

Regulatory and Supervisory Framework for Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT)

The Central Bank of Myanmar plays an active role in implementing Myanmar's national Anti-money laundering program to ensure that the financial system is not in any way compromised by criminal activities associated with money laundering. Therefore, the Central Bank of Myanmar has issued regulatory guidelines and instructions to enforce the Control of Money Laundering Law (CMLL), enacted in 2002. These AML/CFT regulations cover the compliance of CDD, record keeping and STR and CTR reporting requirement. The AML/CFT regulatory guidelines and instructions issued are shown in the following table.

Instruction No.	Date	Types of reporting
1/2004	17 Jan 2004	Report to the CCB and copy to CBM transactions with respect to deposit, withdrawal and transfer of money, determined as confidential, the account of person if:- (a) the amount of money being 100 million Kyats and above; (b) being unusual or suspicious although the amount does not exceed 100 million Kyats and above
2/2004	17 Jan 2004	Banks and FIs are required to perform their functions and duties precisely. The FATF 40 recommendations are attached with this instruction for information.
Memorandum Htway_22/2004	30 Jan 2004	CDD and Record keeping- To open accounts for new customers with proper introduction by two account holders. For inland and foreign remittances performed by TT or DD, must obtain profile of customers such as Name, Registration Card no., Passport number, Full Address of remitters or beneficiaries and reasons for the remittance. STRs- to duly fill the reasons and comments.
3/2004	19 Feb 2004	Reference is made to Instruction 2/2002 of the CBM to freeze the funds and other assets and prohibit transactions with suspected terrorists and terrorist organizations and to report and submit related accounts to CBM. A set of FATF 8 Special Recommendations is attached as guidelines for Banks and FIs.
4/2004	27 Apr 2004	Banks and FIs to designate compliance officer for the banking dept and branches, particularly in handling with reporting of unusual or threshold transactions. A list of designated compliance officers must be recorded in the HO of each bank.
2/2005	8 Aug 2005	The on-site inspection teams are to conduct the examination of banks' compliance with the CMLL, Rules and Instructions.
6/2006	7 Jun 2006	Issuance of a checklist to be applied by the banks in identifying STRs.
7/2006	7 Jun 2006	Banks are instructed to address weaknesses found during on-site examination or else action will be taken under the CMLL and Rules.
8/2006	14 Jul 2006	Banks are to report urgently on sales and transfer of shares regarding capital injection in details such as name, address of share holder and amount of share to Director, Internal Audit and Bank Supervision Dept.
9/2006	31 Oct 2006	Further instructions regarding threshold and STR- - Identify the offence as per checklist - to provide reason for suspicion

Instruction No.	Date	Types of reporting
2/2007	3 Aug 2007	Myanmar Securities Exchange Centre is required to report any unusual or suspicious and threshold transactions with respect to purchase and sales of securities.
3/2007	3 Aug 2007	Requiring MADB to report threshold and STR to CCB with a copy to CBM. Requested to follow the checklist as a guide in submitting STRs.
4/2007	3 Aug 2007	Requiring the Myanmar Small Loan Enterprise, to report threshold and STR with respect to disbursement and repayment of small loans, to CCB with a Copy to CBM. Requested to follow the checklist.
5/2007	3 Aug 2007	Requiring Myanma Insurance Enterprise to report threshold and STR with respect to underwriting insurance policy and payment of claims in accordance to the threshold and if suspicious.
Compliance guidelines on AML/CFT	1 Jan 2008	Compliance Guidelines for banks to prevent and protect the banking system from being used for the furtherance of criminal purposes by means of money laundering activities and to comply the CMLL and the FATF Recommendations.
3/2008	14 Mar 2008	Record keeping requirements of all documents related to accounts and transactions of a customer for at least 5 years after closing of accounts/ completion of transaction.
Memorandum Htway-65/2008	14 Mar 2008	Imposition of administrative penalties for failure to comply wit obligations stipulated under section 18 (a) and (b) and section 19 of the CMLL.
1/2009	3 Jun 2009	Requiring the banks and financial institutions to obtain other types of identification documents such as household registration card, employee card and driving license card as and when necessary and to update the customer information at least once a year.
2/2009	3 Jun 2009	Regulatory guidance with regard to the duties, responsibilities and enabling powers for compliance officers.
3/2009	3 Jun 2009	Prohibiting the banks to establish business relationships or dealing with shell banks and to conduct KYC on AML/CFT by sending questionnaire.
4/2009	3 Jun 2009	Issuance of (15) additional checklists to be applied by the banks in identifying STRs.
Memorandum Htway-61/2009	3 Jun 2009	Standard Guideline on CDD for banks and financial institutions to implement a risk profiling in order to identifying higher risk customers, and to undertake enhanced CDD for higher risk customers including PEPs, nationals from high risk jurisdictions, and foreign incorporated legal entities.
3/2010	17 May 2010	Fit and Proper Test for appointment of Excutive Directors and the Senior management of a Bank Company Ltd.
4/2010	19 May 2010	Issuance of STR form for State-owned and Private Banks
5/2010	19 May 2010	Issuance of STR form for Myanma Security Exchange Center Company Ltd
6/2010	19 May 2010	Issuance of STR from Myanma Insurance
7/2010	20 May 2010	Issuance of Update General Guideline on Anti-Money Laundering and Combating Terrorist Financing to State-owned and Private Banks
8/2010	20 may 2010	Issuance of AML/CFT Guideline on Wire Transfer to comply Banks Carrying out Remittance by Electronic means