



Development of the Anti-Money Laundering and Counter- Terrorist Financing (AML/CFT) Mutual Evaluation

26 May 2017



- Financial Action Task Force (FATF)
- Mutual Evaluation (ME)
- Risk Assessment Work

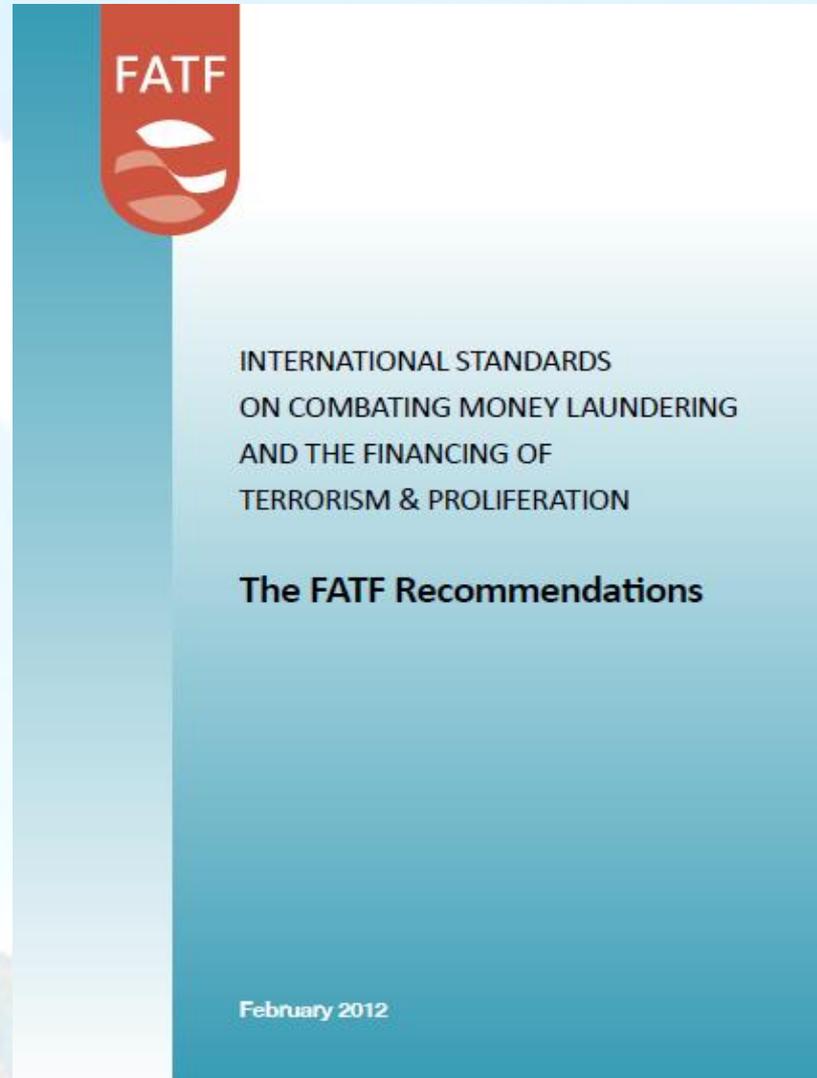


Financial Action Task Force (FATF)

- Intergovernmental body established in 1989 by the Ministers of its member jurisdictions
- Set out the international anti-money laundering and counter-terrorist financing (AML/CFT) standards
- 40 Recommendations
- Ensure the compliance of its member states



The FATF 40 Recommendations





FATF Meetings





FATF Meetings





Mutual Evaluation (ME) Process

A peer-review mechanism to maintain consistent and effective implementation of the FATF standards





Mutual Evaluation (ME) Process (Cont'd)

- FATF's working group meetings and Plenary
- Mutual Evaluation Report (MER)
- Regular follow-up process
- Enhanced follow-up process



Mutual Evaluation of Hong Kong 2007

Development after the 2007 ME

- November 2007: No statutory backing for customer due diligence (CDD) and record-keeping requirements
- October 2010: Hong Kong Government introduced the draft AML Bill
- July 2011: the AML Bill was passed into law as the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance (AMLO), Cap. 615
- April 2012: The AMLO came into force



Relevant Authorities under the AMLO

Financial Institutions	Relevant Authorities
Banks and Deposit-taking Companies	Hong Kong Monetary Authority (HKMA)
Licensed Corporations	Securities and Futures Commission (SFC)
Insurers, Insurance agents and Insurance brokers	Office of the Commissioner of Insurance (OCI)
Money Service Operators and the Postmaster General	Commissioner of Customs and Excise (CCE)



Mutual Evaluation Reports of Hong Kong

2008 MER

2012 Follow Up MER



THIRD MUTUAL EVALUATION REPORT
ANTI-MONEY LAUNDERING AND
COMBATING THE FINANCING OF TERRORISM

HONG KONG, CHINA

11 JULY 2008



4TH FOLLOW UP REPORT

Mutual Evaluation of Hong Kong, China

19 October 2012





Mutual Evaluations of other Jurisdictions

FATF



Anti-money laundering
and counter-terrorist
financing measures

Spain

Mutual Evaluation Report

December 2014



FATF



Anti-money laundering
and counter-terrorist
financing measures

Norway

Mutual Evaluation Report

December 2014





Mutual Evaluations of other Jurisdictions





Mutual Evaluations of other Jurisdictions





Upcoming Mutual Evaluation of Hong Kong

ML/TF Risk Assessment Report to be
submitted to the FATF



- Risk Assessment (RA)
- Risk-Based Approach (RBA)
- National Money Laundering and Terrorist Financing (ML/TF) Risk Assessment (NRA)



AML Guideline

Guideline on Anti-Money Laundering and Counter-Terrorist Financing

(For Money Service Operators)

March 2015

National ML/TF Risk Assessment (NRA)



FATF GUIDANCE

National Money Laundering and Terrorist Financing Risk Assessment

February 2013





Risk Assessment



香港海關

Customs and Excise Department

MSSB/RA_01/2015

13 July 2015

Risk Assessment Questionnaire

Message to Money Service Operators regarding this Risk Assessment Questionnaire

The aim of this risk assessment questionnaire is to collect information from the money service operators ("MSO") sector in order to assist the Commissioner of Customs and Excise ("CCE") in conducting a comprehensive risk assessment of the sector in preparation for the next round of mutual evaluation of the anti-money laundering and counter-terrorist financing ("AML/CFT") regime of Hong Kong by the Financial Action Task Force ("FATF"), an international AML/CFT standard setter. Besides, your effort and cooperation in this regard will help the CCE to calibrate and formulate strategies aiming at promoting the level of MSO sector in compliance with the statutory requirements under the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance, Chapter 615 ("AMLO"), Laws of Hong Kong.

To facilitate the identification and assessment of the risks and vulnerabilities pertaining to MSOs from the overall sector perspective, the information requested covers the period from the operation of the AMLO on 1 April 2012 to 30 June 2015 inclusive.

Please complete and return the questionnaire to us through one of the following channels **within 10 days** upon receipt of the questionnaire. You are invited to tick the appropriate boxes and provide the relevant details where appropriate. Any additional information can be provided in the Annex attached. The questionnaire is downloadable from the website of the Customs and Excise Department at <http://www.customs.gov.hk/en/home/index.html>. Thank you.

(1) By post:

Money Service Supervision Bureau
Customs and Excise Department
13/F, Customs Headquarters Building
222 Java Road, North Point, Hong Kong

(2) By fax : (852) 3759 3741 or (852) 3108 3425

(3) By email : raassessment@customs.gov.hk





Related Areas

- AML/CFT Training
- AML/CFT System
- Computer System
- Suspicious Transaction Report



Thank You