



Cambodia Financial Intelligence Unit

Unofficial Translation

N° ..... B12 022 010 S.K.N.V

**Directive**  
**On**  
**Remittance and Wire Transfer**

Pursuant to the Law on Anti-Money Laundering and Combating the Financing of Terrorism promulgated by the Royal Kram No. NS/RKM/0620/021 dated 27 June 2020 the Cambodia Financial Intelligence Unit (CAFIU) issues Directive on Remittance and Wire Transfer. This Directive shall be also applicable to, where relevant, their agents.

**1. Scope**

This Directive shall apply to reporting entity referred to in Article 4 of the Law on Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) when it participates in remittance and wire transfer transaction.

**2. Definition**

**Wire Transfer** shall mean any transaction carried out on behalf of an originator between financial institutions by electronic means with a view to making an amount of funds available to a beneficiary person at a beneficiary financial institution, irrespective of whether the originator and the beneficiary are the same person.

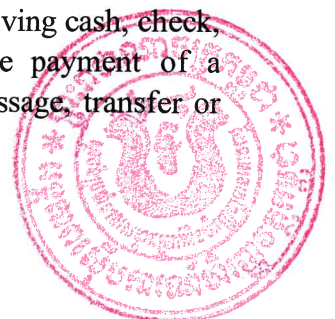
**Originator** shall mean the account holder who allows the wire transfer from that account, or where there is no account, the natural or legal person that places the order with the ordering financial institution to perform the wire transfer.

**Beneficiary** shall mean the natural or legal person or legal arrangement who is identified by the originator as the receiver of the requested wire transfer.

**Cross-border Wire Transfer** shall mean any wire transfer where the ordering financial institution and beneficiary financial institution are located in different countries.

**Domestic Wire Transfer** shall mean any wire transfer where the ordering financial institution and beneficial institution are located in the same country.

**Money or Value Transfer Service** shall mean financial service of receiving cash, check, other monetary instruments or other stores of value instruments, and the payment of a corresponding sum in cash to beneficiary by means of a communication, message, transfer or through a clearing network to which the MVTS provider belongs.



**Agent** shall mean natural or legal person who provides money or value transfer service on behalf of money or value transfer service provider.

### **3. Wire Transfers – Origination**

3.1. The reporting entity conducting or participating in cross-border wire transfer transactions with an amount equal to or above 4,000,000 (four million) Riels or foreign currency equivalent shall include and verify the originator information in any cross-border wire transfers as following:


- a) the full name of the originator;
- b) the originator account number, or where no account number is available, a unique transaction reference that will permit the transaction to be traced;
- c) the originator's address or customer identification number or national identity number or personal identification number issued by competent authorities or date and place of birth; and
- d) the originator's purpose.

3.2. The reporting entity conducting or participating in cross-border wire transfer transactions with an amount equal to or above 4,000,000 (four million) Riels or foreign currency equivalent shall include and verify the beneficiary information in any cross-border wire transfers as following:

- a) the full name of the beneficiary;
- b) the beneficiary account number where such an account is used to process the transaction, or where no account number is available, a unique transaction reference that will permit the transaction to be traced.

3.3. Where several cross-border wire transfers from a single originator the total value of which is equal to or above 4,000,000 (four million) Riels or foreign currency equivalent within one day, reporting entity shall bundle those transfers in a batch file for transmission to beneficiaries, the batch file shall contain required and accurate originator information in accordance with Point 3.1 and full beneficiary information in accordance with Point 3.2 of this Directive and shall be accurately verified that is traceable within the beneficiary country.

3.4. Cross-border wire transfer for less than 4,000,000 (four million) Riels or foreign currency equivalent shall be accompanied by the information referred to in Point 3.1 (a), (b) and (d) and Point 3.2 (a) and (b) of this Directive.

3.5. The information accompanying cross cross-border wire transfers referred to in Point 3.4 of this Directive need not be verified unless a suspicion of ML/TF arises or the transaction may involve with a predicate offence or ML/TF, in which case verification of the customer's details shall be completed as soon as practicable. 



3.6. For domestic wire transfer conducted between domestic financial institutions, the originator information referred to in Point 3.1 and beneficiary information referred to in Point 3.2 of this Directive shall accompany the transfer, unless the information can be made available to the beneficiary financial institution by other means. Where the information was made available by other means, reporting entity shall only include the account number or unique transaction reference of originator and beneficiary with the transfer instruction to the beneficiary reporting entity.

3.7. Where full originator information has not been included in a domestic wire transfer, this information shall be made available by the ordering reporting entity within three business days of receiving the request either from the beneficiary financial institution or from CAFIU.

3.8. The reporting entity shall maintain all originator and beneficiary information in accordance with Article 11 of the Law on AML/CFT.

3.9. The reporting entity shall not execute the wire transfer, if the originator of a wire transfer, that is not able to comply with the requirements of Point 3.1 of this Directive.

#### **4. Wire Transfers – Intermediation**

4.1. Where a reporting entity is an intermediary in processing a wire transfer prepared by another financial institution acting for an originator it must ensure that all originator and beneficiary information that accompanies a wire transfer is retained with it.

4.2. Where technical limitations prevent the required originator and beneficiary information accompanying a cross-border wire transfer from remaining with a related domestic wire transfer, a reporting entity acting as an intermediary shall keep records of all information received from the ordering financial institution or another intermediary financial institution for at least five years from the date of the transaction.

4.3. The reporting entity that is acting as an intermediary in processing wire transfer shall have procedures in place, that are consistent with straight-through processing, that enable it to identify incoming cross-border wire transfers that lack the originator and beneficiary information referred to in Point 3.1 and 3.2 of this Directive.

4.4. The reporting entity that acts as an intermediary in processing wire transfer shall have risk-based policies and procedures in place for determining:

- a) When to execute, reject or suspend a wire transfer lacking required originator or beneficiary information; and
- b) the appropriate follow-up actions which may include restricting or terminating business relationships. *SM*



## **5. Wire Transfer – Beneficiary Transaction**

5.1. The reporting entity providing services for customers who are the beneficiary of incoming wire transfers shall have procedures in place for undertaking post-event monitoring or real-time monitoring of incoming wire transfers that identifies cross-border wire transfers that have insufficient and incorrect information of the originator or beneficiary referred to in Point 3.1 and 3.2 of this Directive.

5.2. The reporting entity processing an incoming wire transfer equal to or above 4,000,000 (four million) Riels or foreign currency equivalent shall verify the identity of the beneficiary if not previously identified and verified in accordance with the requirements of the Law on AML/CFT or Point 3.1 and 3.2 of this Directive. Any information derived from the identification or verification of the beneficiary shall be retained in accordance with Article 11 of the Law on AML/CFT.

5.3. The reporting entity that acts for beneficiaries of incoming wire transfers shall have risk-based policies and procedures in place for determining:

- a) when to execute, reject or suspend a wire transfer lacking required originator or beneficiary information; and
- b) the appropriate follow-up actions which may include restricting or terminating business relationships.


## **6. Money or Value Transfer Service**

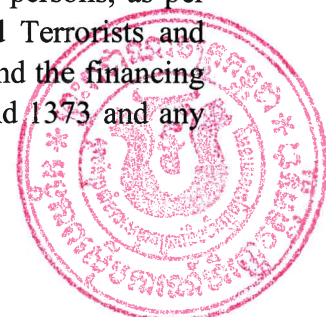
6.1 The reporting entity offering Money or Value Transfer Service whether directly or as an agent shall comply with all relevant requirements in this Directive although they operate, directly or through their agents, in any country.

6.2 The reporting entity offering Money or Value Transfer Service controlled both the ordering and the beneficiary sides of a transaction shall:

- a) take into account all information from both the ordering and beneficiary sides in order to determine whether a STR has to be submitted to the CAFIU;
- b) file a STR in any country affected by the suspicious remittances or Money or Value Transfer Service and make relevant transaction information available to the CAFIU; and
- c) monitor the agent's activity on the implication of AML/CFT.

## **7. Targeted Financial Sanctions**

The reporting entity shall, in process of wire transfers, take freezing action and comply with prohibitions on conducting transactions with designated natural and legal persons, as per obligations set out in the Sub-decree on Freezing of Property of Designated Terrorists and Organizations relating to the prevention and suppression of terrorist activities and the financing of terrorism, inclusive of United Nations Security Council Resolutions 1267 and 1373 and any successor resolutions. 



## 8. Sanction

Any reporting entity which do not comply with this Directive shall be penalized as stated in Article 36 and Article 37 of the AML/CFT Law.

Up on receiving this directive, all reporting entities shall effectively implement this Directive from the date of the signature.

**Attention to:**

- Office of the Council of Ministers
- National Coordination Committee on Anti-Money Laundering and Combating the Financing of Terrorism and Financing of Proliferation
- Cambodia Financial Intelligence Unit's Board of Directors
- Documentations-Archives

Phnom Penh, 11 January 2022  
**Cambodia Financial Intelligence Unit**  
**Head**  
(Signed and Sealed)

**SAY SAM ATH**

