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GUIDELINES TO ALL ACCOUNTABLE PERSONS UNDER THE ANTIMONEY LAUNDERING ACT,2013 WITH RESPECT TO (1) REPORTING LARGE CASH AND/OR MONETARY TRANSACTIONS,(2)REPORTING SUSPICIOUS TRANSACTIONS,AND (3) APPOINTING MONEY LAUNDERING CONTROL OFFICERS.

To all Accountable Persons as listed in the second schedule to the Anti-Money Laundering Act,2013;

1. Advocates as defined in the Advocates Act, Notaries licensed and certified under the Notaries Public Act, Accountants as defined in the Accountants Act, and other independent legal professionals and accountants¹.
2. A board of executors or a trust company or any other person that invests, keeps in safe custody, controls, or administers trust property within the meaning of the Trustees Act.
3. Casinos (which also includes internet casinos).
4. Real estate agents.
5. Dealers in precious metals and gems.
6. Trust and company service providers not covered elsewhere in this Schedule which as a business provide any of the following services to third parties—
 - (a) acting as a formation agent of legal persons;
 - (b) acting as (or arranging for another person to act as) a director or secretary of a company, a partner of a partnership, or a similar position in relation to other legal persons;

¹ This refers to sole practitioners, partners or employed professionals within professional firms. It is not meant to refer to 'internal' professionals that are employees of other types of business nor to professionals working for government agencies.



- (c) providing a registered office, business address or accommodation, correspondence or administrative address for a company, a partnership or any other legal person or arrangement;
 - (d) acting as (or arranging for another person to act as) a trustee of an express trust;
 - (e) acting as (or arranging for another person to act as) a nominee shareholder for another person.
7. A financial institution as defined in the Financial Institutions Act.
 8. A broker, dealer or investment advisor licensed under the Capital Markets Authority Act.
 9. An insurance company licensed under the Insurance Act.
 10. Registrars of Companies.
 11. Registrars of Land.
 12. The Uganda Investment Authority.
 13. All licensing authorities in Uganda.
 14. Any other person who conducts the business of:
 - (a) acceptance of deposits and other repayable funds from the public including private banking;
 - (b) lending including, inter alia, consumer credit, mortgage credit, factoring with or without recourse, and finance of commercial transactions;
 - (c) financial leasing (not including financial leasing arrangements in relation to consumer products);
 - (d) the transfer of money or value²;
 - (e) issuing and managing means of payment e.g., credit and debit cards, cheques, traveler's checks, money orders, bankers' drafts, electronic money;
 - (f) financial guarantees and commitments; (g) trading in:
 - (i) money market instruments (cheques, bills, CDs, derivatives, etc.),
 - (ii) foreign exchange, exchange, interest rate and index instruments,
 - (iii) transferable securities,

² This applies to financial activity in both the formal and informal sector, e.g. Alternative remittance activity. It does not apply to any natural or legal person that provides other persons solely with message or other support systems for transmitting funds.



- (iv) commodity futures trading;
- (h) participation in securities issues and provision of financial services related to such issues;
- (i) individual and collective portfolio management;
- (j) safekeeping and administration of cash or liquid securities on behalf of other persons;
- (k) otherwise investing, administering or managing funds or money on behalf of other persons;
- (l) underwriting and placement of life insurance and other investment related insurance, including non-life insurance business³; (m) money and currency changing.

15. Non-governmental organizations, churches and other charitable organizations.

Background.

The Anti-Money Laundering Act, 2013 was assented to by the President of the Republic of Uganda on 2nd October 2013 and commencement date was 1st November 2013.

The Law

The Act was enacted to provide for the prohibition and prevention of money laundering, the establishment of a Financial Intelligence Authority and a Financial Intelligence Authority Board in order to combat money laundering activities; to impose certain duties on institutions and other persons, businesses and professions who might be used for money laundering purposes; to make orders in relation to proceeds of crime and properties of offenders; to provide for international cooperation in investigations, prosecution and other legal processes of prohibiting and preventing money laundering; to designate money laundering as an extraditable offence; and to provide for other related matters.

The Act imposes certain responsibilities and obligations on accountable persons, including identification of clients, customers, other persons and antimoney laundering measures (section 6); maintenance, availability and admissibility of records (sections 7, 11, 12); reporting large cash and/or

³ This applies to both insurance undertakings and to insurance intermediaries (agents and brokers).



monetary transactions(section8); reporting suspicious transactions(section9),appointment of Money Laundering Control Officers(section 6(m));and refraining from doing business with money launderers(section16).

Pursuant to Section18 of the Act, the Financial Intelligence Authority (FIA) was established on 1st July 2014 to, among other things enhance the identification of the proceeds of crime and the combating of money laundering and generally ensure compliance with the Act.

The Guidelines.

Under section 141 of the Act, The Minister of Finance Planning and Economic Development may, upon advice of the Financial Intelligence Authority Board, make regulations as may be required for carrying into effect any of the provisions of this Act. The Regulations are not yet in place. These guidelines are therefore hereby issued by the Financial Intelligence Authority pursuant to section20(d) of the Act, pending the issuance of the Regulations. These Guidelines take immediate effect, and are specifically for the purpose of prescribing the forms for (1) Large Cash and/or Monetary Transaction Reports,(2)Suspicious Transaction Reports, and (3)Notification of Appointment of Money Laundering Control Officers.

The Financial Intelligence Authority hereby guides as follows;

(1)All accountable persons shall within one month from the date of these guidelines appoint Money Laundering Control Officers (MLCO's), pursuant to section 6(m) of the Act. The MLCO should be an officer at senior management level and will be the contact person for the entity with the FIA. Therefore the accountable persons should notify the FIA of the appointment of the MLCO within one month from the date of these guidelines using the form prescribed and attached to these guidelines.

(2)Responsibilities of the MLCO shall include but not be limited to;

- i. Develop the Know Your Customer (KYC) practices and put in place internal reporting procedures;
- ii. Develop procedures relating to conducting Customer Due Diligence (CDD) on a risk-based approach to mitigate money laundering and terrorist financing risks;
- iii. Enforce the reporting obligations of the institution;



- iv. Ensure that appropriate registers relating to suspicious transactions and large cash transactions are maintained in a timely manner;
- v. Ensure that suspicious transactions and large cash/monetary transactions are reported to the Financial Intelligence Authority in accordance with the law;
- vi. Ensure that there is an on-going staff training program on money laundering control for all members of staff;
- vii. Liaise with the legal officers of the institution to ensure proper and timely legal compliance, particularly when it has been served with court orders.
- viii. Any other duties relating to the furtherance of money laundering control measures as may be delegated by top management of the institution

(3) Large cash and/or monetary transactions shall be reported to the FIA (addressed to the Executive Director) using the form prescribed and attached to these guidelines as **“Form A”**. These reports shall be filed with the FIA on weekly basis, and shall be for any transactions above Shs.20,000,000= (Twenty million shillings) as provided under Section 8 of the Act. The reports shall be filed by 5pm every Tuesday for the transactions of the preceding week. *(See Annex 1 on guidance on how to fill Form A).*

(4) Suspicious transactions shall be reported to the FIA (addressed to the Executive Director) using the form prescribed and attached to these guidelines as **“Form B”**. These reports shall be filed with the FIA as soon as practicable from the point the suspicion arose, but in any case not later than 48 hours, as required by Section 9 of the Act. *(See Annex 2 on guidance on how to fill Form B).*

Note: The three forms prescribed above can all be accessed via the FIA website; <http://www.fia.go.ug/>