



**Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity**

**The National Committee for Anti-Money Laundering
and Counter-Financing of Terrorism**

Anti-Money Laundering Intelligence Unit

No: 42/AMLIU

Vientiane Capital, dated: 12 January 2016

**Instruction
On Suspected Transactions Reporting on Money Laundering
Or Financing Terrorism**

- Pursuant to the Law on Anti-Money Laundering and Financing of Terrorism no: 50/NA, dated 21 July 2014;
- Pursuant to the Decision on the Reporting of Transactions Suspected of Money Laundering or Financing Terrorism no: 13/NCC, dated 19 October 2015;

**The Director General of the Anti-Money Laundering Intelligence Office
Issues These Instruction:**

Article 1 Objectives

The objectives of these instruction are to expand on Article 6 of the Decision on the Reporting of Transactions Suspected of Money Laundering or Financing Terrorism (AML/CFT) and be a reference base for the heads of reporting entities in the creation of internal procedures to report on transactions suspected of money laundering or financing terrorism in order to report on these transactions efficiently and effectively.

Article 2 Procedures for reportingsuspected transactions on ML/FT activities

The procedure for reporting on transaction suspected of ML/FT are reporting procedures which reporting entities must create internally in order to specify formats, procedures or methods in this reporting to the Anti-Money Laundering Information Office (AMLIO).

Every branch of the reporting entities must report on transactions suspected of ML/FT to their head offices, after which the head office will adequately consider the information in order to report on the transaction to the AMLIO.

Article 3 Responsibilities

Administrative assemblies, the board of directors, managers and committee of international branch managers of reporting entities need to create and organize various internal policies, plans, procedures, principles, systems and regulations regarding AML/CFT to be efficient and effective.

If the reporting entities have enough conditions must establish specific department or division for responsible to AML/CFT in the head office, including staffs at least 3 persons and for the branch must appoint the compliance officer at least 2 persons as follow:

1. The compliance officer at the head office level it is called: Anti-Money Laundering Compliance Officer of the Head Office “AMLCO” or in English: Anti-Money Laundering Compliance Officer who must be at the level of director or senior employee with good qualifications;
2. The compliance officer at the branch office level it is called: Branch Anti-Money Laundering Officer “BAMLO” or in English “Branch Anti-Money Laundering Officer who should be at the manager or deputy manager level or acting branch manager, in the event of a foreign branch, it should be at the level of director or manager or deputy manager or acting manager.

If reporting entities did not have enough conditions must appoint compliance officer for responsible to AML/CFT at least 2 persons.

The compliance officer of each reporting entities who was appointed must be in charge of the organization of AML/CFT activities, so must have basic responsibilities as specified in Article 19, Paragraph 1 of the Law on AML/CFT and as additionally specified by the AMLIO.

Article 4 Assembling Information in Forms for reports on transactions suspected of AML/CFT

Reporting entities must gather information in forms to report on transactions suspected of ML/FT which the AMLIO issues as follows:

1. Use an (X) in the space for the company name in order to know which type of reporting unit your legal entity is at the time of reporting.
2. Add detailed information of the AMLCO in a large first section after the small sections 1-9;
3. In the event that a client is an individual, add detailed information on this individual who makes a transaction that you suspect of ML/FT activity in 2.1 of the 2.2 large section from the small sections 10-22;
4. In the event that a client is a legal entity, add detailed information on this legal entity which makes a transaction that you suspect of ML/FT activity in 2.2.1 of the 2.2 large section from the small sections 23-34;
5. In the event that an individual makes a transaction on behalf of a legal entity, add detailed information on the individual who makes a transaction that you suspect of ML/FT activity in 2.2.2 of the 2.2 large section from the small sections 35-48;
6. In the event that it is an insurance beneficiary, add detailed information on the individual who makes a transaction that you suspect of ML/FT the third section from the small sections 49-52;
7. Add detailed information on the suspected transaction with a brief explanation on the characteristics and reasons that cause you to suspect that it involved ML/FT activity in large section four from the small 53-62 sections which must create a detailed report and attach all documents related to this transaction report;
8. All documents related to the individual, legal entity or organization which is reported must be attached to the transaction report of suspected ML/FT activity every time. In necessary cases supplementary documents may be sent as well.

For all information related to a transaction suspected of ML/FT activity which the AMLIO sees as involved or related to individuals, legal entities or organizations which are reported, reporting units must supply such information or additional reports to the AMLIO swiftly.

Article 5 Methods to report suspected transactions of ML/FT Activity

In reporting transactions suspected of AML/CFT activity, reporting entities have the duty to create their own internal procedures, but must implement at least the following methods:

1. Transfer in the form of documents or per methods that the AMLIO specifies additionally;
2. Transfer must be by hand to the related sector of the AMLIO with signature of the recipient-signature of the deliverer;
3. Reports of transactions suspected of ML/FT activity and all related document must be in some sort of container or packaging and sealed so that during delivery these documents cannot be opened or unfastened;
4. There should be measures for maintaining confidentiality for individuals who deliver reports of transactions suspected of ML/FT activity and related documents both before and after transfer;
5. In the event that a report of transactions suspected of ML/FT activity and related documents are dropped or lost during delivery to the AMLIO, the reporting unit must be responsible for any results that occur;
6. Implement based on various methods as specified additionally by the AMLIO.

Article 6 Implementation

Reporting entities, as specified in Article 17 of the Law on AML/CFT, are implementers of the expansion of the contents of these instructions to strictly become a part of their internal policies, plans, procedures, principles, systems and regulations.

Relevant sectors of the AMLIO must regularly evaluate, monitor and examine the implementation as specified in Paragraph 1 of this article on the basis of coordinating with relevant sectors.

In necessary cases, the AMLIO will modify some articles or the complete contents of these instructions to be adapted to fit the circumstances and conditions of the Lao PDR in each period.

Article 7 Effectiveness

These instructions are effective from the date of signature onward.

The General Director of the AMLIU,

[Seal and signature]

Mr. Phanthaboun SAYAPHET