

ONE MINUTE TO UNDERSTAND THE AMENDED MONEY LAUNDERING CONTROL ACT



行政院洗錢防制辦公室

*Anti-Money Laundering Office,
Executive Yuan*



Amendment Background

ALIGNMENT WITH INTERNATIONAL STANDARDS

Recently, international money laundering/ terrorist financial events occur frequently. The previous anti-money laundering laws are not fully comply with the latest international standards. In addition, Taiwan will undergo a third round of APG evaluations in 2018.



THE ENFORCEMENT PROBLEM

The anti-money laundering efforts are ineffective. The continued occurrence of specific crimes (e.g. using nominees or nominee accounts to engage in shell company, cash smuggling, illegal deposit taking, cross-border telecommunications fraud) shows that the investigation is hard.



KEEP TRACK OF THE FLOW OF FUNDS, STOP THE CRIMES, TRACE THE PROCEEDS OF CRIME
THE CHANGES BECOME EFFECTIVE ON JUNE 28, 2017

Key Points of The Amendments

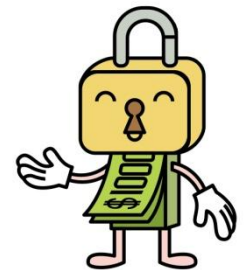


The Amendments of Money Laundering Control Act



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Bad AML Goes off the Rails...

Criminals engage in fraud, drugs, smuggling..... activities which impacts our social stability & industrial development.

Money-Laundering Heaven Prevails



International-Banking Business Fails

Other countries will apply enhanced due diligence measures regarding financial transactions and investments, which impairs cross-border banking business.

Criminals run business to conceal the proceeds, competing with law-abiding enterprises unfairly.

Law-Abiding Enterprise Wails

Good AML Goes On the Right Road!

Why Mutual Evaluation?

1. We are a APG (Asia Pacific Group on Anti-Money Laundering, APG) member

-International AML assessments are conducted by Mutual Evaluations from members of FATF-Style Regional Bodies. Taiwan has been a APG member and participated in Mutual Evaluations.

2. We are obliged to accept Mutual Evaluation

-Regular→Enhanced.....→Blacklist

3. We are integrating into global economy with a more robust financial system.

-If a jurisdiction is put in FATF blacklist, other countries will apply enhanced due diligence measures proportionate to higher risks, which will elevate transaction costs and impair all industries and sectors.



Conducting Enhanced CDD for PEP, the Government is Clean and the People Rest Assured

▪ **PEP (Politically Exposed Person)**

What are the close friends or mistresses to be apply enhanced CDD in the newspaper?

【 Family members 】

A lineal relative by blood or by marriage is within the first degree of relationship Sibling Spouse and sibling-in-law Cohabitation partner who is equivalent to spouse

【 Legislators 】

【 Chairman ,general manager and other similar positions of state owned corporations 】

【 President 、 Vice President 】

【 Central and local government heads 】

【 Close associates 】

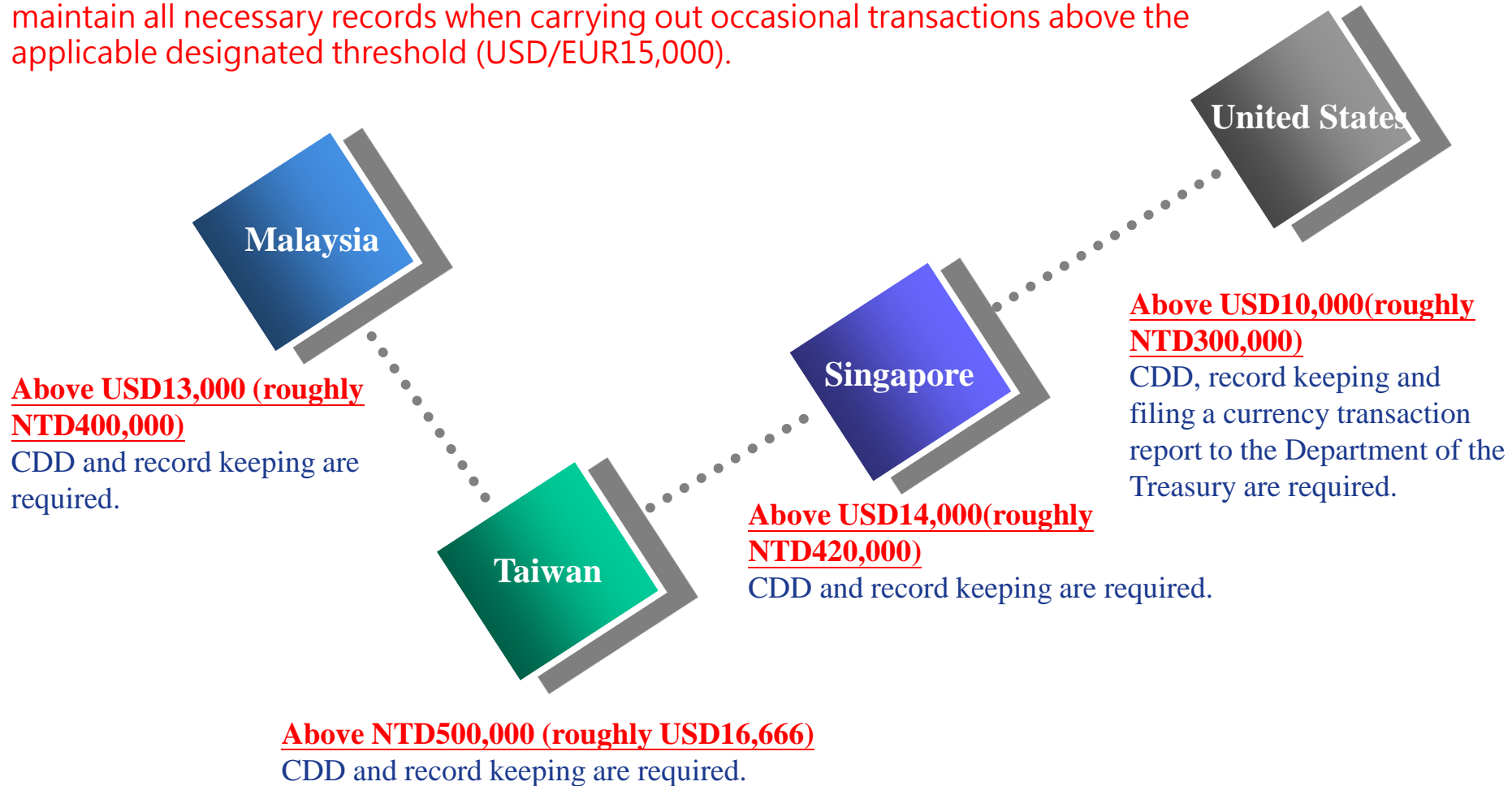
Focus on the close relationship in financial matters
In accordance with the close friends or mistresses and PEP whether there is a relationship involving handling financial matters



Keep Track of the Flow of Funds to Stop the Crimes

It is INTERNATIONAL PRACTICE for banks to undertake CDD measures.

According to international standards, banks are required to undertake CDD measures and maintain all necessary records when carrying out occasional transactions above the applicable designated threshold (USD/EUR15,000).



Transparency Guarantee Our Fortune

Financial Institution & DNFBP = Anti-Money Laundering Team

Financial Institution



▪ Jewelry Retail Business



▪ Lawyer & Notary



Certain activities for their clients or customers

▪ Land Administration Agent

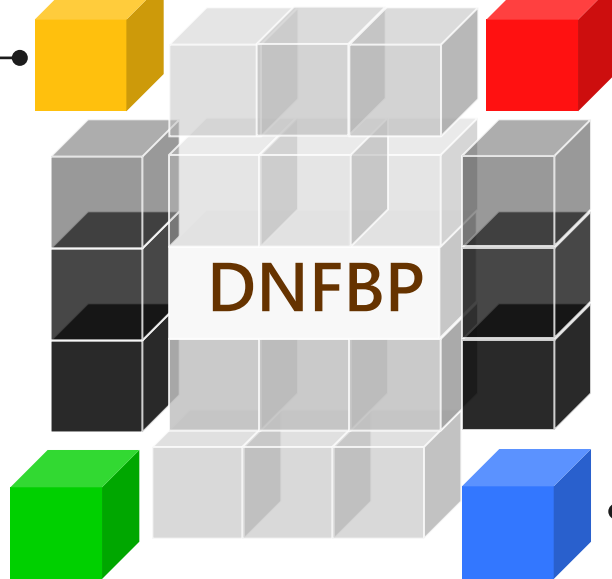


▪ Accountant



Certain activities for their clients or customers

▪ Real Estate Agency



Honesty Is The Best Cross-Border Policy

How much can I carry for passing the customs? The following requires declaration:

-NTD more than
100,000

10,000

-RMB
more than
20,000

20,000

-Foreign (Hong-Kong,
Macau) currency
-Negotiable Securities
(Including Traveler Checks)

Over Equivalent of USD 10,000

Gold and Items being used for the purpose of money laundering (Certain Thresholds)

Anti-Money Laundering Office, Executive Yuan Caring About You



行政院洗錢防制辦公室
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