

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity
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Bank of the Lao PDR

No. 963/BoL  
Vientiane Capital, Date 27 Nov 2015

**Decision**  
**on Money Transfer Transaction with Exceed Value**

- Pursuant to the Law on the Bank of Lao PDR No. 05/NA, dated 14 October 1999;
- Pursuant to the Law on Combatting, Deterring of Money Laundering and the Financing of Terrorism No. 50/NA, dated 21 July 2014;
- Pursuant to the research and submission of the anti-money laundering unit No. 1026/AMLU, dated 07 September 2015.

The Government of the Lao PDR hereby issues a Decision as follows:

**Chapter I**  
**General Provision**

**Article 1 Objective**

The objective of this Decision is to expand Article 27 and 30 of the Law on Combatting, Deterring of Money Laundering and the Financing of Terrorism, so that reporting unit can use as reference to classify, collect the information and make a report on money transfer transaction with exceed value to the Anti-Money Laundering Information Office (AMLO).

**Article 2 Exceed Value Money Transfer**

Money transfer is the transfer of money as specified in Article 8, Item 9 of the Law on Combatting, Deterring of Money Laundering and the Financing of Terrorism which include domestic wire transfers and cross-border wire transfer through the form of Serial Payment and the form of Cover Payment.

The money transfer with exceed value is the transfer of money that have value equal to 8,000,000 kips (Eight million Kip) and over per time or as determined by the AMLO on a regular basis.

**Article 3 Definition of Terms**

The terms used in this Decision shall have the meaning as follows:

1. **Financial Institution** refers to the financial institute as provided in Article 8, Item 7 of the Law on Combatting, Deterring of Money Laundering and the Financing of Terrorism that have the capacity to provide money transfer service, including Cross-border wire transfer;
2. **Cross-border wire transfer** refers to money transfer in which ordering financial institution and beneficiary financial institution are located in different countries or through more than one financial institution located in several different countries;
3. **Domestic wire transfer** refers to money transfer in which ordering financial institution and beneficiary financial institution are located in the Lao PDR;
4. **Ordering financial institution** refers to financial institution which has initiated the money transfer or transfer money upon a request on behalf of Originator;

**5. Intermediary financial institution** refers to one or several financial institutions responsible for transferring money on behalf of ordering financial institution and on behalf of beneficiary financial institution;

**6. Beneficiary financial institution** refers to financial institution that receive a money transfer from the ordering financial institution directly or through an intermediary financial institution in paying money to a beneficiary institution;

**7. Originator** refers to individuals, legal entities or organizations that allow ordering financial institution to make a transfer by permitting the money transfer from its account or to give the cash to ordering financial institution to proceed the transfer to the beneficiary;

**8. Beneficiary** refers to individuals, legal entities or organizations identified by Originator as a transfer beneficiary;

**9. Serial payment** refers to a payment by which the money transfer text and payment order text be sent directly from an ordering financial institution to a beneficiary financial institution or may be transferred through any intermediary financial institutions or more than one;

**10. Cover payment** refers to a money transfer that includes the text of direct payment order or transfer and with attached documents to the transfer order from an ordering financial institution to a beneficiary financial institution or may be proceeded through one or more intermediary financial institutions;

**11. Unique transaction reference number** refers to group of figure, alphabet or symbol mixing together in the text system determined by the service provider to be used as reference to certify payment order or debt payment to beneficiary.

#### **Article 4 Scope of Use**

This Decision is applied for reporting unit in the form of financial institution as specified in Article 8, Item 7 of the Law on Combatting, Deterring of Money Laundering and the Financing of Terrorism which is able to provide money transfer service under the management of the Bank of the Lao PDR.

### **Chapter 2**

#### **Collecting Information in Money Transfer**

#### **Article 5 Data Collection in Transfer**

Financial institution that conducts domestic wire transfer and cross-border wire transfer shall guarantee the full information as follows:

##### **1. Information of original money transfer**

###### **Individuals, legal entities or organizations**

- Name of originator;
- Current address (village, district and province) or ID card number or Passport number or day, month, year of birth and place of birth or day, month and year of establishment or other documents that can identify customer's identity;
- Account number (in case of using account in money transfer);
- Purpose of wire transfer;
- Amount of money and currency transferred;
- Other necessary information.

##### **2. Information of Beneficiary:**

###### **Individuals, legal entities or organizations**

- Name of beneficiary;

- Current address (village, district and province) or ID card number or Passport number or day, month, year of birth and place of birth or day, month and year of establishment or other documents that can identify customer's identity;
- Account number of beneficiary (in case using account for receiving transferred money);
- Other information as necessary.

In case of no account used in money transfer, the ordering financial institution shall collect unique transaction reference number.

### **Chapter 3 Responsibility**

#### **Article 6. Responsibility of Ordering Financial Institution**

An ordering financial institution must guarantee money transfer with full information about the Originator and the Beneficiary as specified in Article 5 of this Decision.

The ordering financial institution shall ensure that transfer of money with lower value than provided in Article 2 of this Decision includes the name of the Originator and the name of the Beneficiary, account number or reference number in doing transaction by both sides;

The ordering financial institution shall maintain the information related to the originator and the beneficiary as specified in Article 28 of the Law on Combatting, Deterring of Money Laundering and the Financing of Terrorism.

#### **Article 7 Responsibility of Beneficiary Financial Institution**

A beneficiary financial institution that did not receive full information about the Originator or Beneficiary as specified in Article 5 of this Decision shall apply appropriate after transfer monitoring measures or a monitoring done during the process of money transfer and shall comply with Article 27, paragraph 3 of the Law on Combatting, Deterring of Money Laundering and the Financing of Terrorism.

In the event of money transfer with full information that has never done any examination or certification of the beneficiary's identity, the beneficiary financial institution must examine or certify the identity of the beneficiary financial institution and shall maintain such information as specified in Article 28 of the Law on Combatting, Deterring of Money Laundering and the Financing of Terrorism.

The beneficiary financial institution shall set policy and procedure to effectively implement the risk assessment and management principles in order to consider that in which case the transfer should be rejected and terminated or in order to set appropriate measures for monitoring the information.

#### **Article 8 Responsibility of Intermediary Financial Institution**

A financial institution that acts as an intermediary shall collect information related to the originator and the beneficiary to send together with the transfer. In case of having any limited technical information, all the information received from the ordering financial institution shall be maintained as specified in Article 28 of the Law on Combatting, Deterring of Money Laundering and the Financing of Terrorism.

The intermediary financial institution shall have policy and procedures for the effective implementation of risk assessment and management principles in order to consider in which case the transfer should be rejected and terminated or to set appropriate measures for monitoring the information.

### **Chapter 4**

## **Reporting Obligation, Exception Case and Measures against Violator**

### **Article 9 Reporting Obligation**

Financial institution shall collect information about all money transfer transaction with exceed value as specified in Article 2 of this Decision and shall be maintained. In the event that the information relating to money transfer by customer are suspicious of being money laundering or financing of terrorism, the financial institution shall submit a report following the standard form of reporting suspicious transaction to the AMLO.

In case that AMLO requests for the information relating to the money transfer by customer, the financial institution must be able to provide immediately.

### **Article 10 Exception Case**

Money transfer transaction with exceed value shall not cover the payment for goods or services by individuals, legal entities or organizations through the use of credit card, debit card or other cards that allow the electronic payment such as card for pay custom, tax or other obligations and not include the wire transfer among financial institutions that involved their own businesses.

### **Article 11 Maintain Confidentiality of Reporting**

The information provided to AMLO regarding money transfer transaction with exceed value shall be maintained as confidential as specified in Article 32 of the Law on Combatting, Deterring of Money Laundering and the Financing of Terrorism.

### **Article 12 Measures against Violators**

Reporting units or concerned persons, if having any action that violates this Decision shall be subject to a warning and fine in according to Article 65 of the Law on Combatting, Deterring of Money Laundering and the Financing of Terrorism.

## **Chapter 5 Final Provisions**

### **Article 13 Implementation**

Reporting units, relevant departments within BoL shall acknowledge and implement this Decision in an effective manner.

### **Article 14 Effectiveness**

This Decision shall become effective from the date of the signature.

**The Governor of the Bank of Lao PDR**

[Signature and seal]

Dr. Somphao Phaisith