



MSSB/MIS\_01/2021  
4 March 2021

**Circular**

## **Circular to Money Service Operators**

### **Competence Assessment for Money Service Operators**

This is to inform you that the Customs and Excise Department (“C&ED”) will commence the implementation of Competence Assessment (“Assessment”) for Money Service Operator (“MSO”) in Year 2021. The Assessment aims at ensuring that the senior management of the licensed MSO is equipped with fundamental knowledge and clear understanding of anti-money laundering and counter-financing of terrorism (“AML/CFT”) for devising and overseeing its own AML/CFT systems to effectively mitigate the risks of money laundering and terrorist financing (ML/TF) arising from its business operation, and it is also conducive to uplifting the compliance level of the industry for safeguarding the integrity of the AML/CFT regime under Anti-Money Laundering and Counter-Terrorist Financing Ordinance, Chapter 615 (“AMLO”).

All MSO licence applicants and licensees are required to attend the Assessment, and the result of Assessment will be one of the matters that the Commissioner of Customs and Excise considers relevant in determining whether a licence applicant or a licensee is a fit and proper person to operate the money service business. In this regard, the application procedures for the grant or renewal of an MSO licence stipulated in the Licensing Guide are revised on 4 March 2021 accordingly. The revised Licensing Guide is available on the C&ED websites at [https://eservices.customs.gov.hk/MSOS/download/guideline/Licensing\\_Guide\\_en.pdf](https://eservices.customs.gov.hk/MSOS/download/guideline/Licensing_Guide_en.pdf).

The Assessment will be implemented in TWO phases:

- (i) The Assessment will be applicable to all applications for grant of an MSO licence, i.e. those made in Form 1, submitted to C&ED on or after **1 June 2021**.
- (ii) The Assessment for the applications for renewal of an MSO licence, i.e. those made in Form 2, will commence in the Third Quarter of 2021. (The details will be announced in separate circular in due course.)

To tie in with the implementation of the Assessment, a set of “Guidance Notes on the Competence Assessment for Money Service Operators” (“Guidance Notes”) is published by the C&ED on 4 March 2021. The Guidance Notes provide in details the requirements, format and scope of the Assessment in order to facilitate the licence applicants’ and licensees’ better preparation for the Assessment. The Guidance Notes is available on the C&ED websites at [https://eservices.customs.gov.hk/MSOS/common/licissus?request\\_locale=en](https://eservices.customs.gov.hk/MSOS/common/licissus?request_locale=en).



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**Customs and Excise Department**

All MSO licence applicants and licensees are strongly advised to take note of the implementation schedule of the Assessment and read the Guidance Notes carefully to make the necessary arrangement and preparation for the Assessment in advance.

Should you have any queries regarding the contents of this circular, please contact us at 2707 7837.

Money Service Supervision Bureau  
Customs and Excise Department

End