



MSSB/MIS_04/2017

29 September 2017

**Circular to Money Service Operators
Anti-Money Laundering / Counter-Terrorist Financing**

Combating Financing of Weapons of Mass Destruction Activities

In view of the recent international developments regarding the Democratic People's Republic of Korea (DPRK), we would like to remind Money Service Operators ("MSOs") to stay vigilant for possible activities or transactions that are suspected to be related to the proliferation of weapons of mass destruction ("WMD").

MSOs should be aware of the scope and focus of relevant financial sanctions regimes and relevant designations by overseas authorities in relation to WMD in addition to those lists that we draw to the attention of MSOs from time to time. MSOs should also pay attention to relevant United Nations Security Council ("UNSC") Resolutions, such as Resolution 1540 on Proliferation of Weapons of Mass Destruction and the recently adopted resolution 2371 on the DPRK.

Details of UNSC Resolution 1540 can be found on the website of the United Nations ([http://www.un.org/en/ga/search/view_doc.asp?symbol=S/RES/1540\(2004\)](http://www.un.org/en/ga/search/view_doc.asp?symbol=S/RES/1540(2004))).

Details of UNSC Resolution 2371 can be found on the website of the United Nations ([http://www.un.org/en/ga/search/view_doc.asp?symbol=S/RES/2371\(2017\)](http://www.un.org/en/ga/search/view_doc.asp?symbol=S/RES/2371(2017))).

The provision of any services to customers, where any activities or transactions are suspected to be related to WMD proliferation, is an offence under section 4 of the Weapons of Mass Destruction (Control of Provision of Services) Ordinance, Cap. 526 (WMD(CPS)O).

Furthermore, in accordance with section 25A of the Organised and Serious Crimes Ordinance (Cap. 455), where MSOs know or suspect that any property represents any proceeds of an indictable offence (which includes an offence under section 4 of WMD(CPS)O), they should file a suspicious transaction report with the Joint Financial Intelligence Unit.

MSOs are reminded to refer to Chapter 6 of the Guideline on Anti-Money Laundering and Counter-Terrorist Financing ("AML Guideline") which contains guidance on the appropriate measures that MSOs should take to ensure compliance with the regulations made under WMD(CPS)O, including the maintenance of a database for screening of names that may trigger suspicion.

Should you have any queries regarding the contents of this circular, please contact us on 2707 7819.

Money Service Supervision Bureau

Customs and Excise Department

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