

Republic of Yemen
Ministry of legal Affairs

Anti-Money Laundering Law No. 35 of 2003

In the name of people, the president of the Republic, having reviewed the Constitution of Yemen and upon the approval of Parliament, hereby issue the following law:

Chapter1- Designation and Definations

Article 1

This law shall be called the Anti-Money Laundering Law

Article 2

For purpose of enforcing the provisions of this law, the following terms and expressions shall have the meanings indicated below, unless the the context indicates otherwise or requires another meaning:

Republic: The Republic of Yemen.

Governor: The governor of the Central Bank of Yemen.

Committee: The Anti-Money Laundering Committee, established in accordance with the provisions of this law.

Unit: The Data Collection Unit of the Central Bank of Yemen.

Money Laundering: Any action involoving the obtaining, possessing, disposing of, depositing, exchangine, investing, or transferring of funds, intended of conceal the actual source of funds obtained from the illegal activities in article 3 of this law.

Financial establishments: Any financial establishment, such as bank, money changing shop, or company dealing in financing, insurance, shares, securities, finance leasing, or real estate.

Employees: All employees and official establishments.

Competent authority: The executive authority, its subordinate agencis, and the related administrative units.

Judicial authorities: the competent courts and public prosecution offices, in accordance with the relevant laws.

Implementing regulations: The regulations for implementing this law.

Chapter 2- Money Laundering Crimes

Article 3

Money laundering is a crime punishable in accordance with the provisions of this law. Anyone who commits, abets, assists instigates, or conceals perpetration of any of the following crimes shall be considered a prepetrator of said crime.

- a. Any crime involving funds obtained through any of the following illegal actions.
- 1) Any crime stipulated in the Law Against Kidnapping and Highjacking .
 2. Theft or embezzlement of public funds, or the seizure of Public funds through fraudulent means hereby, or breach of trust.
 3. Forgery or falsification of official seals, currency, or public bonds.
 4. Seizure of private funds, punishable in accordance with the Crimes and Punishments law.
 5. smuggling.
 6. Illegal importing and trafficking of arms.
 7. Cultivation, processing, or trafficking of narcotics, production or trafficking of alcohol, and other activities prohibited by law.
- b. Any of the following actions related to any of the crimes described in paragraph above:
1. Concealing the actual source of illegal funds or providing false substantiation of a source of funds.
 2. Transferring or exchanging funds with that they are illegal, to conceal or disguise their source or to help some avoid punishment or liability. Acquiring, possessing, using, or investing illegal funds to purchase moveable or immovable property.

Chapter 3- Duties of Financial Establishments

Article 4

Financial establishments shall comply with the following procedures:

1. They shall not open or maintain accounts in the name of any persons without first verifying their official documents and keeping a copy of them.
2. They shall not do business with legal entities without first verifying their official documents and keeping a true of them, indicating the following:
 - a. Name of the establishment;
 - b. Its address;
 - c.. Name of the the managers authorized to sign on behalf of the establishment.
 - d. .Name of the owner or owners;
 - e. Certificate of registration and official announcement in accordance with the relevant laws..
3. they shall retain all documents related to transactors, financial operations, and commercial and monetary transactions carried out domestically or abroad, for period of no less than five years from the date on which the transaction was concluded. These documents shall be submitted upon request to the Unit for view, in accordance with Article 13 of this Law.

Article 5

- a. Financial establishments shall inform the Data Collection) Unit of any Transaction aimed at money laundering, if they have evidence to support such a claim.
- b. Financial establishments and their employees, when complying with the Provisions of paragraph (a) above, shall be prohibited from notifying the transactors involved or releasing any information about them or their activities. They shall not refuse to submit relevant data and documents to the Unit or the judicial authorities, or obstruct the implementation of any order issued by the judicial authorities related to a crime of money laundering.

Article 6

The Unit shall assist financial establishments in developing rules and Regulations to enhance internal supervision aimed at preventing money Laundering, in accordance with this law and other relevant laws.

Article 7

No person may use as a pretext the confidentiality of accounts under any Other law when an investigation or trial of a crime of money laundering Is conducted before the judicial authorities.

Chapter 4- Anti-Money Laundering Committee & data Collection Unit**Article 8**

- a. Acommittee called the Anti- Money Committee shall be formed in Accordance with the provisions of this law, by decree of the Prime Minister upon the recommendation of the Minister of Finance. The Committee4 shall comprise one representative nominated by each of the following entities;
1. Ministry of Finance, chairman
 2. Central Bank, deputy chairman
 3. Ministry of Justice, member
 4. Interior Ministry, member
 5. Forign Ministry, member
 6. Central Supervision and Accounting Office
 7. Ministry of Industry and Trade
 8. Association of Banks
 9. General Union of Chambers of Commerce and Industry
- b. The chairman of the Committee shall select one of its members to serve As a reporter.
- c. The Committee may seek outside expertise as needed to assist in carrying out its Duties.

Article 9

The Committee shall have the following duties and responsibilities:

- a. Develop regulations and procedures for combating money laundering and submit them to the Prime Minister for approval, provided that they do not conflict with the provisions of this law and its implementing regulations.
- b. Develop and approve the internal regulations governing the Committee's Activities, in accordance with the provisions of this law.
- c. Facilitate coordination and the exchange of information between the various Entities represented in the Committee.
- d. Conduct seminars and workshops related to money laundering.
- e. Represent Yemen in International Conferences on Combating money laundering.

Article 10

The Committee shall submit a report on its activities to the Council of Minister Every three months, or as requested.

Article 11

By decree of the Governor, a Data Collection Unit shall be created in the Central Bank. The Unit shall be responsible for receiving and analyzing data and reports on any money laundering activities, in accordance with the provisions of this law. The decree shall define the scientific and technical framework for the Unit.

Article 12

Employees of the Unit shall maintain the confidentiality of all all data related to their work and shall be prohibited from using these data for any purposes define by this law.

Article 13

When the Unit is informed of any money laundering activity, it may obtain the necessary information and documents from the official authorities and financial insitution, subject to the approval of the Governor.

Article 14

Employees of the Central Bank of Yemen who are specialized in the supervision and inspection of banks, money changing bureaus, and similar entities shall inform the Unit of any activities that they determine to be money laundering activities.

Article 15

The Unit shall submit a written report to the Prosecutor General informing him of any crime of money laundering. The supporting documents shall be attached to the report, a copy of which shall be forwarded to the Committee.

Chapter 5 – International Cooperation, Exchange of Information, And Extradition of Non- Yemeni Criminals

Article 16

With due consideration to the provisions of this law and subject to the approval of the judical authorities, the Committee may, in response to an official request from a judicial authority in another country, provide information on a particular activity related to money laundering, provided that there is a bilateral agreement on this subject.

Article 17

The Committee may, on the basis of a definitive judicial order issued in another country and in accordance with a bilateral agreement on this subject, request the Yemeni judicial authorities, in accordance with the relevant laws currently in effect, to investigate, freeze, or impound any funds, possessions, or earings related to money laundering crimes, and the judicial authorities shall decide on their response to such requests.

Article 18

Non-Yemenis convicted of any of the crimes listed inArtical 3 of this law may be extradited, in accordance with the relavant laws and international agreements signed by Yemen, and in confirmity with the princi[ple of reciprocity, subject to the approval of the Prosecutor General.

Chapter 6 – Investigation and Prosecution Procedures

Article 19

He Prosecutor General, of his own accord or through specially appointed member of his office, shall have direct authority to carry out investigation procedures and instigate criminal lawsuits for crimes of money laundering and related crimes, as defined by the provisions of this law.

Article 20

The Prosecutor General may request the competent court to take temporary precautionary measures, such as impounding funds and freezing the account or Accounts related to money laundering activities, in accordance with the Criminal Procedures Law.

Chapter 7 – Punishments**Article 21**

Without prejudice to any other more severe penalty prescribed by another law:

1. Any one who commits a crime of money laundering as described in Article 3 of this law shall be subject to imprisonment for a period not to exceed five years.
2. Without prejudice to the rights of their persons acting in good faith, all funds and earnings obtained from crimes related to money laundering shall be confiscated, in accordance with a definitive judicial order in favor of the public treasury.
3. The court may issue an order to revoke a license, cease activities, or any other additional punishment, in accordance with the relevant laws.
4. With due consideration to the provisions of Article 7 herein, anyone who fails to comply with the provisions of Article 5 of this law shall be subject to imprisonment for a period not to exceed three years or a fine not to exceed Yrls 500,000.

Chapter 8- Final Provisions**Article 22**

The provisions of this law shall apply to the following:

- 1) Branches of financial institutions located abroad with headquarters in Yemen.
- 2) Branches of foreign financial institutions in Yemen with headquarters located abroad.

Article 23

The implementing regulations for this law shall be issued by means of a presidential Decree, upon the approval of the Council of Ministers.

Article 24

This law shall enter into force from the date on which it is published in the financial gazette.

Issued by the Office of the President
Sana'a April 5, 2003

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Ali Abdallah Salih
President of the Republic