

**Council of Ministers Decision No. (41) of 2019**  
**Promulgating the Implementing Regulation of Law on Combating**  
**Money Laundering (ML) and Financing of Terrorism (FT)**  
**Promulgated by Law No. (20) of 2019**

**The Council of Ministers,**

After having perused the Constitution;

Law on Combating Money Laundering (ML) and Financing of Terrorism (FT)  
Promulgated by Law No. (20) of 2019;

Emiri Resolution No. (29) of 1996 on the Council of Ministers Decisions submitted to  
the Emir for Ratification and Issuance; and

Proposal of the Chairman of the National Anti- Money Laundering and Terrorism  
Financing Committee (NAMLC),

**Has hereby decided as follows:**

**Article (1)**

Provisions of the Implementing Regulation of Law on AML/CFT, attached hereto  
shall come into force and effect.

**Article (2)**

All competent authorities, each within its own competence, shall implement the  
Decision, which shall come into force as of the day following its publication in the  
Official Gazette.

**Abdullah bin Nasser bin Khalifa Al Thani**

**Prime Minister**

**We, Tamim Bin Hamad Al Thani, Emir of the State of Qatar,** ratify this Decision  
to be issued.

Issued in the Emiri Diwan on: 29 / 04 /1441 A.H

Corresponding to: 26/12 /2019

## **Implementing Regulation of Law on Combating Money Laundering (ML) and Financing of Terrorism (FT)**

### **Chapter I**

#### **Definitions**

##### **Article (1)**

In the implementation of the provisions of this Implementing Regulation, the following words and phrases shall have meanings assigned thereto, unless the context otherwise requires:

Law	: Law on AML/ CFT promulgated by Law No. (20) of 2019.
Politically Exposed Persons(PEPs)	: Individuals who are or have been entrusted by the State or by a foreign state with prominent public functions such as heads of states or of governments, senior politicians, senior government officials, judicial or military officials, senior executive of the state owned companies, members of parliaments, important political parties officials and members of senior management, i.e. directors, deputy directors and members of the board of directors or equivalent functions in the international organizations.
Beneficial owner	: A natural person who ultimately owns or controls a customer through ownership interest or voting rights or a natural person on whose behalf a transaction is being conducted, whether by proxy, trusteeship, mandate or any other form of representation. It also includes any person who exercises ultimate effective control over a legal person or arrangement, including any person exercising ultimate effective control by any means.
Payable-Through Account PTA	: Correspondent accounts that are used directly by third parties to transact business on their own behalf.
Ordering Financial Institution	: A financial institution that initiates wire transfer and transfers the funds upon receiving a request for a wire transfer on the behalf of the originator.
Beneficiary Financial Institution	: A financial institution that receives wire transfer from the ordering financial institution and makes the funds available to the beneficiary.

Intermediary Financial Institution : A financial institution in a serial or cover payment chain that receives and transmits a wire transfer on behalf of the ordering financial institution and the beneficiary institution or another intermediary financial institution.

False Declaration : A misrepresentation of the value of currency, bearer negotiable instruments (BNI), metals or precious stones being transported or a misrepresentation of other relevant data required for submission in the declaration or otherwise requested by customs authorities. This includes failure to make the declaration as required.

Agent for Money or Value Transfer Service (MVTS) Provider : Any person providing MVTS on behalf of a MVTS provider, whether by a contract with or under the direction of the MVTS provider.

## **Chapter II**

### **Activities, Operations and Preventive Measures**

#### **Section: One**

#### **Activities and Operations of Financial Institutions (FIs)**

##### **Article (2)**

Financial institution conducts, as a business, one or more of the following activities or operations:

- 1- Acceptance of deposits and other repayable funds from the public;
- 2- Lending, including consumer credit and mortgage credit; with or without the right to recourse, financing of commercial transactions, including forfeiting and factoring whether with or without the right to recourse;
- 3- Financial leasing, except for leasing arrangements related to consumer products;
- 4- MVTS, except for providing FIs with support or messaging systems for funds transfer;
- 5- Issuing or managing means of payment, such as credit and debit cards, cheques, traveller's cheques, transfers, bank cheques, electronic money, money orders and bankers' drafts;
- 6- Financial guarantees and commitments;
- 7- Activities related to securities;
- 8- Trading in:
  - Money market instruments, such as cheques, bills, certificates of deposit, and financial derivatives;
  - Foreign exchange;
  - Currency exchange instruments;
  - Interest rate and indexes;

- Transferable securities; and
- Commodity futures.
  - 9- Participating in securities issues and providing financial services related to such issues;
  - 10- Individual or collective portfolio management;
  - 11- Safekeeping and administering cash or liquid securities on behalf of, or for the benefit of, third party;
  - 12- Other operations for investing, administering or managing funds or money on behalf of, or for the benefit of, other persons;
  - 13- Underwriting or placement of life insurance and other investment related insurance; this shall apply to insurance intermediaries (agents and brokers);
  - 14- Money or currency changing; and
  - 15- Any other activity or transaction defined by a decision of the Council of Ministers, upon the proposal of the NAMLC.

## **Section: Two**

### **Preventive Measures**

#### **Article (3)**

FIs and Designated Non-Financial Businesses and Professions (DNFBPs) shall identify, assess and understand their ML/FT risks in accordance with the nature and size of their business, as follows:

- 1- Document, monitor and regularly update their risk assessments and any key information, in order to be able to provide the basis thereof;
- 2- Provide the risk assessment report to the competent regulatory authority on a regular basis, within the time limit set by the regulatory authority and upon its request; and
- 3- Consider all relevant risk factors before determining level and type of mitigation measures to be applied.

**Article (4)**

When identifying risks pursuant to the above Article, FIs and DNFBPs shall consider the risks identified in the National Risk Assessment as well as the following factors:

- 1- Risk factors related to customers, beneficial owners of customers and the beneficiaries of customers' transactions;
- 2- Risk factors related to countries and geographic areas;
- 3- Risk factors related to products and services provided by the FIs, DNFBPs, transactions and delivery channels;
- 4- Risk factors related to the purpose for which the customer opened the account or established the business relationship;
- 5- Risk factors related to the level of deposits and the volume of the transactions and operations; and
- 6- Risk factors related to the duration of business relationship with the customer and frequency of operations.

**Article (5)**

Prior to the launch or the use of new products, business practices and technologies, FIs and DNFBPs shall identify and assess ML/FT risks that may arise of the development of such new products and business practices, including new delivery means to provide services, products or transactions; or those risks that may arise of the use of such new or developing technologies for both new and pre-existing products. Furthermore, the FIs and DNFBPs shall take appropriate measures to manage and mitigate such risks.

**Article (6)**

FIs and DNFBPs shall establish AML/CFT programs that shall include the development of necessary policies, procedures and controls in a manner that is appropriate with regard to the risks and the size of the business. Such programs shall include:

- 1- Appropriate compliance management arrangements, including the appointment of a compliance officer at the management level;
- 2- Adequate screening procedures to ensure high standards when hiring employees;
- 3- An ongoing employee-training program; and
- 4- An independent audit unit to test the AML/CFT system.

**Article (7)**

Financial groups and DNFBPs shall implement AML/CFT programs in all their branches and majority-owned subsidiaries. This is in addition to the procedures provided for in the above Article, such programs shall include:

- 1- Application of policies and procedures for sharing information that are required for the purposes of Customer Due Diligence (CDD) and ML/FT risk management.
- 2- Providing group-level compliance, audit and AML/CFT functions with customers, accounts and transaction information from branches and subsidiaries as necessary for AML/CFT purposes. This shall include information and analysis of transactions and activities that seem unusual or suspicious, suspicious transactions reports and underlying information or any information that indicates reporting of a suspicious transaction.

- 3- Provision of the above mentioned information to the branches and subsidiaries as necessary and appropriate to risk management.
- 4- Application of adequate safeguards to the confidentiality and use of exchanged information, including safeguards to prevent tipping-off.

**Article (8)**

- 1- Financial groups, FIs and DNFBPs should be required to ensure that their foreign branches and majority-owned subsidiaries apply AML/CFT measures consistent with the requirements of the State, where the minimum AML/CFT requirements of the host state are less strict than those applied in the State, to the extent that such host state laws and regulations permit.
- 2- Should not the host state permit the proper implementation of AML/CFT measures consistent with the requirements of the State, financial groups, FIs and DNFBPs shall apply to their foreign branches and majority-owned subsidiaries appropriate additional measures to manage ML/FT risks and shall inform their competent regulatory authority as well.
- 3- In the case of insufficiency of the additional measures, the competent authorities in the State shall consider the application of further regulatory measures, including imposing additional controls on the financial groups, FIs and DNFBPs and, if necessary, request them to suspend their transactions in the host state.

**Article (9)**

When applying CDD requirements to existing customers as stipulated in Articles (10) and (11) of the Law, FIs and DNFBPs shall take materiality and risk of customers into consideration. Such measures shall be applied to the existing relationships at appropriate times, taking into account whether and when CDD measures have previously been undertaken and the adequacy of data obtained.

**Article (10)**

CDD measures shall be applied, when FIs and DNFBPs conduct occasional transactions equal to or exceed (QR 50,000) fifty thousand Qatari Riyals.

FIs and DNFBPs shall take appropriate measures to identify transactions carried out in several operations involving smaller amounts whose total is equal to the designated threshold stipulated above.

Real estate agents shall apply CDD to both purchaser and vendor of the property.

**Article (11)**

Dealers in precious metals or stones shall be subject to obligations under the Law whenever they engage with a customer in any cash transactions equal to or above (QR 50,000) fifty thousand Qatari Riyals.

**Article (12)**

If, during the establishment of a business relationship with the customer or during the course thereof or when conducting occasional transactions, FIs and DNFBPs suspect that such transactions relate to ML/ FT, then the FIs and DNFBPs shall:

- 1- Identify and verify the identity of the customer and the beneficial owner, whether permanent or occasional, irrespective of any exemption or any designated threshold that might otherwise apply; and
- 2- Make a suspicious transaction report (STR) to the Financial Information Unit (FIU).

### **Article (13)**

FIs and DNFBPs shall identify and verify the identity of the customer, by using reliable and independent source documents, data or information. The FIs and DNFBPs shall obtain the following information, as a minimum:

- 1- For natural persons: name of the customer as registered in the official documentation, residence or domestic address, date and place of birth, and nationality.
- 2- For legal persons or arrangements: name, legal form and proof of existence of the customer; the regulations and powers that regulate the legal person or arrangement as well as names of the relevant persons having a senior management position in the legal person or arrangement; address of the registered office and, if different, the principal place of business.

For customers that are legal persons or arrangements, FIs and DNFBPs shall understand the customer's ownership and structure; and shall verify the identity of beneficial owners in accordance with Articles (15) and (17) of this implementing Regulations.

FIs and DNFBPs shall collect and verify any additional information, as per the level of risks associated with any particular customer.

For all customers, FIs and DNFBPs shall:

- 1- Understand the nature of the customer's business or activity pattern;
- 2- Verify that any person purporting to act on behalf of the customer is so authorized; identify and verify the identity of that person, as stipulated in provisions of (1 and 2) in the first paragraph of this Article;
- 3- Understand and, as appropriate, obtain information on the purpose and intended nature of the business relationship; and
- 4- Conduct ongoing due diligence on the business relationship, including:
  - a) Scrutinizing transactions undertaken throughout the course of that relationship to ensure that the transactions being conducted are consistent with the FI's knowledge of the customers, their business, risk profile and , where necessary, the source of funds; and
  - b) Ensuring that documents, data or information collected under the CDD process is kept up-to-date and relevant, by reviewing the existing records, particularly for categories of high-risk customers.

**Article (14)**

In cases where regulatory authorities permit the establishment of a business relationship with a customer prior to verification, FIs and DNFBPs shall adopt risk management procedures with respect to the conditions under which a customer may utilize the business relationship.

**Article (15)**

With regard to customers that are legal persons, FIs and DNFBPs shall identify and take reasonable measures to verify the identity of the beneficial owner, using relevant information or reliable sources data as follows:

- 1- Identifying the natural person(s) who ultimately has an effective controlling ownership interest not less than (20%) of a legal person or voting rights and taking reasonable measures to verify the identity of such persons.
- 2- In the event that no beneficial owner is identified, when there is a doubt as to whether the natural person(s) with controlling ownership interest(s) are the beneficial owner(s) under the above item, or where no natural person exercise control through ownership interests, the FIs and DNFBPs shall identify the natural person(s) exercising de facto or legal control or supervision in the legal person and arrangement through any means, whether directly or indirectly, over the executives, the general assembly, or the operations of the legal person, or any other control instruments.
- 3- Where no natural person is identified under the above items, FIs and DNFBPs shall identify and verify the identity of the relevant natural person who holds the position of senior managing official in the legal person.

In cases where the FIs and DNFBPs are unable to identify at least one natural person who meets the requirements of this Article, the FIs and DNFBPs shall not commence a business relationship with the customer, perform a transaction or continue in the relationship. Therefore, the FIs and DNFBPs must terminate such relationship (for existing customers) and make a suspicious transactions report to the FIU.

**Article (16)**

Where the customer or the owner of the controlling interest is a company listed on a stock exchange and subject to disclosure requirements which ensure adequate transparency of beneficial ownership or where the customer or the owner is a majority-owned subsidiary of such company, it is not required to identify and verify the identity of any shareholder or beneficial owner of such companies. The relevant identification data may be obtained from a public register, from the customer or from other reliable sources.

**Article (17)**

For customers that are trusts, the FIs and DNFBPs shall take reasonable actions to identify and verify the identity of the beneficial owners by identifying settlor, trustee and protector ( if any), beneficiaries or class of beneficiaries, and any other natural person exercising, directly or indirectly, ultimate effective control over the trust.

For other types of legal arrangements, the identity of the natural persons in equivalent or similar positions shall be identified.

FIs and DNFBPs shall take measures necessary to determine whether a customer is acting as a trustee of a trust or holds an equivalent or similar position in other types of legal arrangements.

**Article (18)**

In addition to the CDD measures required for customers as set out in the Law and this Implementing Regulation, FIs shall conduct, as soon as the beneficiaries are identified or designated, the following additional CDD measures on the beneficiaries of life insurance and other investment related insurance policies:

- 1- For a beneficiary(ies) that is identified by name: the name of the person, whether it is natural or legal person or legal arrangement, shall be obtained.

- 2- For a beneficiary(ies) that is designated by characteristics, class or other means: sufficient information concerning the beneficiary shall be obtained to the extent that satisfy the FIs that it will be able to establish the identity of the beneficiary at the time of the payout.
- 3- For the both above cases, identity of the beneficiary shall be verified at the time of the payout.

In cases where FIs are unable to take the above-mentioned measures, the FIs shall submit a suspicious transactions report to the FIU.

#### **Article (19)**

In determining whether enhanced CDD measures are applicable, FIs shall include the beneficiary of a life insurance policy as a relevant risk factor. If the FIs determines that a beneficiary who is a legal person or arrangement presents a higher risk, then the FIs shall perform enhanced due diligence, including reasonable measures to identify and verify, at the time of the payout, the identity of the beneficial owner of the beneficiary of a life insurance policy.

#### **Article (20)**

FIs and DNFBPs, when relying on third-party FIs and DNFBPs to perform the CDD measures as set out in the Law and this Implementing Regulation, shall:

- 1- Obtain immediately the necessary information on the said CDD measures;
- 2- Ensure that copies of identification data and other relevant documentation relating to CDD requirements will be made available by the third party upon request without delay;
- 3- Ensure that the third party shall be regulated and supervised or monitored, and shall be obligated to measures for CDD and record-keeping requirements in accordance with the Law and this Implementing Regulation; and

- 4- Take into consideration the information available on the level of ML/FT risks in countries where the third parties, on which FIs and DNFBPs rely, are located.

**Article (21)**

In cases where FIs and DNFBPs rely on a third party that is part of the same financial group, the regulatory authorities, whether in the State or the host state, may determine that the requirements set out in the above Article are met in the following circumstances where:

- 1- The Group applies CDD and record-keeping requirements and AML/CFT programs in line with the Law and this Implementing Regulations.
- 2- The effective implementation of the above requirements and programs is supervised, at the group level, by a competent authority.
- 3- Any higher country risk is adequately mitigated by the Group's AML/CFT policies.

**Article (22)**

FIs and DNFBPs shall be required to apply enhanced due diligence measures proportionate to the risks to business relationships and transactions with customers, including FIs and DNFBPs from countries for which such measures are called for by the FATF and shall be published by the Committee on its website.

**Article (23)**

FIs and DNFBPs shall take other measures, pursuant to Article (13) of the Law, that include countermeasures proportionate to the degree of risks specified in the circulars required by the regulatory authorities, based on the data provided by the FATF or in accordance with the measures required by the Committee independently.

**Article (24)**

The Committee shall issue circulars on the vulnerabilities of AML/CFT systems in other countries.

The Committee shall communicate such circulars to the regulatory and the competent authorities and publish the same on the Committee's website.

The regulatory authorities shall communicate such circulars to the FIs and DNFBPs under the supervision of such regulatory authorities.

**Article (25)**

FIs and DNFBPs shall verify, to the extent possible and on a reasonable basis, the background and the purpose of all complex or unusual transactions as well as all unusual patterns of transactions, which have no apparent economic or clear legal purpose.

In the case of higher ML/FT risks, FIs and DNFBPs shall perform enhanced due diligence measures consistent with the risks identified, and shall particularly conduct enhanced ongoing monitoring of the business relationship, in order to identify unusual or suspicious activities or transactions. The enhanced due diligence measures shall specifically include:

- 1- Obtaining additional information with respect to the customer, including but not limited to, occupation, volume of assets, information available through public databases and open sources; and regularly updating the identification data of the customer and beneficial owner;
- 2- Obtaining additional information on the intended nature of the business relationship;
- 3- Obtaining information on the source of funds or the source of wealth of the customer;
- 4- Obtaining information on the reasons for intended or performed transactions;

- 5- Obtaining the approval of senior management to commence or continue the business relationship;
- 6- Conducting enhanced monitoring of the business relationship, by increasing the number and timings of controls applied and selecting patterns of transactions that require further examination and verification; and
- 7- Requiring the first payment to be carried out through an account in the customer's name opened at a bank subject to similar CDD standards.

#### **Article (26)**

In the event of lower ML/ FT risks, FIs and DNFBPs may conduct, as specified by the regulatory authority, simplified CDD measures that take into account the nature of these risks and that are commensurate with the lower risk factors as follows:

- 1- Verifying the identity of the customer and the beneficial owner upon establishing the business relationship e.g. if account transactions exceed the intended monetary threshold;
- 2- Reducing the frequency of customer identification updates;
- 3- Reducing the degree of ongoing due diligence, monitoring and scrutinizing transactions, based on a reasonable designated monetary threshold;
- 4- Not collecting specific information or carrying out specific measures to understand the purpose and intended nature of the business relationship, but inferring the purpose and nature from the type of transactions or business relationship established.

Simplified CDD measures may relate only to customer acceptance or to ongoing monitoring. Such measures shall not be applied whenever there is suspicion of money laundering or terrorism financing or where specific higher-risk scenarios apply.

**Article (27)**

FIs and DNFBPs shall develop appropriate risk-management systems to determine whether the customer or the beneficial owner is PEP, or a family member or close associate of such PEP and shall take the following additional due diligence measures in relation to such persons:

- 1- Obtaining senior management approval for establishing (or continuing for existing customers) such business relationships;
- 2- Taking reasonable measures to establish the source of wealth and source of funds of customers and beneficial owners of customers identified as PEPs, family members or close associates of such PEPs; and
- 3- Conducting enhanced ongoing monitoring of the business relationship.

**Article (28)**

Family members of a politically exposed person shall include any natural person relative by blood or marriage up to the second degree.

Close associates of a politically exposed person shall include any natural person who is a partner in a legal person or arrangement or a beneficial owner of a legal person or arrangement owned or effectively controlled by a politically exposed person or any person associated with the PEP through a close business or social relationship.

**Article (29)**

Before making a payout under a life insurance policy, financial institutions shall take reasonable measures to determine whether the beneficiary or the beneficial owner of the beneficiary of a life insurance policy is a politically exposed person.

In the case of higher risks, FIs shall inform senior management before paying out the policy proceeds, conduct enhanced scrutiny on the whole business relationship with the policyholder, and submit a suspicious transaction report to the FIU.

**Article (30)**

FIs, when establishing a cross-border correspondent relationship or any other similar relationship, shall:

- 1- Collect sufficient information about the respondent institution to fully understand the nature of the respondent's business and identify, through publicly available information, the reputation of the institution and quality of supervision, including whether it has been subject to a ML/TF investigation or supervisory action;
- 2- Assess the respondent institution's AML/CFT controls;
- 3- Obtain approval from senior management before establishing new correspondent relationship;
- 4- Clearly understand the respective AML/CFT responsibilities of each institution.

**Article (31)**

With respect to "payable through accounts", FIs shall satisfy themselves that the correspondent bank:

- 1- Has undertaken CDD measures, as required by the Law and this Implementing Regulations, on its customers that have direct access to the accounts of the correspondent bank; and
- 2- Is able to provide, upon request, relevant CDD information to the correspondent bank.

**Article (32)**

When conducting wire transfers, ordering financial institutions shall:

- 1- Obtain and verify information related to the originator and the beneficiary, when conducting wire transfers equal to or exceed (QR 3,500) three thousand five hundred Qatari Riyals. Ordering financial institutions shall ensure that such information includes the following:
  - a. Full name of the originator and the beneficiary;

- b. The originator and the beneficiary account number or, in the absence of an account, a unique transaction reference number, which permits traceability of the transaction; and
  - c. The originator's address, national identity number, customer identification number, or date and place of birth. Such information shall be included in the message or payment form accompanying the transfer.
- 2- Whenever the information referred to in paragraph (1) above is available to the beneficiary financial institution and competent authorities by other means, the FI may only include account number or unique transaction reference number in the information accompanying the domestic wire transfer. Such number or identifier shall permit the transaction to be traced back to the originator or the beneficiary within three (3) business days from receiving the request either from the beneficiary financial institution or from competent authorities. The Public Prosecutor may compel the FI to submit such information immediately.
  - 3- Ensure that cross-border wire transfers of a value below the threshold specified in paragraph (1) contain the name of the originator and the beneficiary and both originator and beneficiary account numbers or a unique transaction reference number which permits traceability of the transaction. In such case, the ordering financial institution shall not be required to verify the accuracy of the information unless there is suspicion of ML/TF.
  - 4- Ensure, in the event that several individual cross-border wire transfers from a single originator are bundled in a batch file for transmission to beneficiaries, that the batch file contains required and accurate originator information and full beneficiary information in a manner that permit to fully track the transactions within the beneficiary country. The FI shall include the originator's account number or unique transaction reference number.
  - 5- Not execute the wire transfer if it does not comply with the requirements specified in this Article.

**Article (33)**

Intermediary financial institutions, when conducting cross-border wire transfers, shall:

- 1- Ensure that all originator and beneficiary information that accompanies a wire transfer is retained with it; and
- 2- Take reasonable measures, which are consistent with straight through processing, to identify the wire transfers that lack required originator or beneficiary information.

**Article (34)**

Beneficiary financial institution shall take reasonable measures to identify cross-border wire transfers lacking required originator or beneficiary information, including post-event monitoring or, whenever possible, real-time monitoring.

For cross-border wire transfers of more than (QR 3,500) three thousand five hundred Qatari riyals, the beneficiary financial institution shall verify the identity of the beneficiary, if the identity has not been previously verified, and maintain the information collected in the course of verification in accordance with the requirements stipulated in the Law.

**Article (35)**

When carrying out a wire transfer, Ordering, intermediary and beneficiary financial institutions shall maintain all originator and beneficiary information, including the originator's account number or unique transaction reference number, for at least (10) ten years following completion of any transaction.

Where technical limitations prevent the required originator or beneficiary information accompanying a cross-border wire transfer from remaining with a related domestic wire transfer, the intermediary financial institution shall maintain, for at least (10) ten years, all the information received from the ordering financial institution or another intermediary financial institution.

**Article (36)**

Intermediary and beneficiary financial institutions shall draw up effective risk-based policies and procedures for determining when to execute, reject or suspend a wire transfers lacking required originator or beneficiary information as well as the appropriate follow-up actions.

**Article (37)**

MVTS providers shall:

- 1- Comply with all the relevant requirements of the Law and this Implementing Regulation, whether they operate directly or through their agents;
- 2- Maintain an updated list of their agents accessible by the competent regulatory authority; and
- 3- Include their agents in their AML/CFT programs and monitor the agents for compliance with such programs.

**Article (38)**

In the case of a MVTS provider that controls both the ordering and the beneficiary sides of a wire transfer, the MVTS provider shall:

- 1- Take into account all the information from both the ordering and beneficiary sides to determine whether an STR must be submitted;
- 2- Submit an STR in any country affected by the suspicious wire transfer and make relevant transaction information available to the FIU.

**Article (39)**

FIs and DNFBPs shall report suspicious transactions in the form specified by the Unit and in line with the published instructions and guidance of the Unit.

**Article (40)**

Where lawyers, notaries, accountants and legal accountants seek to dissuade a client from engaging in illegal activity, such does not amount to tipping-off as stipulated in the second paragraph of Article (22) of the Law.

### **Chapter III**

#### **Customs Declaration**

##### **Article (41)**

Any natural person, upon entering or departing the State, who carries currencies, bearer negotiable instruments (BNIs) or precious metals or stones; or arrange for transportation thereof into or outside the State through a person, mail, cargo or any other means, shall be required to submit a declaration of the value thereof to the competent customs officer, when such value is equal to or exceeds (QR 50,000) fifty thousand Qatari riyals. Furthermore, such person shall complete the relevant customs declaration form.

##### **Article (42)**

Any legal person exporting or importing a cargo of currencies, BNIs, or precious metals or stones of a value equal to or exceeding (QR 50,000) fifty thousand Qatari riyals shall be required to submit a declaration of the value thereof, fill out the relevant customs declaration form and obtain necessary approvals from the competent authorities.

##### **Article (43)**

All NPOs willing to transport currencies, BNIs, precious metals or stones of a value equal to or exceeding (QR 50,000) fifty thousand Qatari Riyals, shall be required to submit a declaration of the value thereof and fill out the relevant customs declaration form, after submitting an evidence of consent from the Regulatory Authority for Charitable Activities under the provisions of the Law regulating charitable activities,.

##### **Article (44)**

Upon false declaration or a failure to declare the value of currencies or BNIs or precious metals or stones that is equal to or exceeds (QR 50,000) fifty thousand Qatari Riyals, the competent customs officer may take the following measures:

1. Seize all currencies, BNIs or precious metals or stones.
2. Draw up a seizure report.
3. Request the carrier to provide additional information with regard to the origin of the currencies, BNIs or precious metals or stones as well as the purpose of transportation thereof.

The customs officer may arrest the individuals involved in the transportation of the currencies, BNIs or precious metals or stones. In such case, the customs officer shall immediately surrender such individuals to the competent security department in the Ministry of Interior and refer the seizure report and the seized items to the Public Prosecution for taking the relevant necessary procedures.

#### **Article (45)**

Upon false declaration or a failure by the importer or exporter to declare the value of the cargo of currencies or BNIs or precious metals or stones that are equal to or exceed (QR 50,000) fifty thousand Qatari Riyals, the customs officer may take the following measures:

1. Seize the cargo of currencies, BNIs or precious metals or stones;
2. Draw up a seizure report;
3. Request the importer, the exporter, legal person, NPO or their legal representative to provide additional information on the reasons for failing to declare or for making false declaration.

The customs officer may arrest the individuals involved in the transportation of the currencies, BNIS or precious metals or stones and shall hand such individuals over the competent security department in the Ministry of Interior and refer the seizure report and the seized items to the Public Prosecution for taking the relevant necessary procedures.

**Article (46)**

Customs authorities shall communicate to the Unit, any suspicions that the transportation of currencies, BNIs or precious metals or stones is related to ML/FT or predicate offences; or when the carrier submits false declaration or fails to declare.

**Article (47)**

Customs authorities shall collect data and information on the movement of currencies, BNIs or precious metals or stones. To that end, customs authorities shall exercise the following powers:

1. Collect declaration forms with regard to the value of the currencies, BNIs or precious metals or stones in possession of persons entering or exiting the State;
2. Verify information provided in the declaration forms;
3. Verify that the currencies and BNIs are not counterfeited;
4. Verify that currencies can be circulated pursuant to the laws regulating their issuance;
5. If precious metals and stones in the possession of persons entering or existing the State are for commercial purposes, the customs authorities shall ascertain value thereof through the purchase invoice;
6. Enter the information obtained from such declarations in a database by the customs officer and make it accessible for the Unit;
7. Maintain, for at least ten (10) years, documents and data pertaining to the declared or detected currencies, BNIs or precious metals or stones and the identity of bearers thereof in the following cases where:
  - a) A declaration equivalent to or exceeding (QR 50,000) fifty thousand Qatari riyals is submitted.

- b) There is a false declaration.
- c) There is a suspicion of ML/FT.
- 8. Maintain and disseminate statistics on the amount of incoming and outgoing cross border currencies, BNIs or precious metals or stones; on the false declarations; and on the disposition of such currencies, BNIs or precious metals or stones by the customs authorities. This is in addition to any other statistics requested by the Committee;
- 9. Exchange information on the value of the declared or detected currencies, BNIs or precious metals or stones as well as the identity of the bearers thereof, with the competent domestic authorities. Such information can be exchanged with competent international authorities subject to the principle of reciprocity or pursuant to the international agreements; and
- 10. Cooperate and coordinate with the competent authorities for the purposes of implementing this Article.

#### **Article (48)**

The customs authorities shall issue decisions, instructions and directives for implementing the provisions of Chapter V of the Law.

## **Chapter IV**

### **National Anti-Money Laundering & Terrorism Financing Committee (NAMLC)**

#### **Article (49)**

The Committee shall maintain a database of all information received from the varied domestic authorities with regard to matters related to scope of work of the Committee. Such database shall contain ML/FT-related statistics, including suspicious transactions reports received and disseminated investigations, prosecutions, convictions related to ML/FT as well as frozen, seized and confiscated properties, requests for mutual legal assistance and other requests for international cooperation.

#### **Article (50)**

The Committee shall:

1. Ensure that the National Risk Assessment covers all relevant sectors, including FIs, DNFBPs, NPOs, cross-border transportation of cash as well as the activities of law enforcement authorities. The NAMLC shall apply a risk-based approach to allocate resources and implement measures to prevent or mitigate ML/FT;
2. Refer the National Risk Assessment Report to the Governor to be submitted to the Council of Ministers for approval. The Committee shall communicate the outcomes of the assessment to the AML/CFT national authorities to include the same in action plans of the AML/CFT national authorities for implementation;
3. Oversee the update of the National Risk Assessment at least once each (3) three years and when necessary;

4. Coordinate with the regulatory authorities to communicate the outcomes of the National Risk Assessment to the entities under supervision thereof and ensure that risks are addressed pursuant to the National Strategy for combating ML/FT/PWMD; and
5. Coordinate with the competent authorities to raise awareness about ML/FT risks and with regulatory authorities to ensure that FIs and DNFBPs are capable of countering money laundering, predicate offences and financing terrorism.

**Article (51)**

The Committee shall work with the regulatory authorities to identify and assess ML/FT risks that may arise in relation to the development of new products and business practices, including use of delivery channels or development of new technologies for new pre-existing products.

## **Chapter V**

### **Financial Information Unit (FIU)**

#### **Article (52)**

The Unit shall create and adopt, in coordination with the competent authorities, forms and procedures for requesting and disseminating information, suspicious transaction reports and other relevant reports and respective timelines. This is in order to access financial, administrative and law enforcement information maintained by the domestic competent authorities as well as the relevant information collected or obtained by other authorities or collected or obtained on behalf of other authorities.

The FIU may use publically available information and leased databases.

#### **Article (53)**

The FIU shall take measures necessary to protect and access the information available in database of the FIU or any accessible or obtainable information, provided that these measures shall be, at a minimum, in conformity with the Egmont Group standards on exchanging information with counterpart financial information units and with any international standards that are or may be applicable in the State. To this effect, the Unit shall:

1. Set rules governing the security, confidentiality and privacy of information throughout processing, disseminating, protecting and accessing to the same;
2. Ensure that FIU staff have the necessary security clearance levels and understand their responsibilities in handling and referring ( in particular, sensitive and confidential) information;

3. Ensure that there is limited access to the Unit's facilities and information, including information technology systems; and
4. Use dedicated, secure and protected channels for the dissemination of information to national and international competent authorities.

#### **Article (54)**

The Unit shall maintain, in database of the Unit, any available information on suspicious transactions, suspects and all data related to money laundering, terrorism financing and predicate offences.

The competent authorities shall commit to inform the Unit of the available information that the competent authorities maintain in regards to money laundering, predicate offences or terrorism financing, actions taken and results thereof if such actions and results are related to measures required or adopted by the Unit.

#### **Article (55)**

The Unit, upon receiving STR from FIs and DNFBPs or information related to money laundering, predicate offences or terrorism financing, shall particularly conduct:

1. **Operational analysis:** by using available and obtainable information to identify specific objectives, follow the trail of particular activities or transactions and determine links between those objectives and possible proceeds of money laundering, predicate offences or terrorism financing crimes.
2. **Strategic analysis:** by using available and obtainable information, including data that may be provided by other competent authorities, to identify ML/FT related trends and patterns.

**Article (56)**

The Unit shall:

- 1- Identify the requirements for collecting and analyzing the information received from FIs and DNFBPs;
- 2- Approve, in coordination with the regulatory authorities and competent authorities, the reporting requirements for FIs and DNFBPs and the relevant forms and procedures;
- 3- Approve, in coordination with the regulatory authorities, forms and procedures relating to requesting information from the reporting entities; and
- 4- Notify the relevant regulatory authority when a FI or DNFBP fails to abide by the obligations provided for in this Article.

**Article (57)**

The FIU shall exchange information and cooperate with the competent and regulatory authorities as follows:

- 1- The Unit shall disseminate any information or results of undertaken analysis spontaneously whenever there are grounds to believe that such information is useful in identifying proceeds of crime or terrorism financing. The Unit shall exclusively identify the information to be disseminated.
- 2- The Unit may decide, at its own discretion and upon request, to provide information available with it.
- 3- The Unit shall set forth mechanisms and procedures to enable competent authorities to request information and to respond to urgent requests for information.

**Article (58)**

The Unit shall maintain statistics on received and disseminated suspicious transaction reports, international cooperation and other matters requested by the Committee.

## Chapter VI

### Regulatory Authorities

#### Article (59)

The following regulatory authorities shall supervise and monitor the corresponding sectors ascribed thereto hereunder and ensure their compliance with AML/CFT requirements:

	Regulatory Authority	Sector
1	<b>Qatar Central Bank QCB</b>	<ul style="list-style-type: none"> <li>- Banks and exchange houses.</li> <li>- MVTS providers.</li> <li>- Insurance and reinsurance.</li> <li>- Finance and investment companies.</li> </ul>
2	<b>Qatar Financial Markets Authority QFMA</b>	<ul style="list-style-type: none"> <li>- Financial brokerage firms/intermediaries.</li> <li>- Qatar Stock Exchange.</li> <li>- Qatar Central Securities Depository QCSD</li> </ul>
3	<b>Ministry of Justice</b>	<ul style="list-style-type: none"> <li>- Lawyers.</li> <li>- Commissioned notaries.</li> <li>- Real estate agents.</li> </ul>
4	<b>Ministry of Commerce and Industry</b>	<ul style="list-style-type: none"> <li>- Legal accountants.</li> <li>- Dealers in precious metals and stones.</li> <li>- Trust and company service providers.</li> </ul>
5	<b>Qatar Financial Centre Regulatory Authority QFCRA</b>	<ul style="list-style-type: none"> <li>- FIs and DNFBPs established in the Qatar Financial Centre.</li> </ul>
6	<b>Regulatory Authority for Charitable Activities RACA</b>	<ul style="list-style-type: none"> <li>- Non-Profit Organizations (NPOs).</li> </ul>

The regulatory authorities shall include any other competent authority empowered by law to regulate, supervise or monitor the FIs and DNFBPs or NPOs.

#### Article (60)

Regulatory authorities shall exercise the following powers:

1. Monitor and inspect FIs, DNFBPs and NPOs to ensure their compliance with the requirements of the Law and this Implementing Regulations. To this end, the regulatory authorities may obtain any information they may request in accordance with the provisions of Article (41) of the Law;

2. Issue, pursuant to the provisions of the Law, this Implementing Regulations and any other provisions, instructions, rules, guidelines, recommendations, or any other instruments for combatting ML/FT purposes. The regulatory authorities shall provide guidelines and feedback to the entities under their supervision on the compliance with the requirements of the Law, the Implementing Regulations and the instruments issued by the regulatory authorities and on enhancing the effectiveness of applicable policies and procedures;
3. Assist the Unit to develop reporting procedures for supervised entities in line with the relevant national and international standards. The regulatory authorities shall communicate to the Unit and the Public Prosecutor any information identified while exercising their powers that could be related to money laundering, terrorism financing, and predicate offences; and
4. Cooperate and exchange information with competent authorities with regard of detecting and reporting money laundering, predicate offences and financing terrorism.

#### **Article (61)**

When performing their supervisory powers over FIs, DNFBPs and NPOs, regulatory authorities shall apply a risk-based approach to ensure that FIs, DNFBPs and NPOs implement AML/CFT measures and identify the level and focus of supervision required for each supervised entity. The regulatory authorities shall particularly:

1. Ensure that entities under their supervision have necessary systems in place to ensure and monitor compliance with their AML/CFT obligations under the Law; and
2. Ensure that the entities under their supervision, foreign branches and majority-owned subsidiaries of such entities apply, where the minimum AML/CFT requirements of the host state are less strict than the same of the State, AML/CFT measures consistent with the State's requirements to the extent that host country laws and regulations permit.

The regulatory authorities, in performing their supervisory powers over FIs pursuant to the Law and the Implementing Regulation, shall:

1. For financial institutions subject to the core principles, ensure that such financial institutions shall be subject to supervisory and regulatory measures in line with such principles where the same are relevant to AML/CFT, including application of group-based consolidated group supervision for AML/CFT purposes; and
2. For all other financial institutions, ensure that such financial institutions shall be subject to regulatory and supervisory or monitoring measures according to the level of ML/FT risk in that sector.

#### **Article (62)**

Regulatory authorities shall determine the frequency and intensity of AML/CFT supervision on the basis of:

1. The ML/FT risks and the understanding of such risks, internal controls, policies and procedures associated with the financial institution or group and adequacy thereof as identified by the relevant regulatory authority assessment of the institution's or group's risk profile.
2. The ML/TF risks present in the State.
3. The diversity and number of FIs, DNFBPs and NPOs in the State and the degree of discretion allowed to the FIs, DNFBPs and NPOs under the risk-based approach.

**Article (63)**

Regulatory authorities shall:

1. Ensure that the FIs and DNFBPs conduct their risk assessment, review their ML/FT risk profile and characteristics and analyze results of such reviews to identify challenges of compliance with the AML/CFT standards;  
The regulatory authorities shall review the ML/TF risk assessment related to FIs and DNFBPs in a regular basis and when there are major changes in the management and operations thereof.
2. Provide proposals on enhancing the effectiveness and adequacy of the existing procedures and policies; and
3. Use the outcomes of the risk assessment to appoint supervisors, allocate their supervision and determine means and degree of inspection.

Furthermore, regulatory authorities shall maintain and submit to the Committee statistics concerning the measures adopted and sanctions imposed by virtue of the Law; the international cooperation; and any other matters required by the Committee.

**Article (64)**

Petitions against decisions referred to in Article (44) of the Law may be filed with the relevant regulatory authority within (15) fifteen days from the date when the petitioner is notified in writing of decisions issued against it or of its knowledge thereof. The petition shall include:

1. Full name, title, capacity and address of the petitioner;
2. Appealed decision, date of its issuance and the date of notification of the petitioner or its knowledge thereof;
3. Grounds for petition, supporting documents and explanatory memorandum;
4. Petitioner's specific requests; and
5. Means appropriate for the petitioner to receive notifications, whether by fax, e-mail, telephone or any other means.

**Article (65)**

The competent regulatory authority shall notify the petitioner of date of hearing and all related papers and documents by any of the means specified in the above Article.

If the petitioner did not attend himself or its representative on the given date, the petitioner shall be notified, within (7) seven days, of another date. If the petitioner fails to attend, the petition shall be decided in the absence of the petitioner.

In all cases, the competent regulatory authority shall decide the petition within a period not exceeding (30) thirty days from the date of lodging the same.

The decision of the competent regulatory authority in this regard shall include a summary of the petition and reasons for the decision. The petitioner shall be notified, within (7) seven days of its issuance, of such decision in writing by the means of notification specified in the petition lodged.

**Chapter VII****International Cooperation****Section: One****Mutual Legal Assistance****Article (66)**

In the event that a mutual legal assistance request is related to a confiscation order or the execution thereof, the competent court shall consider the request at the motion of the Public Prosecutor and pursuant to the provisions of the Article (68) of the Law.

**Article (67)**

Subject to any bilateral or multilateral agreements to which the State is a party, any arrangements or memoranda of understanding (MOU) in regard to sharing confiscated property with foreign countries, the Public Prosecutor may decide to withhold a part of the impounded funds.

**Section: Two****Cooperation between the FIU and its Foreign Counterparts****Article (68)**

The Unit shall provide, spontaneously or upon request, the widest range of cooperation to foreign counterparts according to the rules of bilateral or multilateral agreements to which the Unit is a party, including cooperation with its counterpart Egmont members. The Unit shall also provide cooperation according to the arrangements or MOU signed with its foreign counterparts or to the principle of reciprocity, regardless of the operating model of its counterparts and the status thereof.

**Article (69)**

The Unit may request information from counterpart FIUs. In such cases, the Unit shall provide all relevant information in its possession, including a description of the case under analysis and potential links to the State receiving the request for information.

The Unit may exchange with its foreign counterparts all information received or collected according to the provisions of Chapter VI of the Law and any other information can be obtained or accessed, directly or indirectly, by the Unit from the domestic sources.

The FIU shall provide, upon request, to its foreign counterparts feedback regarding the use of information received and results of the ensuing analysis.

**Section: Three****Cooperation between Regulatory Authorities of Financial Institutions and their Foreign Counterpart Regulatory Authorities****Article (70)**

Regulatory authorities of the FIs shall provide, spontaneously or upon request, to foreign counterparts the greatest extent possible of international cooperation related to supervision for AML/CFT purposes in accordance with the rules of bilateral or multilateral agreements to which the Unit is a party, the arrangements or MOU signed with foreign counterparts or to the principle of reciprocity, regardless of the respective nature or status of the foreign counterpart and pursuant to the applicable international standards for supervision.

**Article (71)**

Regulatory authorities of the FIs may exchange with their foreign counterparts all information domestically available to them, including information held by the FIs under the supervision of the Regulatory authorities in a manner proportionate to their respective needs.

**Article (72)**

Regulatory authorities of the FIs shall exchange with their foreign counterparts, in particular with the regulatory authorities that have a shared responsibility for FIs operating in the same financial group, relevant information for AML/CFT purposes, including:

1. Domestic legislative and regulatory system as well as general information on the financial sectors;
2. Prudential information, such as information on the financial institution's business activities, beneficial ownership, management and fit and properness standards; and
3. AML/CFT information, such as internal AML/CFT procedures and policies of FIs, CDD information, customer files, samples of accounts and transaction information.

**Article (73)**

Regulatory authorities of FIs may collect, on behalf of their foreign counterparts, necessary information. Regulatory authorities of FIs shall assist, when necessary, their foreign counterparts in collecting such information by themselves, in order to facilitate an effective supervision of the FIs operating in the same financial group.

**Article (74)**

Regulatory authorities of FIs shall require the requesting foreign counterparts to have prior authorization for any dissemination of information exchanged or for any use of the same for supervisory and non-supervisory purposes.

In cases where the requesting foreign counterpart is under a legal obligation to disclose or report the information, the regulatory authorities shall require foreign counterparts to inform them of such obligation.

**Section: Four****Cooperation between Law Enforcement Authorities and their Foreign Counterparts****Article (75)**

Law enforcement authorities may exchange all domestically available information with their foreign counterparts for conducting inquiries and gathering evidence relating to money laundering, predicate offences and terrorism financing, including information related to the identification and tracking of the proceeds and instrumentalities of crime.

**Article (76)**

Law enforcement authorities shall use their powers by virtue of the Law and this Implementing Regulations, the Criminal Procedure Code and the laws regulating their duties to conduct inquiries on behalf of foreign counterparts and to collect and exchange requested information.

Law enforcement authorities shall be subject to the requirements of Chapter X of the Law.

**Article (77)**

The provisions of the above two Articles shall apply to all competent authorities entrusted with the powers of legal seizure and all competent authorities that initiate inquiries and investigations to collect evidence relating to money laundering, terrorism financing and predicate offences. Competent authorities shall include specialized departments in the MOI, the State Security Bureau and the General Authority of Customs.

**Section: Five**

**Other Forms of Cooperation**

**Article (78)**

Competent authorities shall use effective means to take expeditious and prompt action in response to requests for information.

Competent authorities shall respond to requests for information pursuant to the applicable provisions of laws after ascertaining for what purpose and on whose behalf the request is made and, when necessary, verify the authorization given to the requesting authority.

**Article (79)**

The competent authority may receive requests for information indirectly from a foreign non-counterpart competent authority, provided that the requesting authority makes it clear for what purpose and on whose behalf the request is made.

The request for information shall be indirect when the required information is sent to the requesting authority through a competent authority in the State or a competent authority in one or more foreign countries, provided that a prior authorization or mandate is obtained for such exchange of information.

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