

Law No. (28) of 2002 on Anti-Money Laundering LAW

Section One - Laws on Anti Money Laundering & Terrorism Financing

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We, Hamad Bin Khalifa Al Thani, Emir of the State of Qatar

After having perused the Amended Provisional constitution, especially articles No. (23), (34) and (51), thereof; and

the Law No. (5) of the year 1970, specifying the powers of the ministers and functions of the ministries and other government bodies and its amendments, and

the Penal Code of Qatar, promulgated by Law No. (14) of 1971 and amending laws thereof; and

Law No. (9) of 1987, Concerning Combating Drugs and Psychotropic Substances and Regulating Dealing and Trading therein, as amended by Law No. (7) of 1998; and

The Decree Law No. (15) of the year 1993, establishing Qatar Central Bank, amended by the Law No. (19) of the year 1997; and

The Decree Law No (22) of 1993, regulating the Ministry of Finance, Economy and Commerce and specifying its Powers; and

Law No. (36) of the year 1995, regulating the Business of Foreign Exchange; and

Law No. (14) of 1999, Concerning Weapons, Ammunitions and Explosives, amended by the Law No. (2) of the year 2001; and

The UN Convention against Illicit Drugs and Psychotropic Substances, ratified by the State under Decree No. (130) of 1990; and

The Arab Convention for combating Illicit Trafficking and Drugs and Psychotropic Substances, ratified by the Decree No. (64) of 1995; and The proposal of the Ministers of Interior and Finance; and

The draft law submitted by the Council of Ministers; and After having consulted the Advisory Council, “ Shoura ”

Have decided the following Law:

Chapter One - Definitions

- Competent Entity** The Ministry or government department or general authority, or public corporation or Qatar Central Bank as the case may be.
- Financial Institution** Any companies or institutions licenced to carry out banking or financial business such as banks, exchange bureaus, investment companies, finance companies, insurance companies, companies or professionals carrying out financial services, brokers of shares and securities, or any similar individuals or entities.
- The Committee** The National Anti-Money Laundering Committee
- The Coordinator** The Coordinator of the Committee.
- Funds or Properties** Assets of any kind, movable or immovable, legal documents and deeds proving the ownership of such properties or any rights related thereto.
- Instrumentalities** :Everything used or intended to be used for committing the money laundering crime.
- Proceeds or Returns** Any funds or properties earned directly or indirectly by committing one of the crimes stipulated for in this Law.
- Provisional Detainment** The temporary prohibition from transporting, transferring, exchanging, disposing of, moving funds or properties, or taking possession or seizure thereof by virtue of a judgment or order by the competent court.

Chapter Two - The Money Laundering Crime

Article (2)

He who commits any of the following acts, shall commit a money laundering crime:

1. Any person who earns, possesses, disposes of, manages, exchanges, deposits, adds, invests, transports or transfers funds obtained from the crimes of drugs and psychotropic substances, extortion and looting, forgery, counterfeiting and imitation of notes and coins, illegal trafficking in weapons, ammunitions and explosives, crimes related to environment protection or the crime of trafficking in women and children, with the intention of hiding the real source of the funds and show that their source is legal.

2. Any employee in the financial institutions who receives cash amounts or securities, transfers or employs such amounts in financial or banking transactions, knowing or having a reason to believe that such amounts resulted from one of the crimes stipulated in the previous para.

Article (3)

Any person who, by virtue of his job, obtains information related to a money laundering crime, as stipulated in the previous Article, without taking the legal measures prescribed by the law, shall commit a crime associated with the money laundering crime.

Chapter Three - The Duties of the Financial Institutions and the Competent Entities

Article (4)

Employees of the financial institution shall not inform their customers about the actions taken against them related to combating money laundering. Such employees shall not disclose any information with the intention of influencing money laundering investigations.

Article (5)

In the enforcement of this Law, provisions related to the secrecy of banking transactions shall not apply to the chairman, members of the board of directors and employees of the financial institution, unless where it is proved that the disclosure was meant to harm the owner of the transaction.

Article (6)

Financial Institutions shall provide the competent entity with a detailed report on the transactions it carries out, whose nature or purpose is suspicious. In case the competent entity finds any reason to believe that the transactions stipulated in the preceding item constitute a money laundering crime, it shall refer papers and documents related thereto to the coordinator.

Article (7)

The competent entity shall determine the duties of the financial institutions in the field of combating money laundering and follow up their implementation.

Chapter Four - The National Anti Money Laundering Committee

Article (8)

A committee named “The National Anti Money Laundering Committee” shall be established in Qatar Central Bank under the presidency of QCB Deputy Governor and the membership of the following:

Two representatives of the Ministry of Interior, one of whom is a director from the ministry's specialized departments, who shall be the vice chairman and the committee coordinator, who shall exercise his powers through his department.

A representative of the Ministry of Civil Service Affairs and Housing.

A representative of the Ministry of Economy and Commerce.

A representative of the Ministry of Finance.

A representative of the Ministry of Justice.

A representative of QCB.

Each entity shall nominate its representative and the QCB Governor shall issue a decision nominating the chairperson, vice chairperson and members.

The committee shall issue its own regulations, and may seek the assistance of expert persons.

Article (9)

The committee shall perform the following functions:

repare, adopt and follow up the implementation of anti-money laundering plans and programs.

Follow coordination with the competent entities to implement the provisions of legislations and agreements related to anti-money laundering.

Follow up the new international trends and propose the measures necessary in this regard.

Prepare the necessary reports, statistics and data on anti-money laundering efforts.

Article (10)

The Coordinator shall perform the following functions:

Implement the decisions of the committee.

Coordinate with the concerned entities to implement provisions of legislations and agreements related to anti-money laundering.

Receive suspicious transaction reports from the competent entities and take the necessary legal actions in their regard.

Follow up the investigation procedures, information gathering and enquiries conducted by the competent entity.

Request the issuance of temporary provisional measures' orders from the relevant judicial authority and follow up their execution.

Follow up the execution of the judicial orders related to the money laundering crimes.

Keep the official papers and documents related to the activities of the committee.

Chapter Five - Investigation Procedures

Article (11)

Investigation in the money laundering crime may be conducted independently from the predicate offence.

Article (12)

In the case of entertaining fear as to the disposal of funds or properties subject of a money laundering crime, the court, upon the request of the coordinator or the Public Prosecutor, may order the detainment there of until a final judgment in the criminal case is given.

All the interested parties may appeal before the relevant court against such order within thirty days, and the decision of the court of appeal shall be final.

Chapter Six - Penalties

Article (13)

Without prejudice to any severer penalty, any person who commits any of the crimes stipulated in Article (2) of this Law, shall be punished by imprisonment for a period not exceeding seven years and fined an amount not less than fifty thousand Riyals, and not more than the value of the funds subject of the crime.

Any person who commits the crime stipulated in Article (3) of this Law, shall be imprisoned for a period not exceeding three years and fined an amount not more than ten thousand Riyals.

Any person who violates the provisions of Article (4) of this Law, shall be imprisoned for a period not exceeding one year and fined an amount not more than three thousand Riyals.

The penalties stipulated in the above paragraphs shall be doubled if the crime is committed in collaboration with one person or more as well as in the case of repetition.

The accused person shall be deemed to have repeated the crime, if he commits a similar crime before the expiration of five years after serving the penalty ruled against him, or the prescription thereof.

In all cases, and without prejudice to the rights of other bona fide parties, the court shall order the confiscation of the instrumentalities, proceeds and returns of the crime.

Article (14)

If the crimes stipulated in Articles (2), (3) and (4) of this Law are committed by a legal person, the legal person shall be fined an amount not less than the value of the instrumentalities, returns and proceeds of the crime without affecting the

responsibility of the natural person. An order may be issued to cancel the license of the legal person or suspend it for a period not exceeding one year.

Article (15)

If any of the perpetrators provides the competent entity with information on the crime and the persons associated therewith prior to its knowledge thereof, he shall be exempted from the penalties stipulated in this Law. If the report is made after the knowledge of the competent entity of the crime and leads to the confiscation of the instrumentalities, proceeds and returns related thereto, the court may order the suspension of the penalty.

Chapter Seven - General Provisions

Article (16)

Without prejudice to the rights of bona fide third parties, all contracts whose parties or any of them know or have reason to believe that the objective of the contract is to prevent the confiscation of the instrumentalities, proceeds or returns related to the money laundering crime, shall be deemed null and void.

Article (17)

The money laundering crime shall be a crime where legal assistance, coordination, joint cooperation and extradition of accused persons is permissible in accordance with the provisions of any agreements concluded or ratified by the State.

Article (18)

Final judgments issued by a foreign court to confiscate the instrumentalities, proceeds or returns related to a money laundering crime shall be executed in accordance with the provisions of any agreements concluded or ratified by the State.

Article (19)

The coordinator and the employees of the competent entity, seconded by a decree issued thereby, shall have a law-judicial power to detect and investigate the crimes provided for in this Law.

Article (20)

In coordination with the Governor of QCB and upon the proposal of the committee, the Minister of Interior shall issue the executive decrees to implement the provisions of this Law.

Article (21)

All competent entities, each in its capacity, shall implement this Law. This Law shall come into force sixty days after the date of its publication in the official gazette.

Signed by

Hamad Bin Khalifa Al Thani

Emir of the State of Qatar

Issued at Diwan Emiri

03/07/1423

Corresponding to 10/09/2002