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CENTRAL BANK OF MALAYSIA

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Our Reference :

11 June 2024

To:

All reporting institutions under the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (AMLA) which have been specified by Bank Negara Malaysia (BNM) to be subjected to the Anti-Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing, and Targeted Financial Sanctions for Financial Institutions (AML/CFT/CPF and TFS for FIs) Policy Document

Tuan/Puan,

Directive on Targeted Financial Sanctions
Relating to Proliferation Financing (TFS-PF)

This document is issued to inform reporting institutions (RIs) on the recent updates to the Strategic Trade Controller Directive on Targeted Financial Sanctions (Directive) relating to Proliferation Financing (TFS-PF) under the Strategic Trade Act 2010, Strategic Trade (United Nations Security Council Resolutions) Regulations 2010 and Strategic Trade (Restricted End-Users and Prohibited End-Users) Order 2010 by the Ministry of Investment, Trade and Industry. The updated Directive is to be read together with the revised AML/CFT/CPF and TFS for FIs Policy Document which was issued on 5 February 2024 (Policy Document).

2. The Directive is updated to reflect change to the United Nations Security Council Resolution 2231 (2015), as well as to include new requirements in relation to the implementation of countering proliferation financing (CPF) compliance programme, the conduct of proliferation financing (PF) risk assessment and putting in place mitigating measures[1], which include:

(a) Identify, assess, and understand PF risks, which is appropriate to the business's nature, size, and complexity;
(b) Establish and monitor implementation of policies, procedures, and controls to manage and mitigate identified PF risks. Specifically, put in place enhanced controls to detect possible breaches, non-implementation, or evasion of TFS-PF when higher PF risks are identified; and
(c) Ensure full implementation of TFS-PF.

[1] Please see parts V and VI of the updated Directive, parallel to paragraphs 10.4, 10.5 and 11 of the Policy Document. However, CPF and proliferation financing risk assessment requirements do not apply to General Insurers and Takaful Operators, which are only required to comply with TFS-PF obligations within the Directive as well as the Policy Document.

In this regard, RIs shall ensure effective implementation of the CPF, PF risk assessment and TFS-PF requirements. Any further changes to the Directive will be communicated from time to time.

3. RIs may refer to the following documents for further information:
   (a) Appendix 1 of the Policy Document regarding Guidance on Application of Risk-Based Approach, which has been updated to include PF risk assessment requirements; and
   (b) The upcoming Proliferation Financing Risk Assessment 2023, conducted under the National Coordination Committee to Counter Money Laundering.

Should the RIs require clarification regarding the above, please email to amlpolicy@bnm.gov.my.

Please be guided accordingly.

Yang benar,



(Mohd Fuad Arshad)
Pengarah
Jabatan Perisikan Kewangan
dan Penguatkuasaan

MINISTRY OF
INVESTMENT, TRADE AND INDUSTRY

STRATEGIC TRADE
CONTROLLER DIRECTIVE

TARGETED FINANCIAL SANCTIONS RELATING TO PROLIFERATION FINANCING (TFS-PF)

(Amendment 2024)

STRATEGIC TRADE SECRETARIAT (STS)
MINISTRY OF INVESTMENT, TRADE & INDUSTRY

7 JUNE 2024

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Part I. Overview

A. Introduction

1. This Directive is previously known as "Directive on Implementation of Targeted Financial Sanctions Relating to Proliferation Financing (TFS-PF) under the Strategic Trade Act 2010, Strategic Trade (United Nations Security Council Resolutions) Regulations 2010 and Strategic Trade (Restricted End-Users and Prohibited End-Users) Order 2010" dated 13 April 2018.

2. This Directive is enforced on 7 June 2024.

3. In response to growing concerns over the proliferation of nuclear, biological and chemical weapons and their means of delivery which continue to pose a significant threat to international peace and security, the United Nations Security Council (UNSC) has intensified efforts to strengthen its global sanctions regime in order to prevent, suppress and disrupt proliferation of weapons of mass destruction and its financing.

4. As is the case with other UNSC sanctions programmes, targeted financial sanctions (TFS) on countries and specifically identified individuals and entities (i.e. designated persons) is the primary aspect of its overall sanctions regime to effectively disrupt the financial flows across the known proliferation networks.

5. TFS relating to proliferation financing (TFS-PF) are applicable to persons and/or entities designated by the UNSC or the relevant committees set up by the UNSC. Designation or listing criteria are:
   a. persons or entities engaging in or providing support for, including through illicit means, proliferation-sensitive activities and programmes;
   b. acting on behalf of or at the direction of designated persons or entities;
   c. owned or controlled by designated persons or entities; and
   d. persons or entities assisting designated persons or entities in evading sanctions, or violating UNSCR provisions.[1]

[1] Paragraph 10, FATF Guidance on Counter Proliferation Financing: The Implementation of Financial Provisions of United Nations Security Council Resolutions to Counter the Proliferation of Weapons of Mass Destruction, February 2018

6. Consistent with the Financial Action Task Force (FATF) action to strengthen the response to the growing threat of proliferation financing (PF) related to weapons of mass destruction (WMD), reporting institutions[2] are required to assess PF risks and implement commensurate mitigation measures. This aims to ensure that reporting institutions are not subject to abuse, inadvertently support or become part of the PF networks, given the emerging trends on PF risks and techniques used by the designated individuals and entities to evade TFS on PF[3].

7. In the context of Malaysia, the Strategic Trade Act 2010 (STA) and specifically, the Strategic Trade (United Nations Security Council Resolutions) Regulations 2010 and Strategic Trade (Restricted End-Users and Prohibited End-Users) Order 2010 provide the legal basis for domestic implementation of TFS-PF in relation to UNSCRs imposed on the designated countries and persons.

8. This Directive is issued pursuant to section 6 of the STA to clarify the specific obligations which must be complied with and where relevant, guidance notes are also included to support better understanding of the requirements.

9. The measures laid out in this Directive are legally binding on the persons listed in **Appendix I** (in this Directive referred to as "reporting institutions" (RIs)).

10. For avoidance of doubt, the words 'are required to', 'shall' and 'must' refer to legal obligations imposed by the relevant UNSCRs, the STA and its relevant subsidiary legislation which RIs must comply with.

[2] As listed in Appendix I of this Directive.
[3] A serious threat posed to international peace and security, as identified by the relevant United Nations Security Council Resolutions (UNSCRs).

Part II. Targeted Financial Sanctions: Screening and Freezing Compliance

Note:
Regulation 3 of the Strategic Trade (United Nations Security Council Resolutions) Regulations 2010 requires the following counter-proliferation financing measures to be taken in relation to the countries and persons designated under the Strategic Trade (Restricted End-Users and Prohibited End-Users) Order 2010 in accordance with the relevant UNSCRs:

i. the freezing of the funds and other financial assets or economic resources of such countries or persons that are located in Malaysia;
ii. the prohibition of investment in Malaysia by such countries or persons involving any restricted activities[4];
iii. the prevention of the provision of financial services, including insurance or re-insurance, or the transfer to, through, or from Malaysia, or to or by Malaysian nationals or entities organized under Malaysian law (including branches abroad), or persons or financial institutions in Malaysia, of any financial or other assets or resources if there is information that provides reasonable grounds to believe that such services, assets or resources could contribute to any restricted activity in any designated country;
iv. the prohibition of such other activities as may be required under the relevant decision of the UNSC.

RIs are required to immediately freeze the funds, other financial assets or economic resources which are in Malaysia at the date of adoption of the relevant UNSCR or at any time after that, that are owned or controlled, directly or indirectly by the persons or entities mentioned in Regulation 3 above, and ensure that no funds or other assets and economic resources are made available to such persons or entities.

[4] "Restricted activity" is defined under section 2 of the STA to mean:
a) any activity that supports the development, production, handling, usage, maintenance, storage, inventory or proliferation of any weapon of mass destruction and its delivery systems; or
b) participation in transactions with persons engaged in such activities;

B. Maintenance of Sanctions List

11. For this purpose, RIs must keep themselves updated with the list of countries and persons designated under the relevant UNSCRs published on the UN website, as and when there are new decisions by the relevant UNSC Sanctions Committees.

> *The sanction lists are available on the UNSCR sanctions webpage, under the heading of "Sanction List Materials":*
>
> *https://www.un.org*

12. RIs must ensure updates to their sanctions database based on the UNSCR lists are effected without delay upon the UNSC-published designation. As there is no pre-determined schedule for updating of the UNSCR lists by the relevant Sanctions Committees', RIs are advised to subscribe to the Consolidated United Nations Security Council Sanctions List, for prompt alerts on the latest UNSC designations.

> ***Note:***
> *The UNSC provides a rich site summary (RSS) subscription service for the public to keep updated with the latest Consolidated United Nations Security Council Sanctions List. RIs may also opt for any other reliable subscription service available online in order to achieve the same objective.*

13. RIs may also monitor and consolidate other countries' unilateral sanctions lists in their sanctions database.

14. RIs may also consider electronic subscription services in ensuring that an updated sanctions list is maintained. However, the responsibility for ensuring that the list is up-to-date and sufficiently robust remains with the RI.

15. The delisting of any designated country or person under UNSCR lists, shall automatically take effect when the designated country or person is removed by the relevant UNSC Sanctions Committee.

C. Screening of Customers – Designated Countries and Persons

16. The obligation to conduct sanctions screening is applicable to existing and potential or new customers of RIs as part of the customer due diligence process. Where applicable, screening must also be conducted prior to making any payments on claims, withdrawal or surrender pay out.

17. RIs are required to screen its entire customer database (which should include dormant accounts) to check for any positive name matches with the designated countries or persons without delay upon the UNSC-published designation.

18. When conducting the customer screening process, RIs are advised to perform name searches based on a set of possible variations for each designated person to prevent unintended omissions.

> ***Note:***
> *As proliferators are known to conceal their true identity (e.g. dual nationality) to evade sanctions and passport numbers change over time, RIs should not confine name searches to the given nationality and passport number. Other information that can be referred to in order to validate any possible name matches and can be relied by the RI may include information on the date of birth.*

19. If there is a positive name match, RIs are required to take reasonable and appropriate measures to verify and confirm the identity of its customer against the designated person.

> ***Note:***
> *When there is reason to believe that the customer is a designated person but there is no credible information to confirm the match, RIs are advised to refer to their respective supervisory authorities and provide supporting documents on the relevant assessments conducted, for further confirmation by the relevant UNSC Sanctions Committees.*

D. Screening of Customers – Related Parties

20. RIs must undertake further due diligence to identify related parties to the designated person.

> ***Note:***
> *In this context, "related parties" are defined as:*
> *a. person acting on behalf of or at the direction or under the control of designated persons or entities;*
> *b. person engaged in or providing support for, including through illicit means, proliferation-sensitive activities and programmes;*
> *c. person assisting designated individuals or entities in evading sanctions, or violating resolution provisions; and*
> *d. person(s) with joint ownership or the beneficiaries of the assets (which includes property) of a designated person.*

21. In ascertaining whether an entity is owned or controlled by a designated person, the following rules may be applied:
    a. <u>To establish ownership by a designated person</u>
    When a designated person possesses more than 50% of the proprietary rights of the entity or has a majority interest in it.
    b. <u>To establish control by a designated person</u>
    When a designated person has the right to exercise dominant influence over the entity (i.e. influence over the appointment of a member of the Board of Directors or senior management, right to use all or part of the assets of the entity and/or right to manage the business operation).

22. RIs must conduct further due diligence on parties related to frozen accounts including checking on control and conduct of the frozen accounts and other related parties accounts connected to the designated person.

> ***Note:***
> *Transactions and relationships of related parties may include beneficial owners, signatories, power of attorney relationships, guarantors, nominees, trustees, assignees, payors and others.*

23. RIs are required to search, examine and analyse past transactions of the designated persons and identified related parties, and maintain records on the analysis of these transactions.

E. Freezing, Blocking and Rejecting Customers

24. Upon determination and confirmation of a customer's identity as a designated person, RIs are required to immediately freeze the customer's funds, other financial assets and economic resources or block the transaction (where applicable) to prevent the flight or dissipation of the funds, other financial assets and economic resources. The prior approval of the Strategic Trade Controller or relevant supervisory authority shall not be required for this purpose.

25. The freeze on the funds, other financial assets and economic resources or block on the transaction, as the case may be, shall remain in effect until the designated person is de-listed by the UNSC in accordance with the Strategic Trade (Delisting of Prohibited End-Users) Regulations 2014 [*P.U.(A) 289/2014*] or it is otherwise confirmed that this is a false positive case in accordance with the Strategic Trade (Unfreezing of Property in relation to Prohibited End-Users Regulations 2014 [*P.U.(A) 290/2014*].

26. Where the screening match involves potential or new customers, RIs are required to reject the customer, if the transaction has not commenced.

27. RIs must assess the risk and context in determining whether to freeze and block funds, transactions or other financial assets and economic resources, and reject potential or new customers that are indirectly owned or controlled by the designated person. If assessed as high risk, this would warrant appropriate action by the RI on such funds, transactions or other financial assets and economic resources.

> ***Note:***
> *The freezing should not affect funds, other financial assets and economic resources of non-designated persons, i.e. the employer, person with separate legal entity from a designated person, unless they are directly or indirectly owned or controlled by that designated person.*

Part III. Access to/ Maintenance of Frozen Funds (Variation/ Exemption)

F. Allowable Transactions

28. The frozen funds, accounts or other financial assets and economic resources may continue receiving deposits, dividends, interests, bonus or other benefits. However, such funds and benefits must remain frozen as long as the countries, individuals or entities continue to be designated by the UNSC.

29. All uses of, and dealings with, funds, other financial assets and economic resources, including movements or alterations such as portfolio management, whether by the designated country, person or any other person holding or controlling such funds, other financial assets and economic resources requires prior written authorisation of the Strategic Trade Controller under the STA in consultation with the relevant supervisory authorities.

> ***Note:***
> *Person holding or controlling the funds may include non-designated individuals or entities with joint ownership of the funds.*

30. No withdrawal or payment out is allowed without the prior written authorisation of the Strategic Trade Controller under the STA in consultation with the relevant supervisory authorities.

G. Exemption for Basic and Extraordinary Expenditures

31. RIs will be given further instruction by the relevant supervisory authorities on any payments for basic and extraordinary expenditures that have been approved by the Strategic Trade Controller under the STA, in accordance with the relevant UNSCRs.

32.

> ***Note:***
> 1. *Basic Expenditures:*
> *UNSCR 1718 on DPRK (2006) specifies that freezing measures do not apply to financial or other assets or resources that relevant countries have determined to be necessary for basic expenses, including payment for foodstuffs, rent or mortgage, medicines and medical treatment, taxes, insurance premiums, and public utility charges, or exclusively for payment of reasonable professional fees and reimbursement of incurred expenses associated.*
>
> 2. *Extraordinary Expenditures:*
> *DPRK resolution specify that the freezing measures do not apply to funds, other financial assets or economic resources that relevant countries have determined to be necessary for extraordinary expenses and that the UN Security Council or Sanctions Committee has approved as such.*
> *Paragraph OP 9(b) of UNSCR 1718 (2006) for DPRK.*

33. In this Directive, "relevant supervisory authority" refers to Bank Negara Malaysia, the Labuan Financial Services Authority and Securities Commission, as the case may require.

H. Exemption for Payments Due under Existing Contracts

34. RIs should advise the customer or related party of the frozen funds, other financial assets and economic resources, blocked or rejected transaction to appeal to the Strategic Trade Controller under the STA to allow payments due under contracts entered into prior to designation.

> ***Note:***
> *The Strategic Trade Controller may, in accordance with the relevant UNSCRs allow exemptions, provided that such contract is not related to items, assistance or services prohibited under the UNSCR and that such payment is not directly or indirectly received by the designated country or person.*

35. RIs are only allowed to proceed with the payments upon receiving the prior written authorisation and confirmation of the Strategic Trade Controller under the STA.

Part IV. Reporting Requirements

I. Reporting upon Determination of a Match

36. RIs are required to immediately report to the relevant supervisory authorities on any detection, freezing, blocking or rejection actions undertaken with regard to any identified funds, other financial assets and economic resources or transactions.

37. The form for reporting to the relevant supervisory authorities upon determination of a name match and actions taken by the RI is attached as **Appendix II**.

J. Periodic Reporting on Positive Matches

38. RIs who have reported positive name matches and hold or are in control of frozen or blocked funds, other financial assets and economic resources of any customers are required to report on any changes to those funds, other financial assets and economic resources by the 15th of January in the next calendar year.

> ***Note:***
> *Examples of changes to the frozen or blocked funds, other financial assets and economic resources include increases in amount frozen due to interest payments, dividend pay outs and such.*

39. The form for periodic reporting to the relevant supervisory authorities is attached as **Appendix III**.

K. Reporting of Suspicious Transaction to FIED, Bank Negara Malaysia

40. RIs are required to submit a suspicious transaction report (STR) to the Financial Intelligence and Enforcement Department (FIED), Bank Negara Malaysia in accordance with the RI's obligations under the relevant governing law.

Part V. Proliferation Financing Risk Assessment and Mitigation

L. Proliferation Financing Risk Assessment

41. RIs are required to identify, assess and understand proliferation financing (PF) risks, where the extent of the assessment shall be appropriate to the nature, size and complexity of their business. The PF risk in this context is limited to potential breach, non-implementation or evasion of the TFS-PF.

> ***Note:***
> *The PF risks would depend on the following factors:*
>
> 1. *Risk of a potential breach or non-implementation of TFS:*
> *This risk may materialise when designated persons access financial services, and/or funds or other assets, as a result, for example, failure on the part of financial institutions, designated non-financial businesses and professions and other non-financial sectors to adopt adequate policies and procedures to address their PF risks (e.g. weak customer onboarding procedures and ongoing monitoring processes, lack of staff training, ineffective risk management procedures, lack of a proper sanctions screening system or irregular or inflexible screening procedures, and a general lack of compliance culture).*
>
> 2. *Risk of evasion of TFS:*
> *This risk may materialise due to illicit network of designated persons to circumvent TFS (e.g., by using shell or front companies, joint ventures, dummy accounts, middlemen and other fraudulent intermediaries).*

42. In conducting the risk assessment, RIs may consider if the existing money laundering and terrorism financing (ML/TF) risk assessments methodologies are adequate to incorporate PF risks and may not necessarily require a stand-alone or an entirely new methodology.

43. For the purpose of paragraph 41, RIs are required to identify, assess and understand their PF risks at the institutional level, in relation to their customers, countries or geographical areas and products, services, transactions or delivery channels, and other relevant risk factors.

44. In assessing the PF risks, RIs are required to have the following processes in place:
    a. documenting their PF risk assessments and findings;
    b. keeping the assessment up-to-date through a periodic review; and
    c. having appropriate mechanisms to provide PF risk assessment information to the supervisory authority.

45. RIs shall be guided by the results of the National Proliferation Financing Risk Assessments (PFRA) issued by the National Coordination Committee to Counter Money Laundering (NCC) in conducting their own risk assessments and shall take enhanced measures to manage and mitigate the risks identified in the PFRA.

M. Proliferation Financing Risk Mitigation

46. RIs are required to:
    a. have policies, procedures and controls approved by senior management to manage and mitigate PF risks that have been identified;
    b. monitor the implementation of those policies, controls, procedures and to enhance them, if necessary; and
    c. take commensurate measures to manage and mitigate the risks:
        i. where higher PF risks are identified, RIs shall introduce enhanced controls to detect possible breaches, non-implementation or evasion of TFS on PF; and
        ii. where lower PF risks are identified, RIs shall ensure that measures to manage and mitigate the risks are commensurate with the level of risk while ensuring full implementation of the TFS on PF.

47. RIs shall ensure full implementation of the TFS on PF irrespective of the institutional PF risk level.

N. New Products and Business Practices

48. RIs are required to identify and assess the PF risks that may arise in relation to the development of new products and business practices, including new delivery mechanisms and the use of new or developing technologies for both new and pre-existing products.

49. RIs are required to:
    a. undertake risk assessment prior to the launch or use of such products, practices and technologies; and
    b. take appropriate measures to manage and mitigate the risks.

Part VI. Implementation of Counter Proliferation Financing Compliance Programme

50. RIs are required to implement counter PF (CPF) compliance programme, which may be done within the framework of their existing TFS and/or compliance programmes.

51. The programme shall include, but not limited to:
    a. establishment of policies, procedures, and controls in implementing CPF programmes which correspond to the PF risks and the size, nature and complexity of business of the RIs;
    b. appointment of Compliance Officer that acts as the reference point for CPF matters within the RI;
    c. establishment of an employee assessment system that is commensurate with the size, nature and complexity of operations and PF risk exposure;
    d. conduct of awareness and training programmes on CPF practices and measures for their employees. Such training programmes must be conducted regularly, supplemented with refresher courses at appropriate intervals and appropriate to the employees' levels of responsibilities in detecting PF activities and risk of PF identified by RIs; and
    e. regular independent audits of the RIs' compliance with internal CPF measures.

Part VII. Other information

O. Dealing with False Positives

52. RIs are required to obtain additional information and identification documents (which previously may not have been obtained) from the customer or a credible third party (e.g. Companies Commission of Malaysia for legal persons, embassy or consular office) to ascertain whether the customer is the actual designated person in the case of similar or common names.

53. RIs may forward queries to the relevant supervisory authorities to determine whether the customer is a designated person in the case of similar or common names.

54. Any query submitted to the relevant supervisory authorities must include any additional information, copies of identification documents and relevant analysis conducted by the RIs.

P. Delisting from UN List

55. The screening obligations imposed on RIs also extends to the need for RIs to screen for possible delisting of affected customers from the UNSC's list of designated countries and persons. In the event a customer is delisted, RIs are required to alert the relevant supervisory authorities for further instruction on unfreezing action.

Q. Contact Information

56. The contact points for the Strategic Trade Controller and relevant supervisory authorities in relation to TFS-PF and other related requirements in combatting PF are:

Strategic Trade Secretariat (STS)		
Strategic Trade Controller Strategic Trade Secretariat (STS) Ministry of Investment, Trade and Industry (MITI) Level 4, MITI Tower, No.7, Jalan Sultan Haji Ahmad Shah 50480 Kuala Lumpur Email: admin.sts@miti.gov.my Website: http://www.miti.gov.my		
Bank Negara Malaysia (BNM)	**Labuan Financial Services Authority (LFSA)**	**Securities Commission Malaysia (SC)**
Director Financial Intelligence and Enforcement Department Bank Negara Malaysia Jalan Dato' Onn 50480 Kuala Lumpur Email: amlsanctions@bnm.gov.my	Director Level 17, Main Office Tower Financial Park Complex Jalan Merdeka 87000 Labuan, Malaysia Email: aml@labuanfsa.gov.my	Director Supervision Department Securities Commission Malaysia 3, Persiaran Bukit Kiara 50490 Kuala Lumpur Email: supervision@seccom.com.my

LIST OF REPORTING INSTITUTIONS

Appendix I

No	Reporting Institutions	Relevant Supervisory Authority
Part I. Banking and Deposit Taking Institutions		
1.	Banks and investment banks licensed under the Financial Services Act 2013 [Act 758] (FSA).	Bank Negara Malaysia
2.	Islamic banks licensed under the Islamic Financial Services Act 2013 [Act 759] (IFSA).	
3.	Development financial institutions licensed under the Development Financial Institutions Act 2002 [Act 618] (DFIA).	
4.	Labuan banks, Labuan investment banks and Labuan licensed institutions licensed under section 92 of the Labuan Financial Services and Securities Act 2010 [Act 704] (LFSSA).	Labuan Financial Services Authority
5.	Labuan Islamic banks, Labuan Islamic investment banks and Labuan Islamic licensed institutions licensed under section 67 of the Labuan Islamic Financial Services and Securities Act 2010 [Act 705] (LIFSSA).	
Part II. Insurance and Takaful Operators and relevant Intermediaries		
6.	Insurers, reinsurers, insurance brokers and financial advisers licensed or approved under the FSA.[5]	Bank Negara Malaysia
7.	Takaful operators, retakaful operators, takaful brokers and Islamic financial advisers licensed or approved under the IFSA.[6]	
8.	Labuan insurers, Labuan reinsurers and Labuan insurance related intermediaries licensed under Part VII of the LFSSA.	Labuan Financial Services Authority
9.	Labuan Takaful Operators, Labuan Retakaful operators and related intermediaries licensed under Part VII of the LIFSSA.	
Part III. Money Services Businesses		
10.	Money Services Business operators licensed under the Money Services Business Act 2011 [Act 731] (MSBA).	Bank Negara Malaysia
Part IV. Payment System Operators		
11.	Issuers of charge cards and credit cards which are not affiliated with any licensed bank under the FSA, any licensed Islamic bank under the IFSA and prescribed institutions licensed under the DFIA.	Bank Negara Malaysia
12.	Issuers of electronic money, a designated payment instrument as prescribed in the Financial Services (Designated Payment Instruments) Order 2013 [P.U.(A) 202/2013].	
13.	Issuers of electronic money who are also licensed as money service business operators under the MSBA.	

[5,6] General Insurers and Takaful Operators are only required to comply with TFS-PF obligations within the Directive, as well as the Anti-Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing and Targeted Financial Sanctions for Financial Institutions Policy Document (AML/CFT/CPF and TFS for FIs PD).

No	Reporting Institutions	Relevant Supervisory Authority
Part V. Other Financial Sectors		
14.	Activities relating to building credit business, development finance business, factoring business or leasing business carried out by companies incorporated pursuant to the Companies Act 1965 and businesses as defined and registered under the Registration of Businesses Act 1956 [Act 197].	Bank Negara Malaysia
15.	Lembaga Tabung Haji established under the Tabung Haji Act 1995 [Act 535].	
Part VI. Offshore Capital Market Intermediaries		
16.	Fund managers and fund administrators as defined under Part III of the LFSSA and Part IV of the LIFSSA.	Labuan Financial Services Authority
17.	Securities licensees and other market intermediaries as defined under Part IV of the LFSSA.	
18.	Islamic securities licensees and other intermediaries as defined under Part V of the LIFSSA.	
19.	Management companies as defined under Part VIII of the LFSSA.	
20.	Exchanges as defined under Part IX of the LFSSA.	
21.	Self-regulatory organizations as defined under Part X of the LFSSA.	
22.	Islamic self-regulatory organizations as defined under Part XI of the LIFSSA.	
Part VII. Designated Non-Financial Businesses and Professions & Other Non-Financial Sectors		
23.	Advocates and solicitors as defined in the Legal Profession Act 1976 [Act 166] and advocates admitted pursuant to the Advocate Ordinance Sabah 1953 [Sabah Cap. 2] and Advocate Ordinance Sarawak 1953 [Sarawak Cap. 110] (collectively referred to as “lawyers”).	Bank Negara Malaysia
24.	Companies incorporated under the Companies Act 2016 [Act 777] and businesses as defined and registered under the Registration of Businesses Act 1956 [Act 197] which are carrying on activities of dealing in precious metals or precious stones (referred to as dealers in precious metals or precious stones).	
25.	Common gaming houses as defined in the Common Gaming Houses Act 1953 [Act 289].	
26.	Licensees as defined in the Pool Betting Act 1967 [Act 384].	
27.	Totalizator agencies as defined in the Racing (Totalizator Board) Act 1961 [Act 494].	
28.	Racing clubs as defined in the Racing Club (Public Sweeptakes) Act 1965 [Act 404].	
29.	Moneylenders as defined in the Moneylenders Act 1951 [Act 400].	
30.	Accountants who hold valid practising certificates issued pursuant to rule 9 of the Malaysian Institute of Accountants (Membership and Council) Rules 2001 [P.U.(A) 343/2001] (referred to as “accountants”).	
31.	Notaries public as defined in the Notaries Public Act 1959 [Act 115].	
32.	Pawnbrokers as defined in the Pawnbrokers Act 1972 [Act 81].	

No	Reporting Institutions	Relevant Supervisory Authority
33.	Persons prescribed by the Minister or licensed by the Registrar of Companies to act as a company secretary of a company pursuant to section 139A of the Companies Act 2016 [Act 777] (referred to as "company secretaries").	
34.	Registered estate agents as defined under the Valuers, Appraisers and Estate Agents Act 1981 [Act 242].	
35.	The Corporation as defined in the Public Trust Corporation Act 1995 [Act 532] and trust companies as defined in the Trust Companies Act 1949 [Act 100].	
36.	Labuan Trust Companies licensed under section 61 of the LFSSA.	Labuan Financial Services Authority
37.	Labuan Managed Trust Companies licensed under section 71 of the LFSSA.	
38.	Persons prescribed by the Minister or licensed by the Registrar of Companies to act as a company secretary pursuant to section 93 of the Labuan Companies Act 1990 [Act 441].	
Part VIII. Capital Market Intermediaries		
39.	A holder of Capital Markets and Services Licence (CMSL) under the Capital Markets and Services Act 2007 ("CMSA") carrying out regulated activities of- (a) dealing in securities (b) dealing in derivatives (c) fund management	Securities Commission Malaysia
40.	A recognised market operator registered under the CMSA	Securities Commission Malaysia
41.	A person licensed or registered under the CMSA relating to one or more of the following: (a) providing safe keeping, storing, holding or custody of digital currency or digital token for the account of other person; or (b) providing intermediation and advisory services relating to an offer or sale of digital currency or digital token.	Securities Commission Malaysia

MEASURES PURSUANT TO THE STRATEGIC TRADE (UNITED NATIONS SECURITY COUNCIL RESOLUTIONS) REGULATIONS 2010 *[P.U. (A) 481/2010]*

Appendix II

FORM 1: REPORTING UPON DETERMINATION OF MATCH

UNSCR Number (If Available) :
Date of UN Listing :

Customer No	UNSCR Permanent Ref No (e.g. KPi.001, IRi.001)	Customer Name	Address	NRIC / Passport No.	Institution Name (*E.g. Islamic, Investment, Insurance*) - if reporting done on group basis	Branch maintaining the account/ facility	Account No.	Account Facility/ Financial Services Type	Date financial services given (DD/MM/YYYY)	Account / Facility Status (on date of freezing)	Date account frozen (DD/MM/YYYY)	Balance as at: _____		Related Parties	Remarks
												· Banking (CR) / · Insurance (Sum Insured)	· Banking (DR) / · Insurance (Premium Received)		
1.															
2.															
3.															
4.															
5.															

Reporting Institution Details

Reporting Institution Name :
Contact Person :
Designation :
Tel & Fax No. :
E-mail :
Reporting Date :

MEASURES PURSUANT TO THE STRATEGIC TRADE (UNITED NATIONS SECURITY COUNCIL RESOLUTIONS) REGULATIONS 2010 *[P.U. (A) 481/2010]*

Appendix III

FORM 2: PERIODIC REPORTING ON ANY CHANGES TO THE FROZEN OR BLOCKED FUNDS, OTHER FINANCIAL ASSETS AND ECONOMIC RESOURCES

(By 15 January of the following calendar year after first reporting on positive name match)

Customer No	UNSCR Permanent Ref No (e.g. KPi.001, IRi.001)	Customer Name	NRIC / Passport No.	Account No.	Account Facility/ Financial Services Type	Date account frozen (DD/MM /YYYY)	Current Account / Facility Status	Previous Account Balance (previous reporting)		Transaction Details (line by line transaction)					New Account Balance as at: (DD/MM/YYYY)		Remarks
								· Banking (CR) / · Insurance (Sum Insured)	· Banking (DR) / · Insurance (Premium Received)	Transaction No	Date (DD/MM/ YYYY)	Type (CR/DR)	Remarks	Amount (MYR)	· Banking (CR) / · Insurance (Sum Insured)	· Banking (DR) / · Insurance (Premium Received)	
1.										1.							
										2.							
										3.							
2.										1.							
3.										1.							

Note: Please provide supporting documents, i.e. copies of invoices and receipts for each transaction.

Reporting Institution Details

Reporting Institution Name :
Contact Person :
Designation :
Tel & Fax No. :
E-mail :
Reporting Date :