



HONG KONG MONETARY AUTHORITY
香港金融管理局

Our Ref.: B1/15C
B10/1C

28 September 2012

The Chief Executive
All authorized institutions

Dear Sir/Madam,

Revised FATF Recommendations

I am writing to inform you that revised International Standards on Combating Money Laundering and the Financing of Terrorism and Proliferation were adopted by the Financial Action Task Force (FATF) in February 2012, which fully integrates the counter-terrorist financing measures with the anti-money laundering measures into 40 Recommendations.

Details of the 40 Recommendations can be found here:
[http://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF%20Recommendations%20\(approved%20February%202012\)%20reprint%20May%202012%20web%20version.pdf](http://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF%20Recommendations%20(approved%20February%202012)%20reprint%20May%202012%20web%20version.pdf)

In particular, your attention is drawn to Recommendation 18 ‘Internal controls and foreign branches and subsidiaries’ which states “Financial institutions should be required to implement programmes against money laundering and terrorist financing. Financial Groups should be required to implement group-wide programmes against money laundering and terrorist-financing, including policies and procedures for sharing information within the group for anti-money laundering and counter-terrorist financing (AML/CFT) purposes.”

As the Hong Kong Monetary Authority is minded to review the application of the revised standards at a later date to ensure compliance with international standards for AML/CFT, authorized institutions (AIs) are expected to facilitate group-wide sharing of information for AML/CFT purposes.

As should continue to comply with all provisions of the Personal Data (Privacy) Ordinance.

If you have any questions relating to this letter, please feel free to contact Mr Stewart McGlynn on 2878-1095 or Ms Joyce Chan on 2878-8281.

Yours faithfully,

Nelson Man
Executive Director
(Banking Supervision)