

### **Inland movement of foreign currency worth more than \$10,000 banned**

ISLAMABAD: After incorporating amendments for allowing inland movement of foreign currency worth up to \$10,000 and granting permission to arrest on charges of money laundering with court approval, the National Assembly's Standing Committee on Finance has cleared two key bills that could help Islamabad to move out from grey list under FATF review. According to the bill, movement any foreign currency worth more than \$10,000 (currently Rs1.6 million) will not be allowed.

The National Assembly Standing Committee on Finance, which met under the Chairmanship of PTI MNA Asad Umar here at the Parliament House, cleared the Anti-Money Laundering (AML) (Amendment) Bill and Foreign Exchange Regulations (Amendment) Bill to curb currency smuggling and money laundering.

Asad Umar asked the members to pass laws as a critical meeting of the Financial Action Task Force (FATF) was approaching to decide the fate of the country on account of outcome. Pakistan has been currently under the grey list of FATF and Islamabad is implementing 27 action plan to come out from it. In case of any poor outcome, the country could slip into blacklist. The members of the committee opposed any move to declare money laundering as predicate offense and proposed to arrest anyone on the charges on money laundering only after seeking approval of the court of law. They recommended making arrest of a person, reason to believe of guilty of an offence punishable under money laundering should subject to issuance of arrest warrant by the court.

On the proposed bill of Foreign Exchange Regulations (Amendment) Bill, the SBP officials informed the committee that they were proposing harsh measures in order to comply with FATF requirements. The PML-N MNA Ayesha Ghous Pasha said that there was no need of unnecessary regulations on movement of currency for businesses.

The SBP official told the committee that an amendment into the bill proposed on the suggestions of the committee for allowing movement of currency up to \$10,000 (or equivalent in other currencies). The committee cleared the bill after incorporating of this amendment into bill tabled by the government.

The committee asked the State Bank of Pakistan to provide details of ten years history of total applications received with regard to permission to remit money along with details of those accepted and rejected in the next meeting. The committee also decided that tribunal be given powers to decide with regard to confiscation of property, currency, gold, silver or goods.

The NA panel also approved the 'Anti-Money Laundering (Amendment) Bill, 2019' and proposed amendments in various sections of the law; (i) to increase punishment for money laundering up to ten years and fine of five million rupees; (ii) do away with the condition of administrative process to cooperate with the Financial Intelligence Unit (FIU) of other countries for information sharing related to money laundering; (iii) prompt filing of suspicious transaction report and others.

According to the approved bill, violators of the law against money laundering will be subject to a prison sentence of up to 10 years instead of the previous two years, along with a fine of Rs5 million, up from the previous figure of Rs1m. Furthermore, the investigating officer shall be authorised to seek remand of the person for a period of 180 days, up from the previous 90 days, and shall not need to obtain arrest warrants from the court. The offender's assets will also be seized by authorities.

Our Correspondent