



HONG KONG MONETARY AUTHORITY
香港金融管理局

Circulars

17 Oct 2001

Terrorist Financing

Our Ref.: B10/1C

17 October 2001

The Chief Executive
All Authorized Institutions

Dear Sir/Madam,

Terrorist Financing

I write to update you on the various initiatives relating to the suppression of terrorist financing. You should familiarise yourself with these initiatives, in particular those on the freezing of terrorist funds.

United Nations Sanctions (Afghanistan) (Arms Embargoes) Regulation ("Regulation")

You will be aware that the United Nations Security Council has decided, in its Resolution 1333 of December 2000, among other things, to freeze the funds and other financial resources of Usama bin Laden as well as individuals and entities associated with him. To implement the provisions of this Resolution, the Government published the above Regulation in the Gazette on 12 October 2001. A copy of the Regulation is attached ([Annex 1](#)).

Section 8 of the Regulation, which relates to the freezing of funds of, and the making of funds available to, Usama bin Laden, is of particular relevance to authorized institutions. As indicated above, these requirements are applicable to the funds of those "connected with Usama bin Laden" as defined in section 2 of the Regulation. These include "any person designated as such" by the relevant United Nations Security Council Committee. The Government will publish the particulars of such designation in the Gazette shortly and we will notify you of the details in due course. Nevertheless, you should be aware that the Regulation is effective upon its publication in the Gazette and you should take appropriate steps to ensure compliance with the Regulation.

United Nations Sanctions (Afghanistan) Regulation

Apart from the Regulation attached, the Government also published in the Gazette on 23 June 2000 the United Nations Sanctions (Afghanistan) Regulation. This provides, among other things, for the freezing of funds of the Taliban. Again, a list of the individuals and entities designated by the relevant United Nations Security Council Committee for this

purpose (i.e. those whose funds will be affected) will be published in the Gazette shortly and you will be notified of the details.

United Nations Security Council Resolution 1373

You may wish to note that the Government is also considering ways to implement the recent United Nations Security Council Resolution 1373 of September 2001. This provides for measures to combat against terrorism in general, including, for example, the freezing of funds of persons who commit, participate in, or facilitate the commission of "terrorist acts".

Lists of suspicious accounts

Apart from the freezing of funds, the identification and reporting of suspicious accounts that might relate to terrorists is also an important initiative. In this regard, we note that the Office of Foreign Assets Control ("OFAC") of the U.S. Treasury has recently added 39 names to its list of Specially Designated Global Terrorist ("SDGT") entities. The list of 39 names is available from the OFAC website (www.ustreas.gov/ofac). We also informed authorized institutions in our letter of 20 September 2001 of the list of suspects responsible for the attacks in the U.S. that is posted on the website of the Federal Bureau of Investigation ("FBI"). The U.S. Government has since created a list of "Most Wanted Terrorists" which is also available from the FBI website (www.fbi.gov/homepage.htm). You should refer to these lists in your review of suspicious accounts. As such lists may be updated from time to time, you are advised to browse the relevant websites regularly for the latest information.

Further, at the request of the Hong Kong Police, we attach for your information a list provided by the Financial Crimes Enforcement Network ("FinCEN") of the U.S. Treasury (**Annex 2**). The list has been compiled by FinCEN after the terrorist attacks in the U.S. and you should also take this into consideration when identifying suspicious accounts.

Institutions are reminded to remain vigilant for accounts that may be linked with terrorists and report suspicious accounts to the Joint Financial Intelligence Unit. Reports should also be made to the HKMA. Where appropriate, action should be taken to freeze funds in the accounts concerned.

Yours faithfully,

D T R Carse
Deputy Chief Executive

Encl.:

Annex 1: Regulation in the Gazette

- [English Version](#) (PDF File, 121KB)
- [Chinese Version](#) (PDF File, 371KB)

Annex 2: FBI Criminal Investigation List *(Only available to Authorized Institutions)*

Last revision date : 01 August 2011