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THE ANTI-MONEY LAUNDERING ACT,
(CAP. 423)

REGULATIONS

(Made under section 29)

THE ANTI-MONEY LAUNDERING REGULATIONS, 2022

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THE ANTI-MONEY LAUNDERING ACT,
(CAP. 423)

REGULATIONS

(Made under section 29)

THE ANTI-MONEY LAUNDERING REGULATIONS, 2022

PART I
PRELIMINARY PROVISIONS

- Citation 1. These Regulations may be cited as the Anti-Money Laundering Regulations, 2022.
- Interpretation 2. In these Regulations, unless the context requires otherwise-
- Cap. 423 “Act” means the Anti-Money Laundering Act;
 “basic entity information” means information concerning a legal person or legal arrangement including-
- (a) the entity’s registered or licensed name;
 - (b) the trade name under which the entity conducts its business;
 - (c) the entity’s address and where the entity has multiple addresses, the address of the office seeking to establish a business relationship or conduct an occasional transaction and that address may be expressed in terms of physical address or in the absence of a physical address, such details as neighborhood or locality, village or ward, city or town, district, region and country;
 - (d) type of business or otherwise a brief description of the goods or services rendered by the entity;
 - (e) the entity’s registration document;
 - (f) taxpayer identification number for legal persons and for

legal arrangements where applicable;

(g) personal information of-

- (i) the natural person in charge or overall responsible for running the affairs of the entity; or
- (ii) the natural person who purports to be authorised to establish a business relationship or to conduct occasional transactions on behalf of the entity;

(h) at least one of the entity means of communication;

“basic personal information” means information concerning a natural person including-

- (a) full name;
- (b) gender;
- (c) nationality;
- (d) date of birth;
- (e) place of birth;
- (f) the residential address which may be expressed in terms of physical address or in the absence of a physical address, such details as neighborhood or locality or village, town or city, district or region and country;
- (g) identification document indicating the type of document and number;
- (h) means of communication;
- (i) signature or biometric information;

“basic verification” means verifying the identity of the customer as follows:

- (a) taking reasonable measures to inspect and confirm visually and through touch and feel, the authenticity of the original or copy of the identification document or entity registration documents;
- (b) ensuring that the photograph and any other information on the identification document, entity registration documents or its copy are clearly visible and legible;
- (c) taking reasonable measures to compare and confirm that the photograph is indeed that of the natural person;
- (d) where a customer is a natural person, ensure that the personal information provided is accurate, through comparison of such information with information on the identification documents;

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- (e) where a customer is a legal person or legal arrangement, ensure that entity information provided is accurate, through comparison of such information with information on the entity registration documents;
- “beneficial owner” has the meaning ascribed to it under the Act;
- “biometric information” means information that can be used to uniquely identify a natural person including fingerprints, toe prints, iris or face print;
- “customer due diligence” has the meaning ascribed to it under the Act;
- “detailed entity information” means the basic entity information together with the following additional information:
 - (a) the entity’s country of registration or licensing and a copy of certificate of incorporation from the entity’s country of origin;
 - (b) resolution of the Board of Directors or its equivalent to establish a business relationship;
 - (c) detailed personal information of-
 - (i) the natural person in charge or with overall responsibility for running the affairs of the entity; and
 - (ii) the natural person who purports to be authorised to establish a business relationship or to conduct occasional transactions on behalf of the entity;
 - (d) entity’s ownership structure;
 - (e) full name, date of birth and gender of all the entity beneficial owners, for entities that are not listed on the stock exchange;
- “detailed personal information” means basic personal information together with the following additional information-
 - (a) occupation;
 - (b) business or employer’s address which may be expressed in terms of physical address, or in the absence of a physical address, such details as neighborhood or locality, post code, village or ward, town or city, district, region and country;
- “detailed verification” means conducting basic verification together with verification of beneficial owners;
- “enhanced due diligence” involves-
 - (a) identification of the customer where a customer is a-

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- (i) natural person, the reporting person shall obtain from the customer enhanced personal information;
- (ii) legal person or legal arrangement, the reporting person shall obtain from the customer enhanced entity information;
- (b) conducting enhanced verification;
- (c) application of additional measures which include the following measures:
 - (i) obtaining additional information on the customer such as occupation, volume of assets, information available through public databases, internet and updating more regularly the identification data of customer and beneficial owners;
 - (ii) obtaining the approval of senior management to commence or continue the business relationship;
 - (iii) conducting enhanced monitoring of the business relationship, by increasing the number and timing of controls applied, and selecting patterns of transactions that need further examination;

“enhanced entity information” means detailed entity information together with the following additional information:

- (a) a copy of a certificate from Tanzania Investment Centre, if any;
- (b) enhanced personal information of-
 - (i) the natural person in charge or with overall responsibility for running the affairs of the entity;
 - (ii) all natural persons authorised to establish a business relationship or to conduct occasional transactions on behalf of the entity;
 - (iii) each trustee and each founder, if the entity is a legal arrangement; and
 - (iv) each partner, if the entity is a partnership;

“enhanced personal information” means detailed personal information together with the following additional information-

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- (a) nature or purpose of the business relationship;
 - (b) source of funds or source of wealth of the customer;
 - (c) reasons for intended or performed transactions;
- “enhanced verification” means conducting detailed verification together with verifying the authenticity of the-
- (a) identification document and contents of the document through the issuer of that document or through the authorised agent of the identification document issuer or through the customer’s embassy, high commission or consular office or through the immigration office;
 - (b) entity registration document and contents of the document through the issuer of that document or through the authorised agent of the entity registration document issuer or through the customer’s embassy, high commission or consular office;
- “entity” means a legal person or legal arrangement;
- “entity registration document” means a document that is issued to an entity as proof of the legality of the existence of that entity and it includes:
- (a) certificate of incorporation or registration;
 - (b) memorandum and articles of association;
 - (c) partnership agreement;
 - (d) trust deed or any other legal arrangements founding instrument;
 - (e) any other document that is issued by a relevant entity’s licensing or registration authority;
- “entity information” means either basic entity information, detailed entity information or enhanced entity information;
- “FIU” is an acronym of Financial Intelligence Unit which is an Extra Ministerial Department established under the Ministry responsible for finance;
- “full name” means the name of a natural person and it comprises-
- (a) first name;
 - (b) middle name, if any; and
 - (c) last name;
- “identification document” includes-
- (a) national identity card;
 - (b) passport or an equivalent travel document;
 - (c) driving license;
 - (d) voter’s registration card;
 - (e) employee identity document;

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(f) student identity document;

“means of communication” includes-

- (a) postal address;
- (b) telephone number;
- (c) email address;
- (d) fax number;

“money laundering” has the meaning ascribed to it under the Act;

“Money Laundering Reporting Officer” means a natural person appointed by a reporting person under section 18(1)(b) of the Act;

occasional transaction” has the meaning ascribed to it under the Act;

“personal information” means either basic personal information, detailed personal information or enhanced personal information;

“politically exposed person” has the meaning ascribed to it under the Act;

“proliferation financing” has the meaning ascribed to it under the Act;

“reporting person” has the meaning ascribed to it under the Act;

“risk assessment” has the meaning ascribed to it under the Act;

“simplified due diligence” involves-

- (a) identification of the customer and where a customer is-
 - (i) a natural person, obtaining from the customer, basic personal information;
 - (ii) an legal person or legal arrangement, obtaining from the customer, basic entity information;
- (b) conducting basic verification;
- (c) applying the following other measures which may include -
 - (i) verifying the identity of the customer and the beneficial owners after the establishment of the business relationship;
 - (ii) reducing the frequency of customer identification updates;
 - (iii) reducing the degree of ongoing monitoring and scrutinising transactions, based on a reasonable monetary threshold;

- (iv) not collecting specific information or carrying out specific measures to understand the purpose and intended nature of the business relationship, but inferring the purpose and nature from the type of transactions or business relationship established;

“terrorist financing” has the meaning ascribed to it under the Act.

PART II

MONEY LAUNDERING, TERRORIST FINANCING AND PROLIFERATION FINANCING RISK ASSESSMENTS

Conducting risk
assessments

3.-(1) The risk assessments conducted in accordance with section 15 of the Act shall be continuous processes and the relevant risk assessments shall be kept up to date.

(2) There shall be no limit on the number of updates or predetermined frequency at which the updates shall be made provided that at a minimum, the risk assessment at the national, sectoral, institutional and individual level shall be updated at least once a year and the updates shall be documented indicating the dates at which the updates are made.

(3) When conducting money laundering, terrorist financing and proliferation financing risk assessments, reporting persons shall take into consideration the following-

- (a) results of the most recent national money laundering, terrorist financing and proliferation financing risk assessments;
- (b) results of the most recent sector or industry specific money laundering, terrorist financing and proliferation financing risk assessments;
- (c) type of customer and the type of customer account held;
- (d) purpose of the business relationship and the actual conduct or experience of the existing relationship;
- (e) transactions conducted by the customer taking into consideration the type of transaction, size, frequency, the senders and recipients involved, the transaction initiation points and destinations;
- (f) information made available by competent authorities;
- (g) customer risk factors that tend to increase risk, including whether-
 - (i) the business relationship is conducted

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- in unusual circumstances;
 - (ii) the customer is resident in a geographical area considered to be an area of high money laundering, terrorist financing and proliferation financing risk;
 - (iii) the customer is an entity that is a vehicle for holding personal assets;
 - (iv) the customer is an entity that has nominee shareholders or shares in bearer form;
 - (v) the customer is a business that is cash intensive;
 - (vi) the customer is a politically exposed person;
 - (vii) the corporate structure of the customer is unusual or excessively complex given the nature of the entity's business including where the ultimate beneficial owner cannot be determined;
 - (viii) The transactions involve online business with no end to end regulator contact;
 - (ix) there are any anonymous funding or funding to third parties with no source mentioned in the case of non-governmental organisation
 - (x) the property is held on trust for all deceased trustees used as a security;
- (h) customer risk factors that tend to decrease risk, including whether-
 - (i) the customer is a public entity or a parastatal enterprise;
 - (ii) the customer is a natural person resident in a geographical area of low money laundering, terrorist financing and proliferation financing risk;
 - (iii) the customer is an entity whose securities are listed on a regulated market, and the location of the regulated market is a low money laundering, terrorist financing and

- proliferation financing risk;
- (i) product, service, transaction or delivery channel risk factors that tend to increase risk, including whether-
 - (i) the product involves private banking;
 - (ii) the product or transaction is one which might favour anonymity;
 - (iii) the situation involves non-face-to-face business relationships or transactions, without certain safeguards, such as electronic signatures;
 - (iv) payments will be received from unknown or un-associated third parties;
 - (v) new products and new business practices are involved, including new delivery mechanisms, and the use of new or developing technologies for both new and pre-existing products;
 - (vi) the service involves the provision of nominee directors, nominee shareholders or shadow directors, or the formation of companies in third countries;
 - (vii) the service involves provision of services to customers without established business relationships with the reporting person, such as walk-in customers;
 - (j) product, service, transaction or delivery channel risk factors that tend to decrease risk, including whether-
 - (i) the service or product is a life insurance policy for which the premium is low;
 - (ii) the service or product is an insurance policy for a pension scheme which does not provide for an early surrender option, and cannot be used as collateral;
 - (iii) the service or product is a pension or similar scheme which satisfies the following conditions:
 - (aa) the scheme provides retirement benefits to employees;
 - (bb) contributions to the scheme are made by way of

- deductions from wages;
- (iv) the service or product in question is a financial product or service that provides appropriately defined and limited services to certain types of customers to increase access for financial inclusion purposes;
- (v) the service or product in question is a product where the risks of money laundering, terrorist financing and proliferation financing are managed by other factors such as purse limits or transparency of ownership;
- (k) geographical risk factors that tend to increase risk including-
 - (i) countries identified by credible sources such as the Financial Action Task Force Reports, as not having effective systems to counter money laundering, terrorist financing and proliferation financing;
 - (ii) countries subject to sanctions, embargos or similar measures issued by United Nations Security Council Resolutions;
 - (iii) countries that have organisations designated-
 - (aa) by the United Republic of Tanzania as proscribed organisations or suspected international terrorists under the Prevention of Terrorism Act; or
 - (bb) in any resolution of the United Nations Security Council or any instrument of international community as terrorist organisations as provided for under the Prevention of Terrorism Act;
- (l) geographical risk factors that tend to decrease risk including whether the country where the customer is resident, established or registered or in which it operates is-
 - (i) a jurisdiction which has effective

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systems to counter money laundering, terrorist financing and proliferation financing;

- (ii) a third country which, on the basis of credible sources, such as the Financial Action Task Force, has requirements to counter money laundering, terrorist financing or proliferation financing that are consistent with the standards published by the Financial Action Task Force; and

(m) any other relevant information.

Anti-money laundering, counter terrorist financing and counter proliferation financing policies and procedures by reporting persons

4. The anti-money laundering, counter terrorist financing and counter proliferation financing policies, controls and procedures adopted by reporting persons pursuant to section 15(10) of the Act shall be-

- (a) proportionate with regards to the size and nature of the business of the reporting persons;
- (b) approved by the Board of Directors or its equivalent governing body of the reporting person.

Risk based customer due diligence measures by reporting persons

5. The reporting persons shall-

- (a) apply customer due diligence measures that are proportionate to the applicable money laundering, terrorist financing and proliferation financing risks; and
- (b) be able to demonstrate to the regulator or FIU that the extent of the customer due diligence measures are appropriate and proportionate in view of the risks of money laundering, terrorist financing and proliferation financing.

Risk based supervision on anti-money laundering, countering financing of terrorism and countering proliferation financing

6.-(1) Pursuant to section 15(12) of the Act, measures taken by the regulator in supervising reporting persons shall include monitoring through offsite and onsite supervision and applying effective, proportionate and dissuasive sanctions for contraventions or noncompliance.

(2) The FIU or the regulator shall issue a notice of not more than fourteen days prior to conducting any onsite supervision.

(3) The regulator shall ensure that there are appropriate procedures for conducting risk based supervision on anti-money

laundering, countering financing of terrorism and countering proliferation financing.

PART III
CUSTOMER DUE DILIGENCE

Manner of
conducting risk
based customer
due diligence

7.-(1) A reporting person shall conduct customer due diligence on a risk-based basis that is proportionate to the money laundering, terrorist financing or proliferation financing risk associated with the customer.

(2) The customer due diligence measures shall be applied as follows:

(a) simplified customer due diligence measures may be applied to customers that are determined to be or are associated with low money laundering, terrorist financing and proliferation financing risk-

(i) identified in risk assessments at the national, sectoral, institutional or individual level; and

(ii) based on the relevant information provided by the regulator, the FIU or other competent authorities;

(b) customer due diligence measures shall be applied to customers that are associated with moderate money laundering, terrorist financing and proliferation financing risk and the measures applied shall be proportionate to the associated risks achieved through a combination of any of the following customer identification and customer verification approaches-

(i) customer identification through obtaining personal information in the case of customers who are natural persons and entity information in the case of customers who are legal persons or legal arrangements;

(ii) verification of customer's information through conducting detailed verification or enhanced verification:

Provided that, moderate risk shall be construed as neither low nor high; and

(c) enhanced customer due diligence measures shall be applied to customers that are associated with high money laundering, terrorist financing or proliferation

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financing risk.

(3) Where money laundering, terrorist financing and proliferation financing risk associated with a particular customer has not been determined, enhanced customer due diligence measures shall be applied.

Customer
identification and
verification

8. Customer identification and verification shall be performed as follows:

- (a) the primary identification document shall be the national identity card;
- (b) in the absence of a document referred in subparagraph (a), other identification documents as defined in these Regulations shall be accepted in the following exceptional circumstances:
 - (i) where the customer is not a citizen or resident of the United Republic and there is no possibility for them to get the national identity card;
 - (ii) where existing laws do not permit the customer to acquire a national identity card, including the customer having not attained the permissible age to get a national identity card;
 - (iii) the national identity card is lost and the customer has presented to the reporting person a Police loss report;
 - (iv) where the customer is categorized as low risk in money laundering, terrorist financing and proliferation financing risk assessment;
- (c) a reporting person shall monitor the business relationship with the customer and ensure the customer's information is regularly updated depending on money laundering, terrorist financing and proliferation financing risk profile and that registration documents are renewed timely and are not expired;
- (d) the account of the customer whose identification document or entity registration document has expired shall be suspended until the relevant document is renewed, or until another acceptable document is made available to the reporting person and where the account has been suspended the only permissible activities on that account shall be-

- (i) deposits to the account;
- (ii) withdrawal from the account by the host reporting person in order to service pre-existing loans or for the reporting person to execute pre-defined operational charges by that host reporting person;
- (iii) withdrawal from the account by a competent authority in order to execute any lawful order; and
- (iv) closure of the account by the reporting person or the customer.

Establishment of
internal
procedures

- 9.** Reporting persons shall maintain internal procedures that-
- (a) require the production of satisfactory evidence of the identity of the customer before a reporting person establishes a business relationship with that customer or before conducting an occasional transaction;
 - (b) provide step by step procedures for every employee of the reporting person to follow to establish the identity of the customer and to verify the provided customer information;
 - (c) provide for management responsibility to enforce compliance with the Act, these Regulations and reporting person internal rules;
 - (d) allocate duties and responsibilities to employees of the reporting person and the applicable disciplinary measures for failure to comply with the Act, these Regulations and reporting person's internal rules;
 - (e) provide for necessary procedures to ensure that employees of the reporting person are informed of the records to keep on each occasion when a business relationship is established with a customer or when an occasional transaction is conducted;
 - (f) provide for the necessary procedures to ensure that employees of the reporting person update customer records timely and the accuracy and integrity of those records is maintained for the entire period for which the records are kept;
 - (g) provide for the necessary procedures to ensure that there is unhindered access to information to competent authorities and other authorised persons under the Act

and these Regulations;

- (h) provide for the necessary procedures which shall cause suspicious transactions reports, currency transaction reports and electronic funds transfer reports to be submitted to the FIU as required by the Act, these Regulations and other applicable laws;
- (i) provide for the necessary procedures to enable employees of the reporting person to recognise suspicious transactions;
- (j) consider a prospective customer who is not physically present during the customer identification process, without proper safeguards as posing an increased risk;
- (k) consider bringing to an end establishment of a business relationship, stopping a business relationship or an occasional transaction where the reporting person is unable to obtain satisfactory evidence of the customer's identity and consider filing suspicious transaction report;
- (l) establish the identity of the third person that acts on behalf of the customer;
- (m) permit a reporting person to obtain information on the purpose and intended nature of a business relationship;
- (n) require a reporting person to conduct ongoing customer due diligence by scrutinising transactions that are undertaken by the customer throughout the course of the business relationship in order to ensure that-
 - (i) the transactions being conducted are consistent with the reporting person's knowledge of the customer;
 - (ii) the money laundering, terrorist financing and proliferation financing risk profile of the customer is contained; and
 - (iii) the customer's source of funds are ascertained; and
- (o) ensure that information collected under the customer due diligence process is updated.

Application of
enhanced due
diligence
measures

10. A reporting person shall apply enhanced due diligence measures and enhanced ongoing monitoring -

- (a) in any case identified as one where there is a high risk of money laundering, terrorist financing or proliferation

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- financing;
- (b) in any transaction or business relationship with a person established in a high-risk jurisdiction;
 - (c) in relation to cross-border correspondent relationships;
 - (d) if a reporting person has determined that a customer or potential customer is a politically exposed person, or a family member or close associate of a politically exposed person;
 - (e) in any case where a customer has provided false or stolen identification documents, entity registration documents or false information on establishing a business relationship or during an occasional transaction;
 - (f) in any case where-
 - (i) a transaction is complex and unusually large;
 - (ii) there is an unusual pattern of transactions, and the transactions have no apparent economic or legal purpose; or
 - (iii) in any other case which by its nature can present a high risk of money laundering, terrorist financing or proliferation financing.

Ending application of simplified due diligence measures

11. A reporting person shall not continue to apply simplified due diligence measures where-

- (a) there are doubts on the veracity or accuracy of any documents or information previously obtained for the purposes of identification or verification;
- (b) the money laundering, terrorist financing and proliferation financing risk changes and it is no longer considered that there is a low money laundering, terrorist financing or proliferation financing risk; or
- (c) there is a suspicion money laundering, terrorist financing or proliferation financing.

Correspondent banking customer due diligence

12.-(1) Reporting persons shall, in relation to cross-border correspondent banking and other similar relationships, in addition to performing enhanced customer due diligence measures-

measures

- (a) gather sufficient information about a respondent institution to understand fully the nature of the respondent's business and to determine from publicly available information the reputation of the institution and the quality of supervision, including whether it has been subject to a money laundering or terrorist financing investigation or regulatory action;
- (b) assess the respondent institution's anti-money laundering, countering terrorist financing and countering proliferation financing controls;
- (c) obtain approval from senior management before establishing new correspondent relationships;
- (d) clearly understand the respective responsibilities of each institution; and
- (e) with respect to "payable-through accounts", be satisfied that the respondent bank has conducted customer due diligence on the customers having direct access to accounts of the correspondent bank and that it is able to provide relevant customer due diligence information upon request to the correspondent bank.

(2) The reporting person shall not enter into or continue, a correspondent banking relationship with shell banks.

(3) Reporting persons shall satisfy themselves that respondent institutions do not permit their accounts to be used by shell banks.

Reliance on third parties' customer due diligence

13.-(1) A reporting person may rely on a third party to conduct one or more elements of customer due diligence on its behalf including the following third parties:

- (a) an authorised person;
- (b) a law firm, notary or other independent legal business, accounting firm, audit firm or insolvency practitioner or an equivalent person in another jurisdiction;
- (c) another reporting person; or
- (d) a member of the reporting person's group.

(2) A reporting person may rely on the information previously obtained by a third party which covers one or more elements of customer due diligence.

(3) A reporting person who seeks to rely on a third party to conduct one or more elements of customer due diligence, may only do so if and to the extent that-

- (a) the necessary customer due diligence information is

- immediately obtained from the third party;
- (b) adequate steps are taken to satisfy himself that certified copies of the documents used to undertake the relevant elements of customer due diligence will be available from the third party on request without delay;
 - (c) where a third party is in another country, the said third party is-
 - (i) subject to requirements in relation to customer due diligence and record keeping which meet the standards set out under these Regulations or internationally acceptable standards where there are no specific requirements under these Regulations; and
 - (ii) supervised for compliance with those requirements in a manner that meets the standards for regulation and supervision set out under these Regulations or internationally acceptable standards, where there are no specific requirements under these Regulations;
 - (d) is not in reliance on any exception from the requirement to conduct any relevant elements of customer due diligence which the reporting person seeks to rely on; and
 - (e) the information is up to date.
- (4) Where a reporting person relies on a member of its group, such group member need not meet the condition provided under subregulation 3(c) if the-
- (a) group applies and implements a group-wide policy on customer due diligence, record keeping, politically exposed persons and anti-money laundering, countering terrorist financing and countering proliferation financing programmes which meets the standards set out under these Regulations or internationally acceptable standards, where there are no specific requirements under these Regulations; and
 - (b) effective implementation of those customer due diligence, record keeping and politically exposed person requirements and anti-money laundering, countering terrorist financing and countering proliferation financing programmes are supervised at group level by a regulator

or other competent authority in a country, the supervision and regulation meets the standards set out under these Regulations or international acceptable standards, where there are no specific requirements under these Regulations.

(5) Where a reporting person is not reasonably satisfied that a customer or beneficial owner has been identified and verified by a third party in a manner consistent with these Regulations, the reporting person shall immediately perform the customer due diligence himself with respect to any deficiencies identified.

(6) Notwithstanding the reporting person's reliance on a third party, the reporting person remains responsible for compliance with and liable for any failure to meet the customer due diligence requirements under these Regulations.

(7) When assessing if the requirements, supervision or regulation in another jurisdiction meet the required standards, a reporting person shall take into account factors including-

- (a) published mutual evaluation reports, or follow-up reports by Financial Action Task Force, money laundering, terrorist financing and proliferation financing risk assessment reports and other reports published by the International Monetary Fund, the World Bank, or other international organisations;

- (b) membership of Financial Action Task Force or Financial Action Task Force styled regional bodies;
- (c) contextual factors such as political stability or the level of corruption in the jurisdiction;
- (d) evidence of recent criticism of the jurisdiction, including in-
 - (i) Financial Action Task Force advisory notices;
 - (ii) public assessments of the jurisdiction's anti-money laundering, countering terrorist financing and countering proliferation financing regime by relevant international organisations; or
 - (iii) reports by other relevant non-government organisations or specialist commercial organisations; and
- (e) whether adequate arrangements exist for co-operation between the anti-money laundering, countering terrorist financing and countering proliferation financing regulator in that jurisdiction and the United Republic.

(8) A reporting person making an assessment under subregulation (7) shall rely only on reliable and updated sources of information.

(9) A reporting person shall keep adequate records of the manner it conducted its assessment, including the sources and materials considered.

PART IV REPORTING OF SUSPICIOUS TRANSACTIONS

Form and content of suspicious transaction reports

14. A report made under section 17 of the Act shall be made in accordance with the form set out in the Schedule to these Regulations and shall contain-

- (a) a full description of the suspicious transaction, including the reasons for suspicion;
- (b) action taken by the reporting person in connection with the suspicious transaction concerning which the report is made; and
- (c) copies of supporting documents in respect of the suspicious transaction.

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Procedures to
recognise and
report
suspicious
transactions

15.-(1) A reporting person shall establish written internal reporting procedures which, in relation to its relevant business, shall-

- (a) enable all its directors or partners as the case may be and all other persons involved in its management and staff to know to whom they should report any knowledge or suspicion of money laundering, terrorist financing or proliferation financing activities;
- (b) designate a money laundering reporting officer to whom employees of the reporting person shall submit reports on suspicions of money laundering, terrorist financing or proliferation financing;
- (c) ensure that there is a clear reporting chain under which suspicious money laundering, terrorist financing or proliferation financing transactions or activities are passed to the money laundering reporting officer;
- (d) require the money laundering reporting officer to consider any report in the light of other relevant information available to him for the purpose of determining whether or not it gives rise to knowledge or suspicion of money laundering, terrorist financing or proliferation financing;
- (e) ensure that the money laundering reporting officer has reasonable access to any other information which may be of assistance to him and which is available to the reporting person; and
- (f) require that the information or any other matter is disclosed promptly to the money laundering reporting officer where the employee of the reporting person knows or suspects that another person is engaged in money laundering, terrorist financing or proliferation financing.

(2) The money laundering reporting officer appointed under subregulation (1)(b) of this regulation shall be a senior officer at management level to be able to liaise between the management and other staff on matters related to money laundering, terrorist financing and proliferation financing.

(3) A reporting person shall maintain a register of all reports made to the money laundering reporting officer in pursuance of subregulation (1).

(4) The register maintained under subregulation (3) shall contain basic personal information or basic entity information of the suspected customer or person, date on which the report was made, the person that made the report, the properties involved, the amount

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and type of currencies involved and any other information that may help prove or clarify grounds for suspicion.

Reporting of suspicious transactions

16.-(1) A reporting person shall pay special attention to all complex, unusual or large business transactions, currency transactions and electronic funds transfer transactions, whether completed or not and to all unusual patterns of transactions and insignificant but periodic transactions, which have no apparent economic or lawful purpose.

(2) Upon reasonable suspicion that the transactions described in subregulation (1) may constitute or be related to money laundering, terrorist financing, proliferation financing or predicate offence, a reporting person shall promptly report the suspicious transaction to the FIU.

Information in respect of suspicious transactions

17. A report made under section 17 of the Act, shall contain the following information:

- (a) date and time of the transaction, or, in case of a series of transactions, the period over which the transactions were conducted;
- (b) type of funds or property involved;
- (c) amount or value of the property involved;
- (d) currency in which the transaction was conducted;
- (e) method in which the transaction was conducted;
- (f) method in which the funds or property were disposed off;
- (g) amount disposed;
- (h) currency in which the funds were disposed off;
- (i) purpose of the transaction;
- (j) names of other persons involved in the transaction;
- (k) account numbers in other institution involved in the transaction;
- (l) the name and identifying number of the branch or office where the transaction was conducted;
- (m) any remarks, comments or explanation which the person conducting the transaction may have made or given in relation to the transaction;
- (n) suspected predicate offence; and
- (o) any other information as may be prescribed by FIU.

Information concerning

18.-(1) Where a reporting person makes a report under section 17 of the Act, and the report involves property, such report

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property shall contain the following information concerning the owner or associated with interested party to the property:
suspicious transactions

- (a) full names of the owner or interested party to the property;
- (b) the identifying particulars of the owner or interested party to the property such as-
 - (i) in the case of natural persons, copies of all the relevant identification documents available, and any other particulars which can reasonably identify the person;
 - (ii) in the case of an entity, copies of all the registration documents available, and any other particulars which can reasonably identify the entity
- (c) the address of the owner or interested party to the property; and
- (d) occupation of the owner or interested party to the property.

(2) Subject to subregulation (1), the report shall contain the following information concerning the property:

- (a) type of property;
- (b) description of the property;
- (c) any identifying particulars concerning the property such as registration particulars, unique numbers or other particulars;
- (d) the estimated value of the property; and
- (e) the physical address where the property is located.

Information in respect of account

19. Where a reporting person makes a report under section 17 of the Act involving a customer account, it shall contain the following information:

- (a) account number or unique identifier of the customer;
- (b) name and identifying number of the branch or office where the account is held;
- (c) type of account;
- (d) full name of the account holder;
- (e) address of the account holder which includes physical address;
- (f) date on which the account was opened;
- (g) status of the account;
- (h) date on which the account was closed and the name of

the person that gave the instructions to close;

- (i) any previous transaction or activity in the preceding six months which had been considered for reporting to the FIU in connection with the account, whether the transaction or activity was actually reported or not; and
- (j) reference number of any previous reports made in connection with the account.

Information in respect of natural persons and entities

20. Where a reporting person makes a report under section 17 of the Act involving a natural person or an entity, it shall contain the following information:

(a) in the case of a natural person-

- (i) the person's full name;
- (ii) the person's gender;
- (iii) the person's nationality;
- (iv) the person's date and place of birth
- (v) the person's identification document number;
- (vi) the copy of the identification document from which the particulars referred to in subparagraphs (i) and (ii) were obtained;
- (vii) the person's country of residence;
- (viii) the person's residential address, telephone number, fax number, postal and email address; and
- (ix) the person's occupation;

(b) in the case of an entity-

- (i) the entity's name and address;
- (ii) the entity registration document number;
- (iii) the type of business conducted by the entity;
- (iv) the entity's country of registration or licensing;
- (v) the names of individuals with authority to conduct the transactions on behalf of the entity.

Time of reporting suspicious transactions

21. A report made under section 17 of the Act shall be submitted to the FIU as soon as possible but not later than twenty-four working hours after a reporting person becomes aware or has

knowledge of a suspicious transaction.

**PART V
MISCELLANEOUS PROVISIONS**

Records retention period

22.-(1) Subject to section 16 of the Act, where a reporting person is required by any law to release a record before the period of ten years lapses, the reporting person shall retain a copy of the record.

(2) Where a report has been made to the FIU pursuant to the provisions of the Act or the reporting person knows or believes that a matter is under investigation, that person shall without prejudice to section 16 of the Act, retain all relevant records for as long as may be required by the FIU.

Format and retrieval of records

23.-(1) A reporting person shall ensure that any records required to be maintained under these Regulations are retrievable without delay and they can be retrieved in legible format.

(2) A reporting person may rely on the records of a third party in respect of the details of payments and transactions by customers, provided that the reporting person is satisfied that the third party is willing and able to retain and produce in legible form copies of the records required.

Training

24.-(1) A reporting person shall, at a minimum, provide annual training on the firm's policies and procedure, the relevant anti-money laundering, countering terrorist financing and countering proliferation financing laws and regulatory requirements.

(2) The reporting persons shall have and maintain a culture and environment to support training, that provides employees with the appropriate time to complete the training, whether it be time away from the office to attend training or uninterrupted time at the employee's desk to study or complete training.

(3) A reporting person shall provide training at least every twelve months and the FIU or supervisory authorities shall provide training at least bi-annually.

(4) The training required pursuant to this regulation shall be delivered in many ways and there shall be no one-size-fits-all approach to training.

(5) The reporting person shall ensure that employees are given the skills and expertise to understand money laundering, terrorist financing, and proliferation financing risks, control framework, and the opportunities to enhance their ability to

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practically apply their knowledge.

(6) Depending on the risk profile of the reporting person, tailored training may be required to help employees to better understand how anti-money laundering, countering terrorist financing and countering proliferation financing measures work in practice and the environment shall be kept and maintained to enable employees to safely practice their skills.

(7) Training programs may include-

- (a) mandatory online learning to deliver knowledge to a large or disparate group of employees;
- (b) regularly given training provided in-house weekly, monthly, or otherwise on how to recognise and deal with money laundering, terrorist financing and proliferation financing transactions and other activities;
- (c) a broad range of training solutions that can be acquired or designed to meet specific anti-money laundering, countering terrorist financing and countering proliferation financing needs;
- (d) annual refresher training;
- (e) targeted training for high-risk roles led by a risk-based assessment;
- (f) remediation or remedy plan to ensure that employees have the appropriate skills and expertise to carry out their role to the required standard;
- (g) practical application of the procedure or requirement.

(8) A record of the training employees have completed shall be kept, as well as regular analysis shall be made on the employees' training to ensure training is kept up to date.

(9) Training shall not only be directed at employees but to anyone who has an impact on the risk framework, including third parties.

Access
to information

25.-(1) In carrying out its duties under section 6 of the Act, the FIU shall request in writing, any information from any reporting person, regulator, law enforcement agency or any other relevant legal person.

(2) A reporting person, regulator, law enforcement agency or any other relevant legal person shall, within three working days after receiving the request under subregulation (1), provide such information.

(3) A reporting person, regulator, law enforcement agency or any other relevant legal person who fails to comply with the provision of subregulation (2) shall submit to FIU in writing, reasons

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for such failure.

FIU to provide
feedback

26. The FIU shall provide the reporting persons with feedback which includes-

- (a) acknowledgment of the receipt of suspicious transactions reports;
- (b) whether criminal proceedings have been instituted in court in relation to a submitted suspicious transaction report; and
- (c) information on court decisions.

Provision of
information to
FIU

27.-(1) Law enforcement agencies shall on a timely basis provide the following information to FIU-

- (a) acknowledgment of the receipt of the disseminated Intelligence reports;
- (b) updates of investigation; and
- (c) results of investigation undertaken including the cases that were prosecuted or withdrawn and the reasons for withdrawal.

(2) For the purposes of enabling FIU to maintain statistics on matters related to money laundering, terrorist financing and proliferation financing, the National Prosecutions Service shall, on a quarterly basis, provide to FIU the following information on cases handled:

- (a) case number;
- (b) the court where the case was filed;
- (c) the date on which the case was instituted and the date on which the case was concluded;
- (d) the status of the case whether pending in court, dismissed, decided, appealed and whether the accused was acquitted or convicted, the sentence entered or any confiscation made;
- (e) persons accused;
- (f) the amount of money and property involved;
- (g) information on the assets involved, proceeds or instrumentalities seized, frozen or confiscated, their value, owners, location of the assets.

(3) For the purpose of enabling FIU to maintain proper statistics on matters related to money laundering, terrorist financing and proliferation financing, the Director of Public Prosecutions or as the case may be the Minister responsible for legal affairs shall, on annual basis, share information with FIU on the number of mutual

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legal assistance and extradition requests made or received.

(4) The information requested under subregulation (3) shall include-

- (a) nature of the request;
- (b) time the request was made;
- (c) time the response was received;
- (d) refusal or granting of assistance requested;
- (e) the status of criminal proceedings instituted in relation to money laundering, terrorist financing or proliferation financing; and
- (f) number of cases related to money laundering, terrorist financing and proliferation financing including:
 - (i) the outcome of the cases and the amount of money or property involved;
 - (ii) amount of funds or property frozen, seized or confiscated.

FIU to
maintain
statistics

28.-(1) The FIU shall compile comprehensive statistics on matters relevant for effective and efficient systems for countering money laundering, terrorist financing and proliferation financing in the country

(2) The statistics under subregulation (1) shall include-

- (a) suspicious transaction reports received and intelligence disseminated;
- (b) the reporting person that made the report;
- (c) breakdown of suspicious transactions on anti-money laundering, terrorist financing and proliferation financing received and analysed and intelligence disseminated by the FIU;
- (d) reports filed on cash transactions;
- (e) reports on cross border transportation of currency and bearers negotiable instruments;
- (f) reports on electronic funds transfers;
- (g) the number of cases and the amounts of property frozen, seized or confiscated in relation to money laundering, terrorist financing and proliferation financing;
- (h) mutual legal assistance and extradition requests made or received in relation to money laundering, terrorist financing and proliferation financing including-
 - (i) the nature of the request;
 - (ii) response times; and
 - (iii) whether the assistance or request was

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granted or refused;

- (i) formal requests for assistance made by the FIU and whether they were granted or refused;
- (j) referrals made by the FIU to foreign authorities; and
- (k) formal requests for assistance made or received by reporting persons related to money laundering, terrorist financing and proliferation financing including whether the request was granted or refused.

Procedure for imposing administrative sanctions

29.-(1) Subject to section 19A of the Act, before imposing an administrative sanction, FIU or regulator shall issue a written notice to the reporting person stating-

- (a) the nature of the alleged non-compliance;
- (b) the intention to impose administrative sanction; and
- (c) the amount or particular of the intended administrative sanction.

(2) The reporting person may, in writing, within a period specified in the notice, make representations as to the reasons the administrative sanctions should not be imposed.

(3) The FIU or regulator shall, when determining an appropriate administrative sanction, consider the following:

- (a) the nature, duration, seriousness and extent of the default;
- (b) whether the reporting person has previously failed to comply with any written laws; and
- (c) any remedial steps taken against by the reporting person to prevent a recurrence.

Revocation
GN. No.
289 of 2012

30. The Anti-Money Laundering and Counter Terrorist Financing Regulations, 2012 is hereby revoked.

SCHEDULE

(Made under regulation 14)

SUSPICIOUS TRANSACTION REPORT FORM

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PART A: Basic Information of Reporting Person

1.	Reporting Person Reference	
2.	Reporting Person Name	
3.	Reporting Person Address	
4.	Reporting Person Business Type	
5.	Reporting Person Branch	
6.	Reason for suspicion	
7.	Action taken	
8.	Report Indicators	
9.	Reporting Officer Names	
10.	Reporting Officer title	
11.	Reporting Officer identification number and type	

PART B: Transaction Information

1.	Transaction number	
2.	Transaction date	
3.	Transaction value date	
4.	Transaction mode	
5.	Transaction amount (TZS)	
6.	Transaction reference number	
7.	Teller/initiator of transaction names	
8.	Transaction authorizer name	
9.	Transaction type (bi-party or multiparty)	
10.	Transaction location	
11.	Transaction suspicious description	
12.	Type of transaction funds from the source (cash deposit/withdraw, transfers, etc.)	
13.	Type of transaction funds to the destination (cash deposit/withdraw, transfers, etc.)	
14.	Type of subject from the transaction source (account, person or entity)	
15.	Type of subject to the transaction destination (account, person or entity)	
16.	Transaction source country	
17.	Transaction destination country	
18.	Source country foreign transaction currency	

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19	Destination country foreign transaction currency	
20	Source country foreign transaction amount	
21	Destination country foreign transaction amount	
22	Source country foreign transaction TZS exchange rate	
23	Destination country foreign transaction TZS exchange rate	
24	Properties involved:	
	(a) Type	
	(b) Make	
	(c) Estimated value	
	(d) Registration number	
	(e) Location	
	(f) Presently registered to	
	(g) Previously registered to	
	(h) Registration date	
	(i) Disposed value	

PART C: Information of Involved Natural Person

1.	Title	
2.	Gender	
3.	First name	
4.	Middle name	
5.	Last name	
6.	Prefix name	
7.	Alias name	
8.	Mothers name	
9.	Date of birth	
10.	Place of birth	
11.	National identification number	
12.	An introductory letter from relevant public authority in the absence of National Identification	
13.	An introductory letter from employer in the case of employees	
14.	In the case of a student, student's identity card and an introductory letter from the student's institution	
15.	Passport number	

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16.	Passport country of issue	
17.	Residence permit	
18.	Tax Identification Number	
19.	VAT number	
20.	Other identification type and number	
21.	Nationality	
22.	Citizenship 1	
23.	Citizenship 2	
24.	Residence	
25.	Residential address	
26.	Telephone number	
27.	Source of wealth/income	
28.	Deceased?	
29.	Date of deceased	
30.	Occupation	
31.	Employer name	
32.	Employer address	
33.	Employer phone number	
34.	Full details of the conductor of transaction	

Part D: Information of Involved Entity

1.	Registered name	
2.	Business type	
3.	Commercial name	
4.	Incorporation number	
5.	Incorporation date	
6.	Incorporation person	
7.	Legal form	
8.	Authority where the entity is registered	
9.	Tax Identification Number	
10.	VAT registration number	
11.	Registered address	
12.	Address from which the entity operates	
13.	Full details of Shareholders	
14.	Full details of Directors as per natural person details	
15.	Full details of Senior management as per natural person details	
16.	Full details of the individual, partnership or trust holding 5% or more of the voting rights at a	

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	general meeting of the entity concerned.	
17.	In additional to the above, in case of partnership, full details as of natural person of:	
	(a) every partner	
	(b) the person who exercises executive control over partnership	
	(c) each individual who purports to be authorised to establish a business relationship or to enter into a transaction on behalf of the partnership.	
18.	In additional to the above, in case of trust, full details as of natural person of:	
	(a) an individual acting or purporting to act on behalf of a trust	
	(b) each trustee of the trust	
	(c) each individual who purports to be authorised to establish a business relationship or to enter into a transaction	
	(d) each beneficiary of the trust referred to by name in the trust deed or other founding instrument in terms of which the trust was created	
	(e) the founder of the trust	

Part E: Information of Account

1.	Account number	
2.	Institution name	
3.	Branch name	
4.	Funds transfer code	
5.	Account type	
6.	Account currency	
7.	Account open date	
8.	Account close date	
9.	Account status	
10.	Account balance	
11.	Balance date	
12.	Account holder;	

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	(a) if is an individual, as per natural person details	
	(b) if is an entity, as per entity details	
13.	Account signatory as per natural person details	
14.	Account operator as per natural person details	

Part F: Supporting Documents

1	Copy of identification documents	
2	Copy of account opening documents and mandate files	
3	Copy of transaction documents such as electronic funds transfer instructions and receipts, account statement and withdrawal/deposit slips	

Dodoma,
03rd June, 2022

MWIGULU LAMECK NCHEMBA MADELU
Minister for Finance and Planning