

Anti-Money Laundering Office Notification

Concerning Guideline for Prescription of Internal Policies and Procedures for Assessment, Management and Mitigation of Money Laundering or Financing of Terrorism or Proliferation of Weapons of Mass Destruction Risk of Financial Institutions and Businesses and Professions under Section 16

By virtue of Article 8 paragraph two of the Ministerial Regulation on Customer Due Diligence B.E. 2563 (2020), the Secretary-General of the Anti-Money Laundering Board, with the consent of the Anti-Money Laundering Board hereby issues a notification as follows:

Article 1 This Notification shall come into force on the day following the date of its publication in the Government Gazette.

Article 2 The following Notifications shall be revoked.

(1) Anti-Money Laundering Office Notification Concerning Guideline for Prescription of Policies and Procedures for Assessment and Management of Money Laundering and Financing of Terrorism Risk, dated 11 October 2013

(2) Anti-Money Laundering Office Notification Concerning Guideline for Prescription of Policies and Procedures for Assessment and Management of Money Laundering and Financing of Terrorism Risk within Financial Institutions and Businesses and Professions under Section 16 (1) and (9), dated 15 October 2015

(3) Anti-Money Laundering Office Notification Concerning Guideline for Prescription of Policies and Procedures for Assessment and Management of Money Laundering and Financing of Terrorism Risk, dated 3 March 2017

(4) Anti-Money Laundering Office Notification Concerning Guideline for Prescription of Policies and Procedures for Assessment and Management of Money Laundering and Financing of Terrorism Risk within Businesses and Professions under Section 16 paragraph one (2) (3) (4) (5) (6) (7) (8) and (10), dated 3 March 2017.

Article 3 Financial Institutions and businesses and professions under Section 16 shall prescribe measures relating to anti-money laundering and combating the financing of terrorism and proliferation of weapons of mass destruction at policy level and prescribe procedures for organizational risk assessment, management and mitigation, which all staffs in the organization shall strictly follow.

Article 4 Financial Institutions and businesses and professions under Section 16 shall assess organizational risk by taking into consideration factors relating to customers, areas or jurisdictions, products or services or delivery channels and in line with following guidelines;

(1) Risk relating to customers shall be considered from result of organizational risk assessment of all customers in line with guidelines prescribed in Anti-Money Laundering Office Notification Concerning Guideline for Considering Risk Factors of Money Laundering or Financing of Terrorism or Proliferation of Weapons of Mass Destruction.

(2) Risk relating to areas or jurisdictions shall be considered from location of the organization, branches, service areas or source of organization's income in any geographical area or jurisdiction which may causes high risk under Anti-Money Laundering Office Notification Concerning Guideline for Considering Risk Factors for Money Laundering or Financing of Terrorism or Proliferation of Weapons of Mass Destruction and Anti-Money Laundering Office Notification Concerning High-risk Areas or Jurisdictions Subject to Application of Enhanced Due Diligence and Countermeasure which may affect organizational risk.

(3) Risk relating to products or services shall be considered from type of product or service offered as follows;

(a) For products or services which can be conducted with cash or exchanged for cash, risk may increase according to the maximum value that can be conducted with such products or services.

(b) For products or services which can be transferred to other persons, risk may increase according to value, frequency, speed or convenience of such transfer.

(c) For products or services which can be used in foreign jurisdiction, risk may increase when such products or services can be used internationally.

(4) Risk relating to delivery channels shall be considered from the provision of services in establishing business relationship or conducting a transaction in non-face-to-face or face-to-face manner.

Financial institutions and businesses and professions under Section 16 shall consider the result of the assessment under (1) (2) (3) and (4) and prescribe measures for risk management and mitigation appropriately to the result of such risk assessment.

Article 5 Financial institutions and businesses and professions under Section 16 shall have in place measures for organizational risk management and mitigation under Article 4 and shall consider the result in conjunction with the result under the national risk assessment report prepared by the Office to support compliance with anti-money laundering and combating the financing of terrorism and proliferation of weapons of mass destruction laws by prescribing and taking actions under such policies and procedures which shall be in written form and is comprised of the following topics;

(1) Customer acceptance: financial institutions and businesses and professions under Section 16 shall prescribe the procedure for approval of an establishment of business relationship or a transaction conduct or refusal of an establishment of business relationship or a transaction conduct of a customer in compliance with rules for customer identification and customer verification under laws on anti-money laundering and verification of information of a customer and a beneficial owner against designated persons list under laws on combating the financing of terrorism and proliferation of weapons of mass destruction as follows;

(a) To ensure the effectiveness of the policies and procedures in customer acceptance, financial institutions and businesses and professions under Section 16 shall issue guidelines or procedures or manual for employees to follow.

(b) Customer acceptance process starts from requesting or acquiring customer identification information, examining such information, verifying customer's identity, establishing a beneficial owner, verifying against designated persons list, as well as approval or rejection of such establishment of business relationship or such transaction conduct, from the time of receiving customer's request.

(2) Risk management and mitigation: financial institutions and businesses and professions under Section 16 shall establish a principle for risk management for all customers by considering not less than minimum requirements prescribed by law and shall undertake risk management and mitigation regularly during the course of business relationship which shall be ceased when the business relationship is terminated as follows;

(a) Financial institutions and businesses and professions under Section 16 shall assess risk of a customer in accordance with rules prescribed by laws to ensure the effectiveness of policies and procedures for risk management and shall issue guidelines or procedures or manual for employees to follow for all customers in all types of products and service delivery channels.

(b) Risk management process starts from customer identification and verification, assessing risk and classifying risk level for each customer, reviewing transaction movement and previously verified identification information in consistence with customer's risk level, reviewing risk assessment results until the business relationship is terminated.

(3) Transaction reporting to the Office: financial institutions and businesses and professions under Section 16 shall clearly prescribe types of transaction, procedures and steps for transaction reporting.

(4) Having in place internal control measures commensurate with risks and size of business of the financial institution or businesses or profession under Section 16. The details of policies and procedures for internal control shall be in line with the Anti-Money Laundering Office Notification Concerning Prescription and Action under Policy and Procedure relating to Internal Control for Financial Institutions and Businesses and Professions under Section 16.

(5) Having in place measures for sharing information between the financial institution or business or professions under section 16 and their branches or subsidiaries, in the Kingdom and in foreign jurisdictions who are of the same business group.

(6) Having in place procedures, steps and details for keeping record of customer identification, due diligence information and information relating to transaction reports.

Article 6 Financial institutions and businesses and professions under Section 16 shall have a policy for development and improvement policies and procedures under this Notification and shall be periodically reviewed and kept up-to-date.

Article 7 Financial institutions and businesses and professions under Section 16 may prescribe other policies apart from policies specified under this Notification to support their compliance with anti-money laundering laws and countering the financing of terrorism and proliferation of weapons of mass destruction laws.

Article 8 Financial institutions and businesses and professions under Section 16 shall prescribe policies for assessment, management and mitigation of organizational money laundering or financing of terrorism or proliferation of weapons of mass destruction risk in line with this Notification and shall complete the actions under such policies within 90 days from the date this Notification came to effect.

Given on 11th January 2021

Police Major General Preecha Jaroensahayanon

Deputy Secretary-General

Acting Secretary-General of the Anti-Money Laundering Board