1-8, 14-15
Apply special controls to sensitive and biometric data and international transfers.	Obtain Nicaragua-specific advice, minimise collection, restrict access, document security and validate any transfer condition before launch.	DPIA-style assessment, consent or exception, transfer analysis and safeguards.	Law 787 arts. 3, 7-8, 19 and 23

Practical evidence packs

Keep concise packs that let a reviewer reproduce each decision.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Maintain one reconstructable onboarding pack per customer.	Bundle identity, KYB, ownership, screening, risk, approvals and exceptions under stable identifiers.	Complete sampled onboarding pack.	Operational control supporting Law 977 arts. 11-16
Maintain one reconstructable monitoring and reporting pack per case.	Link transactions, alerts, analysis, approvals, UAF submissions and post-filing controls while protecting confidentiality.	Complete sampled case pack and access log.	Operational control supporting Law 977 arts. 20-25

Verify against current official material

Primary law and regulator guidance control. Contextual VOVE ID reading is included to help teams operationalize the requirements and is not legal authority.

Law 1282 - 2026 reforms to Laws 977, 976 and related statutes

National Assembly / UAF · Primary legislation - current amendment

[Open official source](#)

Consolidated Law 977 - AML/CFT/CPF law

National Assembly of Nicaragua · Primary legislation - consolidated through 2024

[Open official source](#)

Consolidated Law 976 - Financial Analysis Unit

Central Bank of Nicaragua · Primary legislation - consolidated through 2024

[Open official source](#)

Decree 15-2018 - Regulation of Law 977

National Assembly of Nicaragua · Executive regulation

[Open official source](#)

Current UAF normative inventory

UAF · Official regulatory inventory

[Open official source](#)

UAF guide for detecting and reporting suspicious operations

UAF · Official FIU guidance

[Open official source](#)

UAF supervisory and registry frequently asked questions

UAF · Official FIU guidance

[Open official source](#)

Law 1035 - Mercantile beneficial-owner register

National Assembly of Nicaragua · Primary legislation

[Open official source](#)

Law 787 - Personal Data Protection

National Assembly of Nicaragua · Primary legislation

[Open official source](#)

CONAMI current AML/CFT/CPF legal framework

CONAMI · Official sector regulatory inventory

[Open official source](#)

FATF Nicaragua country and assessment page

FATF · Authoritative country assessment

[Open official source](#)

FATF black and grey lists - 13 February 2026

FATF · Authoritative current status

[Open official source](#)

Document control

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