

25 December 2001

**CIRCULAR BM 923**

**To: All Licensed Banks/  
Non-Bank Financial Institutions/  
Money Exchange Companies  
operating in the Sultanate of Oman**

After Compliments,

**Re: Combating Terrorist Financing**

1. As licensed institutions are aware, Financial Action Task Force (FATF), in which GCC countries have collective membership, has expanded its mission beyond money laundering and adopted eight special recommendations on Terrorist Financing. The recommendations commit members to :

- Take immediate steps to ratify and implement the relevant United Nations instruments.
- Criminalise the financing of terrorism, terrorist acts and terrorist organizations.
- Freeze and confiscate terrorist assets.
- Report suspicious transactions linked to terrorism.

## **CIRCULAR BM**

- Provide the widest possible range of assistance to other countries' law enforcement and regulatory authorities for terrorist financing investigation.
  - Impose anti-money laundering requirements on alternative remittance system.
  - Strengthen customer identification measures in international and domestic wire transfers.
  - Ensure that entities, in particular non-profit organizations, cannot be misused to finance terrorism.
2. The Sultanate is effecting steps in various directions for full compliance and all licensed institutions are advised to note the attached list of recommendations for needed action at their end. In particular, the Central Bank of Oman draws attention of licensed institutions to recommendations IV, VI and VII thereof and advises to ensure the following :
- i) Licensed financial institutions shall report transactions, possibly related to terrorism, to the appropriate authorities. They should also cover such transactions in their periodic reporting of suspicious transactions.
  - ii) Only licensed banks and money changers, licensed to do remittances, shall provide service for the transmission of money or value. Persons or legal entities that carry out this service illegally are subject to administrative, civil or criminal sanctions.

**CIRCULAR BM**

- iii) Licensed institutions, as above, shall include accurate and meaningful originator information (name, address and account number) on funds transfers and related messages that are sent, and the information should remain with the transfer or related message through the payment chain.
  - iv) Licensed institutions shall conduct enhanced scrutiny of and monitor for suspicious activity funds transfers which do not contain complete originator information (name, address and account number).
3. All licensed institutions shall comply with meticulous care, particularly since they will be subject to assessment and appropriate action, as before.

Best regards,

**Hamood Sangour Al Zadjali**  
**The Executive President**

Encl: a/a

RV/js

