

THE ANTI-MONEY LAUNDERING ACT, 2013

An Act to provide for the prohibition and prevention of money laundering, the establishment of a Financial Intelligence Authority and a Financial Intelligence Authority Board in order to combat money laundering activities; to impose certain duties on institutions and other persons, businesses and professions who might be used for money laundering purposes; to make orders in relation to proceeds of crime and properties of offenders; to provide for international cooperation in investigations, prosecution and other legal processes of prohibiting and preventing money laundering; to designate money laundering as an extraditable offence; and to provide for other related matters.

DATE OF ASSENT:

Date of Commencement:

BE IT ENACTED by Parliament as follows:

PART I—PRELIMINARY**1. Interpretation**

In this Act, unless the context otherwise requires—

“accountable person” means any person listed in the Second Schedule to this Act;

- (a) after the commission of a crime;
- (b) for a consideration the value of which is significantly less than the value of the consideration provided by the first person; and
- (c) to the extent of the difference between the market value of the property transferred and the consideration provided by the transferee;

“gift caught by this Act” means a gift made by the defendant at any time after the commission of the crime, or if more than one, the earliest of crimes, to which the proceedings for the time being relate, and the court considers it appropriate in all circumstances to take the gift into account;

“material” means documentary material of any kind and includes information stored in a computer, disc, cassette, or on microfilm, or preserved by any mechanical or electronic device;

“Minister” means the Minister responsible for Finance, Planning and Economic Development;

“monetary instrument” includes currency of any state or country, travelers cheques, bearer negotiable instruments, bearer investment securities, bearer securities, stock on which title is passed on delivery and similar material;

“monetary transaction” means a transaction that is conducted or concluded using a monetary instrument;

“money laundering” is the process of turning illegitimately obtained property into seemingly legitimate property and it includes concealing or disguising the nature, source, location, disposition or movement of the proceeds of crime and any activity which constitutes a crime under section 3 of this Act;

“occasional transaction” means any transaction involving cash that is conducted by any person other than through an account in respect of which the person is a customer;

“payable-through accounts” means correspondent accounts that are used directly by third parties to transact business on their own behalf.

“person” means any natural or legal person or any entity (including any charitable organization), natural or juridical, including but not limited to a corporation, partnership, trust or estate, joint stock company, association, syndicate, joint venture, or other unincorporated organization or group, capable of acquiring rights or entering into obligations;

“politically exposed persons” means individuals who are or have been entrusted with prominent functions in a country, for example Heads of State or of government, senior politicians, senior government, judicial or military officials, senior executives of state owned corporations, and important party officials as well as family members or close associates of such individuals;

“proceeds” means any economic advantage including property derived from or obtained, directly or indirectly, from the committing of a crime, and includes property later successively converted, transformed or intermingled, as well as income, capital or other economic gains derived from such property at any time after the committing of the crime;

“property” means assets of every kind whether corporeal or incorporeal, moveable or immoveable, tangible and legal documents or instruments evidencing title to or interest in such assets;

“provisional measures” means those actions set out in sections 44 to 82 of this Act;

“realisable property” means any property held by a defendant and any property held by a person to whom a defendant has directly or indirectly made a gift caught by this Act;

“realisation” means converting any kind of property into money, such as by sale;

SECOND SCHEDULE

Section 1

LIST OF ACCOUNTABLE PERSONS

1. Advocates as defined in the Advocates Act notaries licensed and certified under the Notaries Public Act, accountants as defined in the Accountants Act, and other independent legal professionals and accountants.¹
2. A board of executors or a trust company or any other person that invests, keeps in safe custody, controls, or administers trust property within the meaning of the Trustees Act;
3. Casinos (which also includes internet casinos);
4. Real estate agents;
5. Dealers in precious metals and gems.
6. Trust and company service providers not covered elsewhere in this Schedule which as a business provide any of the following services to third parties:
 - (a) acting as a formation agent of legal persons;
 - (b) acting as (or arranging for another person to act as) a director or secretary of a company, a partner of a partnership, or a similar position in relation to other legal persons;
 - (c) providing a registered office, business address or accommodation, correspondence or administrative address for a company, a partnership or any other legal person or arrangement;
 - (d) acting as (or arranging for another person to act as) a trustee of an express trust;
 - (e) acting as (or arranging for another person to act as) a nominee shareholder for another person.
7. A financial institution as defined in the Financial Institutions Act.

¹This refers to sole practitioners, partners or employed professionals within professional firms. It is not meant to refer to 'internal' professionals that are employees of other types of business nor to professionals working for government agencies.

8. A broker, dealer or investment advisor licensed under the Capital Markets Authority Act.

9. An insurance company licensed under the Insurance Act.

10. Registrars of Companies.

11. Registrars of Land.

12. The Uganda Investment Authority.

13. All licensing authorities in Uganda.

14. Any other person who conducts the business of:

- (a) acceptance of deposits and other repayable funds from the public including private banking;
- (b) lending including, inter alia, consumer credit, mortgage credit, factoring with or without recourse, and finance of commercial transactions);
- (c) financial leasing (not including financial leasing arrangements in relation to consumer products);
- (d) the transfer of money or value;²
- (e) issuing and managing means of payment e.g., credit and debit cards, cheques, traveller's checks, money orders, bankers' drafts, electronic money;
- (f) financial guarantees and commitments;
- (g) trading in:
 - (i) money market instruments (cheques, bills, CDs, derivatives, etc.),
 - (ii) foreign exchange,
 - (iii) exchange, interest rate and index instruments,
 - (iv) transferable securities,
 - (v) commodity futures trading;

² This applies to financial activity in both the formal and informal sector, e.g., alternative remittance activity. It does not apply to any natural or legal person that provides other persons solely with message or other support systems for transmitting funds.

- (h) participation in securities issues and provision of financial services related to such issues;
- (i) individual and collective portfolio management;
- (j) safekeeping and administration of cash or liquid securities on behalf of other persons;
- (k) otherwise investing, administering or managing funds or money on behalf of other persons;
- (l) underwriting and placement of life insurance and other investment related insurance, including non-life insurance business;³
- (m) money and currency changing.

15. Non-governmental organizations, churches and other charitable organizations.

³ This applies to both insurance undertakings and to insurance intermediaries (agents and brokers).