



Financial Monitoring Unit (FMU)
Government of Pakistan

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

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April 08, 2020

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| 1) The President / Chief Executive Officer,
All Banks, | 2) The Managing Director,
SBP BSC, Karachi |
| 3) The Director General,
Central Directorate of National Savings,
Islamabad | 4) The Director General,
Pakistan Post Office,
Islamabad |

Subject: **Guidelines for Reporting Suspicious Transaction Report (STRs) on Cancellation / Blockage of CNICs / Passports & Registrations / Licenses by the Authorities**

Dear Sir/Madam,

National Database Regulatory Authority (NADRA), Director General, Immigration & Passport (IMPASS), Ministry of Interior and other relevant authorities have a practice of cancelling / blocking of Computerized National identity Card (CNIC)/ Passport or any other National Identity Card as per the legal and regulatory mandate. Similarly, some other Federal and Provincial authorities have been canceling / revoking registration / licenses i.e. Arms License, NGO / NPO Trust registration, delisting of companies, etc.

2. Consequent upon the receipt of information on cancellation / blockage of CNIC / Passport or any National Identity of a person or cancellation / revocation of registration / license by the relevant Federal / Provincial authority; the reporting entities/ other stakeholders besides taking other measures under the respective laws and regulations have also started to escalate Suspicious Transaction Report (STR) to Financial Monitoring Unit (FMU).

3. It may be noted that for reporting of STR, the reporting entities should properly analyze the STR and the cases having element of Money Laundering (ML) and Terrorist Financing (TF) and other related predicate offences before being reported to FMU. The reporting of STR shall not be solely based on a single indicator / reason (e.g. CNIC cancellation / blocking or delisting / revocation of license), however, the analysis should be comprehensive covering all areas of analysis by adopting multi factor approach.

4. In this regard, FMU has developed following Red Flag indicators for reporting of STRs on cancellation / blockage of CNIC / passport & registrations / licenses by the competent authorities:

- Cancellation / blockage of CNIC / Passport or any National Identity by the competent authority on alleged involvement of a person in crimes / predicate offences including transnational and organized crimes.
- Possession of multiple CNICs/ passport by the person with varying material information for unintended/ and or deceitful purposes for money laundering/ terrorism and or terrorism financing.
- Revocation / cancellation / suspension of registration / license by the Federal / Provincial authorities.
- Reason for cancellation / revocation shall be analyzed from the source i.e. NADRA Verisys in case of cancellation / blocking of CNIC, that reason for cancellation / revocation, etc will provide the base line for overall analysis for reporting of STR.
- Account or other financial relationship of the individual / entity having cancelled / blocked CNIC / passport / registration involves large/complex and unusual financial transactions/activity.



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- Listing of suspect on UNSCRs 1267, 1373, other relevant UNSCRs, OFAC, Federal Investigation Agency (FIA) / Police databases.
- The suspect is a close associate of proscribed entities/and or individuals.
- If the suspect is a Politically Exposed Person (PEP) or his/her family member(s)/ close associate(s) / employee(s).
- Adverse media reports/ other database information on the suspect.

5. All the reporting entities / other stakeholders are advised to ensure compliance to above guidelines.

Yours truly,

Sd/-

(Waqas Hamid)
Additional Director

Copy to:

- 1) The Executive Director, Banking Policy & Regulations Group, State Bank of Pakistan, Karachi.
 - 2) The Executive Director, Anti-Money Laundering, Securities & Exchange Commission of Pakistan, Islamabad.
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