

**Imran's China visit: Pact on anti-money laundering to be signed**

ISLAMABAD: Pakistan and China are all set to ink a pact on anti-money laundering and terrorists financing during the visit of Prime Minister Imran Khan starting Friday (today), sources close to the Finance Minister told Business Recorder.

Money laundering is a global phenomenon that jeopardizes the international financial system. Financial Task Action Force (FATF), an inter-governmental body was established by G-7 countries in 1989 to set standards to combat money laundering and terrorists financing so as to protect the international financial system from impending threats. Pakistan is not a member of the FATF, but is a member of Asia Pacific Group on Money Laundering (APGML) (a FTAF-style forum) comprising 41 members and 22 international/regional observers including FTAF, World Bank, International Monetary Fund (IMF) and the Egmont Group.

Under section 6(4) ( c ) of the Anti-Money Laundering (AML) Act, 2010, the FMU has been empowered to cooperate with Financial Intelligence Units of other countries after due administrative process for sharing, requesting and receiving information relating to money laundering and financing terrorism.

Finance Division, therefore, has proposed signing of the Memorandum of Understanding agreed between FMU of Pakistan and China Anti-Money Laundering Monitoring and Analysis Centre (CAMLMAC) relating to money laundering and terrorists financing.

The China Anti-Money Laundering monitoring and Analysis Center and the Financial Monitoring Unit of the government of Pakistan, desire, in a spirit' of cooperation and mutual interest, to cooperate with each other for the exchange of intelligence concerning money laundering and terrorist financing in order to effectively prevent and combat money laundering, terrorist financing and related criminal activities.

For this purpose, both the organisations have reached the following understanding:

1. On a reciprocal basis, the Authorities will cooperate to assemble, develop and analyse information in their possession concerning financial transactions suspected of being related to money laundering and terrorist financing or criminal activities connected with them. To that end the Authorities will exchange information on its own or upon request by the other authority any available information that may be relevant to the investigation by the Authorities into financial transactions related to money laundering, terrorist financing and the persons or companies involved, subject to the domestic laws, regulations and the international obligations. Any request for information will be supplemented by a brief statement of the underlying facts, including at a minimum the reasons for the request, the purpose for which the information will be used and

sufficient information to enable the receiving Authority to determine whether the request complies with its domestic laws, regulations and the international obligations.

2. It is understood that information obtained in accordance with this MoU can be used by the Authorities for the purpose of investigation and analysis. The information or documents obtained from the respective Authorities under this MoU will not be disseminated to any third party, nor be used for administrative, prosecutorial or judicial purpose without prior consent of the disclosing Authority.

3. The Authorities shall not permit the use or release of any information or document obtained from the respective Authorities for purposes other than those stated in this MoU, without the prior consent of the disclosing Authority.

4. The information acquired in application of the present MoU is confidential. It is subject to official secrecy and is protected by the same confidentiality as provided by the domestic laws of the receiving Authority for similar information from domestic sources. Notwithstanding the termination of this MoU, this provision shall survive.

5. The Authorities will jointly arrange, consistent with the laws of their respective jurisdictions, for acceptable procedures of communication and will consult each other with the purpose of implementing this MoU. The Authorities will continue to communicate to advance the cooperation between them.

6. Communication between the Authorities shall as far as possible take place in English and be undertaken by writing and sent by mail, fax or other mutually acceptable methods.

7. The Authorities are under no obligation to give assistance if;(i) Judicial proceedings have already been initiated concerning the same matters the request is related to ; or (ii) such assistance could threaten state security, public order and the essential interests of jurisdiction, or contradict the domestic laws, regulations or the international obligations.

8. Any dispute or difference arising out of the application or the interpretation of the provisions of this MoU shall be settled amicably through consultation and negotiation between the authorities.

9. This MoU may be amended or modified by the authorities at any time by mutual consent in writing. The amendment or modification shall form an integral part of this MoU and shall enter into force in the like manner as provided in section 10 of the MoU.

10. This MoU will become effective from the date of signature by the Authorities and shall remain in force for a period of five years and shall be automatically renewed for further five years period unless terminated. The MoU will be terminated on the day of six months after the receipt of the written notice of one Authority about its intention to terminate it to the other authority.

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