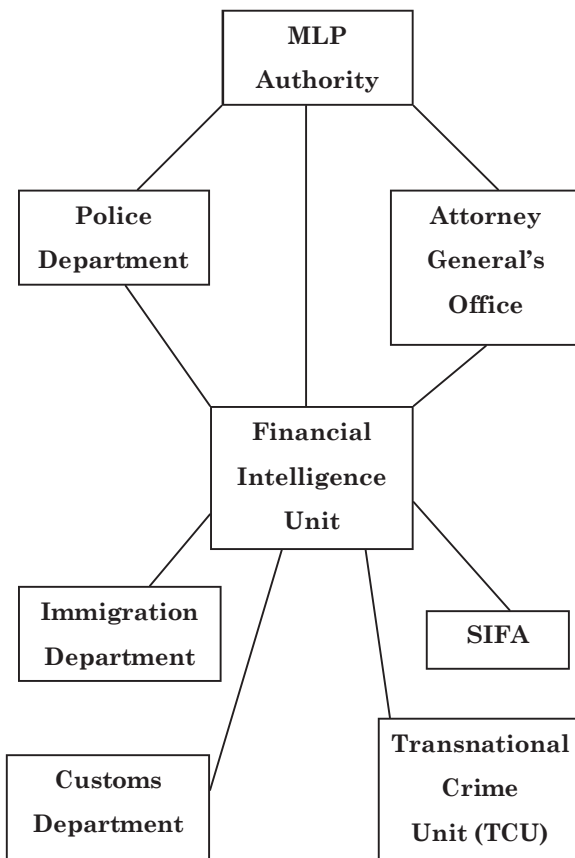


- Establish a systemic procedure for identifying new customers and should not establish a relationship until the identity of a new customer is satisfactorily verified;
- Document and enforce policies for identification of customers and those acting on their behalf; and
- Extra precautions enforced on transactions received/sent to jurisdictions that do not have adequate AML systems in place.

Structure of the Money Laundering Prevention Authority



For more information, contact the following address:

The Financial Institutions Department
 Central Bank of Samoa, Level 5
 Telephone: (685) 34130 / 34132
 E-mail: fid@cbs.gov.ws
 P. O. Box Private Mail Bag
 Apia, SAMOA

PROTECTING SAMOA FROM MONEY LAUNDERING



What is Money Laundering?



What is Money Laundering?

- Money Laundering is the process by which criminals attempt to conceal the true origin and ownership of the proceeds of their criminal activities.
- Turning dirty money from criminal activities into clean money.
- Converting dirty money into supposedly legitimate assets.

3 Stages of Money Laundering

1. Placement—Money from criminal activity is placed into the financial system (e.g. a bank account).
2. Layering—Using multiple transactions to hide the true origin of the funds (e.g. splitting the money and moving it through lots of accounts in various locations).
3. Integration—Money passes from the layering stage and is mingled with legitimate money and assets (e.g. purchase of property which can later be sold for legitimate funds).

Money Laundering Must be Stopped

Because It Poses Risks to:

- Economic and social stability;
- The reputation of the financial sector;
- Stability of financial institutions;
- The country's ability to prevent large scale corruption;
- The country's reputation with regards to adoption of international standards and best practices.

Legislative and Regulatory Framework

1. Money Laundering Prevention Act (MLPA) 2007
2. Prevention and Suppression of Terrorism Act 2002
3. Proceeds of Crime Act 2007
4. Mutual Assistance in Criminal Matters Act 2007
5. Money Laundering Prevention Regulations & Guidelines 2002

The Money Laundering Prevention Authority

The Governor of the Central Bank of Samoa is the Money Laundering Prevention Authority (the "Authority") appointed under section 4(2) of the MLPA to implement and regulate the provisions of the Act.

Financial Intelligence Unit (FIU)

The FIU is part of the Central Bank.

Money Laundering Prevention Task Force

The Task Force is the advisory body to the Money Laundering Prevention Authority and is established under section 5 of the MLPA.

Its objectives include:

- Close liaison between Government agencies, departments and the FIU;
- Making recommendations to the Authority in respect of issues relating to money laundering or the financing of terrorism.

Members of the Task Force include:

1. The Governor as the Chairperson;
2. The Attorney-General;
3. The Commissioner of Police;
4. The CEO of the Samoa International Finance Authority (SIFA);

5. The Head of the Customs Department;
6. The Head of the Immigration Department;
7. The Director of the FIU; and
8. Such other persons as may be appointed by the Minister of Finance, acting on the advice of the MLP Authority.

Border Currency Report (BCR)

Who Completes this Form?

- Any person who leaves or enter Samoa carrying cash or negotiable bearer instruments with a combined value of SAT 20,000 or more or its equivalent in foreign currency.

Why Completes this Form?

- It is a requirement under section 13 of the MLP Act 2007.

Penalties for Non-Compliance

- Shall be liable on conviction to a fine not exceeding SAT10,000;
- Imprisonment for a term not exceeding 5 years, or BOTH.

Obligations of Financial Institutions

Part III of the MLPA stipulates specific obligations of financial institutions:

- Keep relevant records (i.e. "business transactions records") for a minimum period of 5 years;
- Develop clear customer acceptance policies and procedures;
- Proper identification (commonly known as "know your customer" or "KYC") is essential;