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The Criminal Procedure Act, 1985

The United Republic of Tanzania

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Anti-Money Laundering (Electronic Funds Transfer and Cash Transaction Reporting)

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THE ANTI-MONEY LAUNDERING ACT
(CAP.423)

REGULATIONS

(Made under section 29)

THE ANTI-MONEY LAUNDERING (ELECTRONIC FUNDS TRANSFER AND CASH TRANSACTION REPORTING) REGULATIONS, 2019

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THE ANTI-MONEY LAUNDERING ACT

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THE ANTI-MONEY LAUNDERING (ELECTRONIC FUNDS TRANSFER AND CASH TRANSACTION REPORTING) REGULATIONS, 2019

PART I

PRELIMINARY PROVISIONS

- Citation 1. These Regulations may be cited as the Anti-Money Laundering (Electronic Funds Transfer and Cash Transactions Reporting) Regulations, 2019.
- Application 2. These Regulations shall be applicable in Mainland Tanzania.
- Interpretation 3. In these Regulations unless the context requires otherwise:-
- Cap.423 “Act” means the Anti-Money Laundering Act;
“beneficiary” means the natural, legal person or legal arrangement who is identified by the originator as the receiver of the requested electronic funds transfer;
“currency” means the coin and printed money, local or foreign, that is designated as legal tender and circulates as, and is customarily used and accepted as a medium of exchange in the country of issue;
“currency transaction” includes any cash-based transaction involving deposit, withdrawal, exchange, payment or receipt of currency in Tanzanian Shillings or any foreign currency;
“Domestic electronic funds transfer” refers to any electronic funds transfer where the ordering institution and beneficiary

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institution are located in the United Republic of Tanzania. It refers to any chain of electronic funds transfer that takes place entirely within the borders of the country, even though the system used to transfer the payment message may be located in another country;

“International electronic funds transfer” means any outgoing or incoming international funds transfer carried out on behalf of an ordering or beneficiary customer through a reporting person by electronic means irrespective of whether the ordering customer and the beneficiary are the same person;

"electronic funds transfer" refers to any domestic electronic funds transfer or international electronic funds transfer whichever is applicable;

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“financial institution” has the meaning ascribed to it under the Banking and Financial Institutions Act;

“FIU” means an acronym for the Financial Intelligence Unit established under Section 4 of the Act;

“Intermediary financial institution” refers to a financial institution in a serial or cover payment chain that receives and transmits an electronic funds transfer on behalf of the ordering institution and the beneficiary institution, or another intermediary institution;

“International electronic funds transfer” refers to any electronic funds transfer where the ordering institution and beneficiary institution are located in different countries. This term also refers to any chain of electronic funds transfer in which at least one of the financial institutions involved is located in a different country;

“ordering institution” means the reporting person which transfers funds on behalf of the ordering customer upon receiving the order for an electronic funds transfer;

“ordering customer” means the natural or legal person that places the order with the ordering financial institution to perform the electronic funds transfer;

“Originator” means ordering customer.

PART II

OBLIGATION TO REPORT ELECTRONIC FUNDS
TRANSFER AND CURRENCY TRANSACTIONS

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Information to be contained in Electronic funds transfer and currency transaction

4.-(1) Every electronic funds transfer shall be accompanied with information required in the Second Schedule.

(2) Every currency transaction shall contain information required in the First Schedule.

Obligation to report currency transaction and electronic funds transfer

5.-(1) Every Reporting Person shall report the following transactions to the Financial Intelligence Unit:

(a) a currency transaction involving Tanzanian Shillings or any foreign currency equivalent to ten thousand United States' Dollars or more in the course of a single transaction;

(b) an Electronic Funds Transfer involving Tanzanian Shillings or any foreign currency equivalent to one thousand United States' Dollars or more in the course of a single transaction.

(2) When reporting currency transactions under sub-regulations (1) (a) reporting persons shall fill in and provide information set out in the first schedule.

(3) When reporting electronic funds transfers under sub-regulation (1)(b) reporting persons shall fill in and provide information set out in the Second Schedule.

(4) In determining the value of foreign currency equivalent to USD 10,000 for purposes of reporting currency transactions or USD 1000 for purposes of reporting electronic funds transfer, reporting persons shall pay regard to the official conversion rate of the Bank of Tanzania that is in effect at the time of the transaction.

Circumstances where attorneys, notaries and independent legal professionals shall report currency transactions

6.-(1) Notwithstanding the provisions of regulation 5 of these Regulations, every attorney, notary or independent legal professional shall be required to report currency transactions only when they engage in any of the following activities:

(a) assisting clients in preparing or executing transactions involving:

(i) the purchase or sale of real property or commercial enterprises;

(ii) management of funds, securities or other assets which belong to a client;

(iii) the opening or management of bank accounts, saving accounts or portfolios;

(iv) the organization of contributions required to create, manage or direct corporations or legal entities;

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- (v) the creation, management or direction of corporations or legal entities including trusts, partnerships, or associations; and
- (vi) the buying or selling of business entities;
- (b) acting on behalf of a client in any financial or real estate transaction;

(2). Subregulation (1) of this regulation shall apply in respect of sole practitioners, partners or employed professionals within professional firms when they engage in any of the activities referred to in that subregulation.

Circumstances where Accountants shall report currency transactions

7.-(1) Notwithstanding the provisions of regulation 5, every accountant or accounting firm shall be required to report currency transaction only when they:

- (a) engage in any of the following activities on behalf of any person or entity:
 - (i) receiving or paying funds;
 - (ii) purchasing or selling securities, shares, real properties or business assets or entities; or
 - (iii) transferring funds or securities by any means; or
 - (iv) management of funds;
- (b) give instructions on behalf of any person or entity in respect of any activity referred to in sub-regulation (1) (a) of this regulation.

(2) Subregulation (1) shall apply in respect of sole practitioners, partners, or employed accountants within accounting firms when they engage in any of the activities referred to in sub regulation (1) (a) or (b) on behalf of their employer.

(3) Subject to sub-regulation (1), every accountant or accounting firm that reports a currency transaction shall fill in and provide information set out in First Schedule.

Circumstances where an operator of gaming activity shall report cash transactions

8. Notwithstanding the provisions of regulation 5, every operator of a gaming activity shall be required to report cash transactions in respect of:

- (a) cash received from a customer;
- (b) cash disbursed to a customer in the course of any of the following transactions:
 - (i) the redemption of chips, tokens or plaques;
 - (ii) front cash withdrawals;

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- (iii) safekeeping withdrawals;
- (iv) advances on any form of credit;
- (v) payments on bets, including slot jackpots.

An ordering institution to maintain information

9. Any ordering institution shall-
- (a) maintain all originator and beneficiary information collected under regulation 4(1) for a period of ten years;
 - (b) not execute electronic funds transfer if it does not comply with the requirements of regulation 4(1).

Obligations of an intermediary institution

10. An intermediary institutions shall:
- (a) ensure that all originator and beneficiary information that accompanies a wire transfer is retained with it;
 - (b) keep a record for at least ten years of all the information from the ordering institution or another intermediary institution;
 - (c) take reasonable measures to identify electronic funds transfer that lack required originator or beneficiary information.
 - (d) have risk-based policies and procedures for determining:
 - (i) when to execute, reject, or suspend an electronic funds transfer that lacks required originator or beneficiary information;
 - (ii) the appropriate follow up action.

PART III
GENERAL PROVISIONS

Reporting of two or more related transactions

11.-(1) In these Regulations, two or more related currency transactions or related electronic funds transfers that are conducted within 24 hours, and that amount to an equivalent of ten thousand United States' Dollars or more in any currency shall be considered to be a single transaction for purposes of reporting.

(2) Currency transactions or electronic funds transfers shall be considered to be related if the reporting person knows or ought to know that they are conducted by or on behalf of the same person or entity, or they are destined to the same recipient.

(3) Where the currency transactions or electronic funds transfers are conducted by different persons or entities and such

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transactions are destined to the same person, such transaction shall not be considered as related transactions.

Format and period of reporting

12. An electronic funds transfer report or currency transaction report shall be submitted to the Financial Intelligence Unit:

- (a) not later than five working days after the day of the transaction;
- (b) electronically or otherwise as required by FIU.

Imposition of administrative sanctions

13.-(1) The FIU or regulator may, upon being satisfied that a reporting person has failed to report currency transaction or international electronic funds transfer according to these Regulations, impose administrative sanctions.

(2) For purposes of sub-regulation (1), the FIU or regulator may impose any of the following administrative sanctions-

- (a) warning or caution not to repeat the conduct which led to non-compliance;
- (b) a reprimand;
- (c) directive to take remedial action or to make specific arrangement to remedy the default;
- (d) restriction or suspension of certain business activities;
- (e) a fine not exceeding five million shillings and not less than one million shillings per day for which a default is committed;
- (f) suspending a business license; or
- (g) suspension or removal from office of any member of staff who causes or fails to comply.

(3) The FIU or regulator shall, before imposing an administrative sanction, give the reporting person notice in writing-

- (a) of the nature of the alleged non-compliance;
- (b) of the intention to impose administrative sanction; and
- (c) of the extent or particular of the intended administrative sanction.

(4) The reporting person may, in writing, within a period specified in the notice, but not later than five working days make representations as to why the administrative sanctions should not be imposed.

(5) Subject to sub-regulation (2) the FIU or regulator when determining an appropriate administrative sanction, shall

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consider the following-

- (a) the nature, duration, seriousness and extent of the default;
- (b) whether the reporting person has previously failed to comply with any written laws; and
- (c) any remedial steps taken against by the reporting person to prevent a recurrence.

SCHEDULES

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FIRST SCHEDULE

(Made under regulation 4(2) and 5(2))

CURRENCY TRANSACTION REPORT

PART A — Information on Reporting Person

1. Name of Reporting Person
2. Address of reporting person
3. Type of business, profession or activity of reporting person
4. Name of Reporting Official

PART B — Information on Transaction

1. Full address of place of business where transaction occurred.....
2. Date and time of transaction.....
3. Type of transaction
4. Posting date for a transaction, if different from the date of transaction.....
5. Value date
6. Transaction number (if applicable).....
7. Purpose and details of the transaction.....
8. Currency and Amount of transaction

PART C — Account Information (if applicable)

1. Account name and number
2. Full name of each account holder
3. Type of account (personal, business, trust or other).....
4. Type of currency of the account.....

PART D — Information on Person Conducting transaction

1. Person's full name.....
2. Person's full address.....
3. Personal telephone number.....
4. Business telephone number.....
5. Type of identity.....
6. Issuing Authority
7. Identity number.....
8. Place of issue of person's identity.....
9. Date of birth.....
10. Occupation.....
11. Nationality.....

PART E — Information on Entity on Whose Behalf Transaction is Conducted (if applicable)

1. Entity's full name.....
2. Entity's incorporation/registration number.....

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- 3. Place of issue of incorporation/registration number, if applicable.....
- 3. Type of business.....
- 4. Entity's full address.....
- 5. Entity's telephone number.....
- 6. Name of a person authorized to enter into a transaction on behalf of an entity.....

PART F — Information on Person on Whose Behalf Transaction is Conducted (if applicable)

- 1. Person's full name.....
- 2. Person's full address.....
- 3. Personal telephone number.....
- 4. Business telephone number.....
- 5. Person's type of identity (e.g., National Identity, driver's license, Voter's identification card or passport).....
- 6. Identification Number.....
- 7. Place of issue of Identity.....
- 8. Date of birth.....
- 9. Occupation.....
- 10. Country of residence.....
- 11. Relationship of person conducting the transaction to the person on whose behalf the transaction is conducted.....

PART G — Information on Beneficiary Customer

- 1. Customer's full name.....
- 2. Customer's full address.....
- 3. Customer's account number.....

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SECOND SCHEDULE
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(Made under 4(1) and 5(3))

INTERNATIONAL ELECTRONIC FUNDS TRANSFER REPORT (BANKING TRANSACTIONS)

PART A — Information on Reporting Person (Entity sending a report)

- 1. Name of Reporting Person
- 2. Address of reporting person
- 3. Type of business, profession or activity of reporting person
- 4. Name of Reporting Official

PART B — Transaction Information

- 1. Ordering date.....
- 2. Value date.....
- 3. Type of Currency Transferred
- 4. Amount transferred.....
- 5. Exchange rate.....

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6. Purpose of transaction

PART C — Information on Customer Ordering Electronic Funds Transfer

- 1. Customer's full name.....
- 2. Address.....
- 3. Account number.....

PART D — Information on institution Sending Electronic Funds Transfer (entity that sends payment instructions)

- (1) Bank Identification Code (BIC).....
- (2) Full name.....
- (3) Address.....

PART E — Information on institution Ordering Electronic Funds Transfer on Behalf of another Financial Institution (if applicable)

- (1) Bank Identification Code (BIC).....
- (2) Full name.....
- (3) Address.....

PART F — Information on Sender's Correspondent bank

- (1) Bank Identification Code (BIC).....
- (2) Full name.....
- (3) Address.....

PART G — Information on Receiver's Correspondent bank

- (1) Bank Identification Code (BIC).....
- (2) Full name.....
- (3) Address.....

PART H — Information on Third Reimbursement Institution (receiver's branch, when the funds are made available to it through a financial institution other than sender's correspondent) (if applicable)

- (1) Bank Identification Code (BIC).....
- (2) Full name.....
- (3) Address.....

PART I — Information on Intermediary Institution (financial institution, between receiver and account with institution, through which transaction must pass) (if applicable)

- (1) Bank Identification Code (BIC).....
- (2) Full name.....
- (3) Address.....

PART J — Information on Account with Institution (financial institution which Ordering Customer request beneficiary to be paid) (if applicable)

- (1) Bank Identification Code (BIC).....
- (2) Full name.....
- (3) Address.....

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PART K — Information on Reporting person Receiving Electronic Funds Transfer (bank receiving payment instructions)

- (1) Bank Identification Code (BIC).....
- (2) Full name.....
- (3) Address.....
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PART L — Information on Beneficiary Customer

- 1. Customer's full name.....
- 2. Customer's full address.....
- 3. Customer's account number.....

PART M — Additional Payment Information

- 1. Remittance information.....
- 2. Details of charges.....
- 3. Sender's reference number.....
- 4. Receiver's reference number

Dodoma,
7th May, 2019

PHILIP. I. MPANGO,
Minister for Finance and Planning