



Financial Monitoring Unit (FMU)

Government of Pakistan

2nd Floor, SBP Main Building, I.I Chundrigar Road, Karachi

FMU-Circular No. 04 of 2021

December 07, 2021

Clarification – Dissemination of Financial Intelligence by Financial Monitoring Unit

In terms of section 6 of the Anti-Money Laundering Act (AML), 2010, Financial Monitoring Unit (FMU) receives Suspicious Transaction Reports (STRs) and Currency Transaction Reports (CTRs) and other material information, from the Reporting Entities.

2. Further, in terms of section 6 (4c) of the AML Act, 2010, FMU disseminates “**Financial Intelligence**” on a confidential basis, after analyzing the STRs and CTRs and other record, necessary information or material to the concerned investigating or prosecuting agencies for enquiry or other action under the AML Act, 2010 or any other applicable law. FMU is also empowered to convey matters involving regulatory or administrative action to the concerned regulatory or administrative body for appropriate action, under section 6(2) of the AML Act, 2010.

3. It has been observed that Law Enforcement Agencies (LEAs), while communicating interagency or with FMU, make reference of STRs/CTRs in their correspondence which gives impression that FMU shares STRs/CTRs with LEAs. In this regard, we would like to clarify that FMU disseminates, the cases in the form of “**Financial Intelligence**”, to the relevant LEAs and AML / CFT Regulatory Authorities under section 6 of the AML Act, 2010. The “Financial intelligence”, is developed on the basis of the analysis of combination of STRs/CTRs and other material in hand. FMU does not share the copies of STRs / CTRs with any stakeholder but only the Financial Intelligence is being shared with the relevant LEAs or Regulatory / Supervisory Bodies. It is therefore, requested that while making correspondence among LEAs and with FMU, the reference of Financial Intelligence may be given instead of STRs/CTRs.

4. It is also reiterated that the financial intelligence being the primary source of information and based on suspicion, could not be presented in the court of law as evidence and must be kept confidential. Therefore, LEAs and AML / CFT Regulatory Authorities are expected to conduct their own independent inquiry, investigation and collection of evidence that could be admissible in the court of law.

5. It is requested to kindly circulate the above clarification to the relevant quarters of your agency / organization for information and implementation, please.

Yours truly,

Sd/-

(Waqas Hamid)
Additional Director

Copy to:

1. The Governor, State Bank of Pakistan (SBP)
2. The Chairman, Securities and Exchange Commission of Pakistan (SECP)
3. The Chairman, National Accountability Bureau (NAB)
4. The Director General, Federal Investigation Agency (FIA)
5. The Director General, Anti-Narcotics Force (ANF)
6. The Director General, I&I, Federal Board of Revenue – Inland Revenue (FBR-IR)
7. The Director General, I&I, Federal Board of Revenue – Customs (FBR-Customs)
8. The Director General, Federal Board of Revenue – DNFBS Directorate
9. The Additional Superintendent of Police, Counter Terrorism Department (CTD), All Provinces
10. The Director General, National FATF Secretariat
11. The Director General - CT, National Counter Terrorism Authority (NACTA)
12. The President, Institute of Chartered Accountants of Pakistan (ICAP)
13. The President, Institute of Cost and Management Accountants of Pakistan (ICMAP)