

Ministry of Industry, Commerce and Tourism

Resolution No. (103) of 2021 on measures to ban and combat money laundering, terrorism financing and illegal transfer of funds across borders for licensees to sell and Commerce gold and jewellery, auditing accounts, freezing rules, lifting the freeze and prohibiting the dealing of persons or entities on terrorist lists

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Resolution No. (103) of 2021 on measures to ban and combat money laundering, terrorism financing and illegal transfer of funds across borders for licensees to sell and Commerce gold and jewellery, auditing accounts, freezing rules, lifting the freeze and prohibiting the dealing of persons or entities on terrorist lists

Minister of Industry, Commerce and Tourism:

After reviewing decree No. 4 of 2001 on the prohibition and Combating of money laundering and terrorist financing, and its amendments,

On the Commercial Companies Law of Decree No. (21) of 2001, and its amendments,

On the Central Bank of Bahrain and financial institutions act of Law No. (64) of 2006, and its amendments,

Decree No. (27) of 2015 on the Commercial Register, amended by Decree No. (52) of 2018,

On Law 7 of 2017 to ratify the Arab Convention against Money Laundering and Terrorist Financing,

On the Electronic Communications and Transactions Decree Law No. (54) of 2018,

On Decree No. (15) of 2021 on external auditors,

Decree No. (50) of 2020 establishing and forming the Committee to Combat Extremism, Counter-Terrorism, Its Financing and Money Laundering,

On Resolution 7 of 2001 on the obligations of institutions to ban and combat money laundering,

On Resolution No. (18) of 2002 on the definition of the terms of reference of the unit implemented in the application of the provisions of the Law on the Prohibition and Control of Money Laundering, amended by Resolution No. (9) of 2007,

On Resolution 173 of 2017 on obligations relating to measures to prohibit and combat money laundering and terrorist financing in the work of persons registered

with the Commercial Register and the Register of Auditors of the Kingdom of Bahrain, amended by Resolution No. (108) for 2018,

On Resolution 12 of 2021 on national lists of terrorism and the implementation of Un Security Council resolutions under Chapter VII of the United Nations Charter on the Prevention and Suppression and Financing of Terrorism, preventing, suppressing, halting the proliferation and financing of weapons of mass destruction,

Resolution 73 of 2021 to form a committee to develop policies to ban and combat money laundering and terrorist financing, amended by Resolution 83 of 2021,

After coordinating with the implementing unit,

At the presentation of the Undersecretary,

It has been decided:

Article (1)

Definitions

Without violating the definitions set out in Decree No. (4) of 2001 on the prohibition and control of money laundering and terrorist financing, the following words and phrases have the meanings outlined in their respective terms, unless the context of the text is otherwise required:

Law:Decree No. 4 of 2001 on the prohibition and control of money laundering and terrorist financing.

Ministry: Ministry Concerned with Commerce Affairs.

Licensee: Any natural or legal person is registered in the commercial register or the register of auditors, and is subject to the provisions of this decision in accordance with the text of article (2) of it.

Customer:Any natural or legal person who deals or wishes to deal with the subject of the decision.

Compliance officer: The person appointed by the licensee, to monitor the extent to which he complies with the requirements of the relevant laws and decisions.

Deputy Compliance Officer: The person appointed by the licensee to act as the official of the obligation to perform his work in the event of his absence.

Compliance Staff: The person appointed in each of the branches licensee- if any - whose tasks are to communicate with the compliance officer to carry out internal reporting procedures for any suspicious or unusual operations or attempt to deal with them that occurred in the branch in which he works.

National lists of terrorism: lists in which persons and entities to be identified are listed by a decision of the Council of Ministers.

Sanctions List: A list in which persons and entities subject to specific financial sanctions are included in accordance with the resolutions of the relevant body in the UN Security Council and all their identifying information and the reasons for their inclusion.

Freezing: Prohibit all types of disposal of any transferred or immovable funds owned or controlled by persons or entities on the national terrorist lists or sanctions list, either by them or for their own benefit in any way.

Committee: Committee to Combat Extremism, Combat Terrorism, Finance and Money Laundering established under Decree No. (50) of 2020.

Attempt to deal: Start or seek to establish any separate business or process relationship associated with the work of the subject matter regardless of its nature and amount, including examining the goods, conducting negotiations on a separate business or process relationship or obtaining quotations, and all that would contribute to a separate business or process relationship.

Business Relationship: continuing arrangements between two or more parties, under which one party facilitates the execution of regular or frequent transactions for the benefit of the other party or in which the value of transactions is unknown at the time of contract, which requires verification.

Separate process: Any process outside the scope of the business relationship.

Suspicious or unusual transactions: any separate business or operation related to the actions of those licensee and which are through contractual means outside the

banking regulations, which are suspected of being directly or indirectly related to the crimes provided for in article (2.1) of article (2) of the Act, or operations that are in nature contrary to the client's activity.

Politically Exposed Persons: persons assigned to them or assigned prominent public functions in state authorities, such as senior government officials, judicial officials, prosecutors, members of the legislative authorities of both houses, and officials of political associations. This definition does not apply to individuals holding medium or lower positions in the categories mentioned.

Implementing Unit: Department of Financial Investigations at the Ministry of Interior.

The competent unit of the Ministry: the unit stipulated in article (12) of this decision.

High-risk countries: Countries ranked among high-risk countries at the international level according to the list issued by the Financial Action Task Force (FATF).

Article (2)

scope

The provisions of this Order apply to acts relating to obligations on prohibitions and combating money laundering, terrorist financing, illegal cross-border transfers of funds, freezing and freezing rules and prohibiting the dealings of persons or entities on the national sanctions list or lists of terrorism, in the work of those authorized to engage in the following activities:

1- Selling and trading gold and jewelry.

Audit.

It also applies to branches, subsidiaries and companies and majority owned branches by them, whether operating within or outside the Kingdom of Bahrain, in accordance with the risk based approach adopted by the Ministry.

Article (3)

Obligations of licensee

The licensee must abide by the following:

1. Apply all the procedures and controls provided for by law, and those established by the Ministry to ensure that no separate process or business relationship associated with the work of the decision-maker and its clients is exploited for the purposes of money laundering, terrorist financing or the illegal transfer of funds across borders.
- 2- Compliance with all instructions, circulars, regulations and evidence issued by the relevant unit of the Ministry.
3. To warn his employees not to violate obligations relating to measures to ban and combat money laundering, terrorist financing and the illegal transfer of funds across borders.
4. Pay Special attention should be paid to all types of work relationships and separate processes associated with his work, and background and purposes of such relationships and processes need to be examined.
5. Require its affiliates or mostly foreign-owned subsidiaries to apply anti-money laundering and terrorist financing measures in accordance with the recommendations of the Financial Action Task Force (FATF), direct them to apply the provisions of this resolution to the extent permitted by the regulations and laws in force in those states in which they operate, especially if they are in high-risk States or in States that do not comply with or comply with the resolution and are obliged to inform the implementing unit. The relevant unit of the Ministry in the event that the laws of the states in which those branches operate impede the application of the provisions of this resolution.
6. Implementation of all recommendations issued by the Financial Action Task Force (FATF).
7. Establish adequate controls and procedures for the immediate implementation of Security Council resolutions concerning persons and entities on the national sanctions and terrorism lists.

8. Develop and apply systems and procedures in accordance with the risk assessment approach, apply the results of the risk report at the national level and reverse its results to processes and internal risk-based procedures and update those procedures whenever the NATIONAL RISK ASSESSMENT REPORT is updated.
9. Develop internal control systems to obtain due diligence information towards the client from reliable and up-to-date sources.
10. not to receive cash amounts exceeding BD 3,000 or its equivalent in other currencies for gold and jewellery sales.
11. To hand over periodic and regular reports whenever asked to do so about all suspicious and unusual transactions or to attempt to deal with them, in accordance with the model prepared by the Ministry.
- 12- Appoint a person to be a general official at the management level for all related to the application of the provisions of this decision and the circulars or instructions issued by the Ministry under it, so that the level of appointment is not less than the owner, one of the partners or one of the senior officials of the administration - as the circumstances are subject to, provided that the competent unit of the ministry agrees to this appointment.
- 13- Develop internal procedures to enable the obligation officer or his deputy, as the circumstances may be, to apply his obligations under this resolution.
14. Submit audited financial reports annually to the relevant unit of the Ministry no later than six months after the end of the fiscal year.
- 15- Provide any documents, information or reports specified by the relevant unit of the Ministry, whether specific or periodic reports, and delivered electronically according to the required content.
16. Identify and assess the risks of money laundering and terrorist financing that may arise in relation to the development of professional practices, including new means of service delivery and those arising from the use of

modern or under development techniques, conduct a risk assessment before launching or using practices or techniques, take appropriate measures to manage and reduce those risks, retain the results of that assessment for five years and make that information available to the Ministry's relevant unit upon request.

Article (4)

Additional auditor obligations

In addition to the obligations contained in article (3) of this order, auditors registered with the Ministry during the audit of all their clients are obliged to verify the following:

- 1- The existence of internal control systems and procedures with the client to monitor and report suspicious or unusual operations or attempt to deal with them.
- 2- The adequacy of internal regulations and procedures to verify the identity of the customer's customers.
- 3- There are no suspicious or unusual operations or attempt to deal with them with their clients, and if they are exposed to suspicious or unusual operations or an attempt to deal with them, the auditors must send a report to the implementing unit and the relevant unit of the Ministry.

If the client is among the institutions provided for by law, the auditors, in addition to the first paragraph of this article, must verify the following:

- 1- The customer reports or attempts to deal with all suspicious or unusual transactions to the executing unit and the relevant unit of the Ministry.
- 2- The client or his obligation officer shall not violate any of their obligations provided for in the decisions governing their work or any decisions made by law.
- 3- Ensure that there is no relationship of any kind, nature or value with the client with any of the persons or entities on the national sanctions list and terrorist

lists, and if the auditors reveal the existence of suspicious or unusual operations or attempt to deal with them, they must report them to the executing unit and the relevant unit of the Ministry.

Auditors must prove this in professional opinion about their financial statements or solvency letters, for all their clients except those licensed by the Central Bank of Bahrain.

Article (5)

Regular and enhanced due diligence towards customers

With the exception of payment made through the banking system, the licensees apply normal and enhanced due diligence procedures to customers as follows:

First: Customer ID:

- A. Prior to any separate business relationship or process associated with its work, the licensee is obliged to verify the identity of the client, as well as to follow reasonable and sufficient procedures to verify the source of the funds by any possible means of proof.
- (b) The licensee must establish appropriate procedures that require any client wishing to establish a separate working or process relationship with him or her to prove his identity, and provide sufficient evidence to do so.
- C. When mergers with each other, the merged entity is not required to establish the identity of clients subject to the merged decision in accordance with the provisions of this resolution, if:
 - 1. The subject to the merged decision had applied the procedures for keeping documents and records provided for in article (6) of this decision.
 - 2. The thorough investigation did not result in any doubts about the conformity of the procedures of the subject of the integrated decision to the requirements of the law.

Second: Regular due diligence towards the client:

- A. The licensee must apply normal due diligence procedures in each separate process associated with its actions submitted to the client, in addition to the

general obligations provided for in article (3) of this decision, in the following cases:

1. If the client is a natural person and a politically exposed person is not a risk representative.
- 2- If the client is a wholly state-owned trading company, or a financial institution licensed by the Central Bank of Bahrain.
3. In the event that the client is not on the sanctions list or on the national terrorist lists.
4. If the client is a public figure who is a risk representative, and the actions of the licensee required of him are focused on matters that do not include the transfer or handling of funds.
- 5- If the actions of the licensee required of the client do not fall within the scope or attempt to deal with suspicious or unusual operations, are not linked to a high-risk State, and do not fall within the scope of a Business Relationship.

B- In applying normal due diligence procedures, the licensee must require clients to attach their requests in any separate process associated with his work to documents indicating the following statements:

1- Customer data if he is a natural person, namely:

- a) Name.
- b) A copy of the ID card or passport.
- c) The start date, type, amount, currency and details of the separate process.

In addition to the data mentioned in the client's data if he is a natural person, when dealing with public figures, risk representatives must take reasonable action to verify the legality of the source of their funds by available means.

Customer data if he is a legal person, namely:

- a) Commerce name.
- b) A copy of the registration or license certificate, as the circumstances may be.

c) Customer data on behalf of the customer with a copy of the ID card or passport, and proof of his or her behalf of the customer.

d) The start date, type, amount, currency and details of the separate process.

C. The licensee is obliged to take new copies of the documents referred to as soon as any modification is made upon any new process or the completion of an existing process, and the electronic methods and means adopted to receive identities may be relied upon, applying all recommendations of the Financial Action Task Force (FATF) on digital identity, and informing the implementing unit of any questionable data.

Third: conditions requiring enhanced due diligence:

In any of the following circumstances, the licensee requires the application of enhanced due diligence procedures and more effective measures towards clients in each of the actions of the licensee submitted to the client:

- 1- If the client is a politically exposed person who is a risk representative.
2. In the event that the client is on the sanctions list or on the national terrorist lists.
- 3- If the work submitted to the client falls within the scope of a business relationship.
- 4- If the actions of the licensee submitted to the client are linked to or conducted as a high-risk State, or if the source or fate of the funds from those States.
5. In general, if the decision-maker finds that the separate process requested by the client or if it is found by assessing the levels of risk through which it unfolds, it carries a high risk or high probability of the crime of money laundering, financing terrorism or the illegal transfer of funds across borders, even if none of the items from (1) to (5) of (iii) of this article have been verified.

Fourth: Enhanced due diligence rules:

In addition to the normal due diligence procedures provided for in (II) of this article, the licensee when verifying any of the cases specified in (iii) of this article must apply the following enhanced due diligence procedures towards the client, and notify the obligation officer or his deputy, as circumstances may be, as soon as they are initiated:

- 1- Obtain more information to identify the client, and may rely on the electronic methods and means adopted to receive identities with the application of all recommendations issued by the Financial Action Task Force (FATF) on digital identity and inform the implementing unit and notify the relevant unit of the Ministry of any questionable data.
- 2- Check the appropriateness of the separate business or process relationship associated with the work of the decision-maker to the nature of the client's activity.
- 3- Verify by available means the source of funds and the purpose of the separate business or process relationship associated with the actions of the licensee submitted to the client, in particular the Politically Exposed Persons.
- 4- Request clarification of complex or unusual processes and their purpose when this is unclear.
- 5- Any other or more effective measures commensurate with the nature of the separate working or practical relationship associated with the actions of the decision-maker.

Fifth: Exchange of due diligence information towards customers:

Due diligence information may be exchanged with customers at the business group level provided confidentiality is adhered to, and the decision-maker must notify the relevant unit of the Ministry of any exchange of information.

Article (6)

Document and record keeping procedures

- A. The licensee is obliged to establish a special electronic information register in which all information and documents relating to the identity, representatives and beneficiaries of the process are restricted, accounting and other accounting records relating to the details of operations, including the type, date, value, currency and details of the operation, payment data and identity data. These records confirm any changes in customer status on a regular basis. The decision-maker needs to have a system and procedures to ensure that these records are updated. Data and documents must be sufficient to identify the process — whether it's a single or a set of processes — from preliminary documents to the completion of the process. The licensee must also retain or attempt to obtain the results of suspicious or unusual transactions, and make customer due diligence information, findings and operational records available to the executing unit and the relevant unit of the Ministry in accordance with the procedures.
- (b) It is prohibited to execute any records relating to a separate Business Relationship or process associated with the actions of the licensee that were under investigation by the competent authorities without consultation with the implementing unit and the relevant unit of the Ministry.
- C. Taking into account the provision of the previous paragraph, the licensee must retain information and documents on the identity, representatives and business of clients for five years from the end of the separate working or process relationship associated with the work of the subject matter. A record of suspicious or unusual operations or attempts to deal with them monitored and reported must be kept, including in particular the type of operation, the date of reporting, customer data and the amount of the operation.

Article (7)

Requirements for the compliance officer, his deputy and the compliance staff

The compliance officer and his deputy must meet the following requirements:

- 1- To be a Bahraini national.
- 2- He should be fluent in both Arabic and English to read, speak and write.
- 3- Have a university qualification of at least a bachelor's degree in accounting, financial management or their equivalent.
- 4- To have the certificate of an anti-money laundering specialist approved by an accredited body of the competent unit of the Ministry.
- 5- To pass all courses specified by the relevant unit of the Ministry.
- 6-The designated compliance officer in the audit sector should have at least three years of practical audit experience.
- 7-The deputy compliance officer appointed in the audit sector should have at least one year of practical audit experience.

The Compliance officer provided for in paragraphs (b) and (c) of (I) and paragraph (c) of (II) of article 8 of this order, and the obligation officer for workers in the gold and jewellery sales and Commerce sector, must meet the following requirements:

- 1- One of the languages of Arabic or English should be fluent in reading, speaking and writing.
- 2- To pass the qualifying course specified by the competent unit of the Ministry.

Article (8)

Appointment of compliance officer, deputy and compliance officer

First: Appointment of the compliance officer, his deputy and the compliance officer in the gold and jewelry sales and Commerce sector:

A- Licensees who engage in the sale and trade of gold and jewellery in the form of commercial companies must appoint those they deem appropriate of their competent employees as a compliance officer and deputy - after obtaining the approval of the relevant unit of the Ministry - to monitor the compliance of the decision-maker with the requirements of this decision, as follows:

- 1- To ensure that the compliance officer and his deputy have the independence and authority to access customer information and all available data concerning them and to do whatever is necessary to implement the provisions of this decision.
 - 2- Ensure that the position of compliance officer or deputy is not free for any reason and that the organization of leave and the like is taken into account between the obligation officer and his deputy in a manner that does not disturb or affect the performance of their duties, and must notify the relevant unit of the Ministry when the position is not immediately clear and take the necessary measures to appoint a new person.
 - 3- In the case of multiple branches licensee, one of his employees in each of those branches must be identified as a compliance officer, in order to carry out the internal reporting procedures of that branch to the compliance officer or his deputy, as the circumstances may be, about suspicious or unusual operations that occurred in that branch, with the relevant unit of the Ministry notified of the data of these employees in each branch.
- B- Each licensee in the sale and Commerce of gold and jewelry who take the form of an individual institution must appoint his or her appropriate employees as a liability officer - after obtaining the approval of the competent unit of the Ministry - to monitor the compliance of the decision-maker with the requirements of this decision, as follows:
- 1- To ensure that the compliance officer has the independence and authority to access customer information and all available data concerning them and to do whatever is necessary to implement the provisions of this decision.
 - 2- In the event of multiple branches licensee, one of his employees in each of those branches must be identified as an obligation officer, to carry out the internal reporting procedures of that branch to the official responsible for the obligation or attempt to deal with suspicious or unusual operations that

occurred in that branch, with the relevant unit of the Ministry notified of the data of these workers in each branch.

3- Ensure that the position of compliance officer or compliance officer is not always empty for any reason, and must notify the relevant unit of the Ministry when the position is not immediately vacant and take action to appoint a new person.

C. An exception to the provisions of the previous two paragraphs, in the event that the licensee is licensed to engage in the sale and Commerce of gold and jewellery in the form of a company owned by one person or an individual institution, and exercises all the functions of the company or institution himself, so that he is responsible for the obligation.

Second: Appointment of the compliance officer, his deputy and the compliance officer in the audit sector:

A- Each licensee to engage in audit activity must appoint whom deemed appropriate staff as a compliance officer and deputy - after obtaining the approval of the competent unit of the Ministry - to monitor the compliance of the decision-maker with the requirements of this decision, as follows:

1- To ensure that the compliance officer and his deputy have the independence and authority to access customer information and all available data concerning them and to do whatever is necessary to implement the provisions of this decision.

2- Ensure that the position is not free of the official of the obligation or his deputy in all cases and for any reason and to take into account the organization of leave and the like between the obligation official and his deputy in a manner that does not disturb or affect the performance of their duties, and must notify the competent unit of the Ministry when the position is not directly free and take the necessary procedures to appoint a new person.

- B- All the team working on auditing the client in all contracts shall serve as compliance officers with the decision-maker, and they must carry out the customer's internal reporting procedures to the obligation officer or his deputy, as circumstances may be, about suspicious or unusual transactions or attempt to deal with them.
- C. An exception to the provisions of the previous two paragraphs, in the event that the licensee is authorized to engage in audit activity in the form of an individual institution, and exercises all the functions of the institution himself, so that he is responsible for the obligation.

Article (9)

Annual obligations of the compliance officer to the licensee

The obligation officer to the licensee is obliged annually to:

- 1- Develop a guide to internal policies and procedures and ensure the appropriateness of the internal controls, regulations and procedures in place with the decision-maker to achieve the requirements and provisions of this decision, and update internal policies and procedures periodically and whenever requested by the relevant unit of the Ministry.
- 2- To ensure that the decision-makers receive appropriate training to perform their tasks in accordance with the provisions of this resolution.
- 3-Monitoring the compliance of the workers referred to in the previous clause on the application of internal controls, regulations and procedures relating to combating money laundering and terrorist financing.
- 4-Monitoring the extent to which the decision-maker is committed to developing systems and procedures to ensure that records are updated, and the extent to which these systems and procedures are applied on a regular basis.

- 5- Ensure that the decision-maker has the status of disciplinary regulations and procedures that ensure that his staff are obliged to implement the provisions of this decision and abide by all instructions.
- 6- Verify the adequacy of customer due diligence systems and procedures, and the reasonableness and reliability of customer information collected to establish any separate business or process relationship associated with the work of the decision-maker, including attempting to deal with it.
- 7- In the course of verifying the above provisions, the obligation officer must inform the relevant unit of the Ministry in the event that he or she finds that the licensee has breached any of his obligations, and the obligation officer must submit an annual report to the relevant unit of the Ministry containing the results of its verification of the items referred to.
8. In the event that the decision-maker introduces any new products or services, the same rules on verifying the identity of customers contained in article (5) of this decision must be made when dealing with such products or services, examining their risks in terms of money laundering and terrorist financing, documenting the results of the risk study in writing, making these documents and information available to the relevant unit of the Ministry when requesting and retaining such documents for five years.

Article (10)

Report suspicious, unusual , and attempt to deal transactions

- A- The obligation officer must inform the executing unit and the competent unit of the Ministry of suspicious or unusual operations or try to deal with them immediately during the first working day at most of his knowledge.
- B- The compliance officer shall prepare a report - in accordance with the model adopted by the Ministry - on suspicious or unusual transactions or attempting to deal with them in terms of customer information, data and records of customers, and the report must include a full description of the process, type,

value, currency, date of conduct, names of the parties involved, reasons for considering the operation suspicious or unusual or attempting to deal with it, and all additional data and information that may be requested by the relevant unit of the Ministry.

- C. If the compliance officer is informed of doubts or attempted suspicious or attempted transaction, he or she must verify this from the customer's data, records and information. Therefore, if it finds that the process is normal and unquestionable, it should write down the reasons for this, in which case the report referred to in the previous paragraph is not necessary.
- D- If the compliance officer subsequently shows the inaccuracy of identity investigations, he or she must inform the relevant unit of the Ministry of This, and take the necessary measures to comply with the identification requirements.
- E. The obligation officer must keep a record of or attempt to deal with suspicious or unusual operations, provided that this record contains sufficient details — including the type, amount, reporting date, and customer data — that allow for a clear picture of these operations and details of all actions taken.
- F. The reports referred to in paragraph (b) of this article are received electronically with the identity documents of the parties involved in the operation and any related documents to the relevant unit of the Ministry, and these reports are kept for at least five years from the end of any of these operations.
- G- The licensee is prohibited from disclosing to the customer a suspicious communication or any relevant information to the relevant unit of the Ministry.

Article (11)

Obligations relating to persons or entities on terrorist lists

First: freezing and freezing obligations:

The licensee is obliged to freeze any funds or actions they have that are relevant or beneficial to any persons or entities on the national sanctions list or lists of terrorism, and a special record of these procedures must be kept, and the

Committee, the implementing unit and the relevant unit of the Ministry shall be informed of the following details:

1. Document all measures and actions taken when identifying funds or any separate Business Relationship or process associated with the actions of the subject of the decision, which need to be frozen or lifted, and are directly or indirectly relevant or beneficial to persons or entities on the national sanctions list or lists of terrorism.
2. A detailed disclosure containing all that has been frozen, indicating its nature, value and type and whether the frozen money needs to be managed or of a special nature as soon as the freeze is in place.
3. A detailed disclosure containing all the unfrozen, with a statement of its nature, original value, type, interest, profits or the like, and whether the money raised from the freeze needs to be managed or of a special nature.
4. The licensee must comply with any instructions requested by the relevant unit of the Ministry and are linked to freezing and unfreezing.

Second: obligation to report:

As the circumstances may be, the compliance officer or his deputy shall immediately inform the Committee, the implementing unit and the relevant unit of the Ministry without delay within a maximum of (24) hours of publication of the national sanctions list or lists of terrorism, any separate working or practical relationship of any kind, nature or value with any of the persons or entities on those lists, and the reporting on the e-mail(unscr@moic.gov.bh), must be accompanied by all details provided in (first) of these lists. Article, in the absence of any separate business or process relationship, must be answered.

It must also report any separate business or process relationship or attempt to deal directly or indirectly relevant to any person or entity on the national sanctions list or terrorist lists, following the same procedures.

Article (12)

Ministry's Specialized Unit

A. The department on combating money laundering and terrorist financing in the Ministry is the relevant unit of the Ministry, with the following terms of reference:

- 1- Granting prior authorization for the appointment of the compliance officer, his deputy and the compliance officer.
2. Receive reports of suspicious, unusual or attempted transactions, and any communications, reports, statements or information in accordance with the provisions of this decision.

Oversight and supervision of the decision-maker in all tasks and areas related to the fight against money laundering and terrorist financing.

4. The electronic records referred to in article (6) of this decision, as well as the financial audit reports adopted at the end of each calendar year, are received from those licensee and audited.

B- The competent unit of the Ministry may object to the appointment of any person as a public official, a liability officer, a deputy or an obligation officer wherever it has suspicions relating to the person to be appointed, and may remove the name of any of them from its records and request the appointment of another person in the event that none of them fulfils any of his obligations under this decision, without prejudice to referring any of them to the competent authority in the event of criminal suspicion against him.

Article (13)

Exemption from liability

Taking into account the provisions of article 5 of the Act, the subject of the decision, the obligation officer, his deputy and the officer shall not be asked to commit criminally, civilly, administratively or disciplinarily because of the performance of their obligations under the provisions of this decision.

Article (14)

Administrative sanctions

Without violating the criminal penalties provided for in article (3.6) of article (3) of the Act, anyone who violates the provisions of this decision shall be punished with administrative fines provided for in article (2) again.

Article (15)

Reconciling the situation

All licensees must reconcile their status in accordance with the provisions of this resolution within six months of its in force.

Article (16)

Cancellation

Resolution No. (173) of 2017 on obligations relating to prohibitions and combating money laundering and terrorist financing in the work of persons registered with the Commercial Register and the Register of Auditors of the Kingdom of Bahrain shall be repealed.

Article (17)

Implementation

The Undersecretary of State must implement the provisions of this decision and shall work with it from the day after its publication in the Official Gazette.

Minister of Industry, Commerce and Tourism

Zayed bin Rashid al, Zayani

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