

Anti-Money Laundering Office Notification

Concerning Guideline for Consideration of Risk Factors of Money-Laundering
or Combating the Financing of Terrorism or Proliferation of Weapons of Mass Destruction

As it deems appropriate to revise guidelines for consideration of risk factors related to customers, geographical area or jurisdictions, products or services, transactions or delivery channels, in order to assess risk within the organization of a financial institution or a business or a profession under Section 16 and to classify risk level of a customer.

By virtue of Article 9 paragraph three of the Ministerial Regulation on Customer Due Diligence B.E. 2563 (2020), the Secretary-General of the Anti-money Laundering Board with the consent of the Anti-Money Laundering Board hereby issues a notification as follows:

Article 1 This Notification shall come into force on the day following the date of its publication in the Government Gazette.

Article 2 The following Notifications shall be revoked.

(1) Anti-Money Laundering Office Notification Concerning Guidelines for Prescribing Factors for Customer Risk Consideration in Relation to Occupations, dated 11 October 2013.

(2) Anti-Money Laundering Office Notification Concerning Guidelines for Prescribing Factors for Customer Risk Consideration in Relation to Areas or Jurisdictions, dated 11 October 2013.

(3) Anti-Money Laundering Office Notification Concerning Guidelines for Prescribing Factors for Customer Risk Consideration in Relation to Occupations, dated 3 March 2017.

(4) Anti-Money Laundering Office Notification Concerning Guidelines for Prescribing Factors for Customer Risk Consideration in Relation to Areas or Jurisdictions, dated 3 March 2017.

(5) Anti-Money Laundering Office Notification Concerning Guidelines for Prescribing Factors for Consideration for Low-Risk Customer, dated 17 January 2020.

Article 3 Consideration of factors which may cause high risk within organization of a financial institution or a business or profession under Section 16 shall consider the following factors;

(1) Customer risk factors

(A) Information or findings indicating that customers or beneficial owners are;

1) Politically exposed persons in Thailand or international organization or their family members or close associates.

2) A person, whose name match the list of high-risk persons subjected to close monitoring, disseminated by the office.

3) A legal person, whose ownership structure is unusual or excessively complex, given the nature of their business.

4) A Business that is cash intensive.

5) A person receiving cash or operating a business trading in high value products, without a clear source of such cash or product.

6) A person who is not operating a business but engaging in activities that receive cash or asset from an unclear source.

7) A person whose residence is in, either temporary or permanent, or source of income is from, or transaction conducted in, high risk areas or jurisdictions prescribed under 3 (2).

8) A person whose residence is not in the Kingdom of Thailand.

9) A limited company that issues bearer shares.

(B) Information or findings indicating that a business relationship deviates from normal conducts or an occasional transaction is unusually conducted.

(C) Information or findings indicating that a customer involved with the commission of a predicate offence.

(D) Information or findings indicating that a business has a nominee shareholder.

(2) Area or jurisdiction risk factors

1) Areas or jurisdictions whose results of their assessment conducted or who was prescribed by international organ or organization such as the Financial Action Task Force (FATF) as not sufficiently having or applying measures in line with the international standards on anti-money laundering and combating the financing of terrorism.

2) An area prescribed by the Office as high risk for money laundering and terrorism financing.

(3) Product or service risk factors

(a) A product or service that can be offered, received, or exchanged in high value of cash.

(b) A money or value transfer which does not require transferor or transferee's identification information.

(c) A product or service conducted with anonymous transaction.

(d) Private banking or a service provided for a high net-worth customer or a customer with large amount of assets.

- (4) Transaction or delivery channel risk factor that conducted via non-face-to-face means.

Article 4 In addition to areas or jurisdictions under Article 3 (2), a financial institution or a business or a profession under Section 16 may prescribe the following areas or jurisdictions with following characteristic as high-risk factor.

- (1) Area or jurisdiction subject to embargo, or sanction measures issued by international or organization.

- (2) Area or jurisdiction identified by international organization or credible sources as having significant levels of corruption or other criminal activities.

- (3) Area or jurisdiction identified by international organization or credible sources as providing funding or support for terrorist activities, or that have designated terrorist organization operating within the area or jurisdiction.

Article 5 Financial institutions and businesses and professions under Section 16 may prescribe the following products or services as low risk.

- (1) General insurance

- (2) Life insurance policies where the annual premium not exceeding 50,000 baht or life insurance policies which a single premium not exceeding 100,000 baht

- (3) Life insurance policies where the customer or the beneficiary only entitle for claim upon death, dismemberment or total permanent disability and there is no connection with savings or dividend or interest.

- (4) Group insurance for employees' benefit or damage

- (5) Financial product for impoverished persons supported by the government with limited threshold for each customer

- (6) Payment systems under supervision, under laws on payment system

- (7) Bill payment service under laws on payment system

- (8) Financial products or services with following characteristics;

- (A) Product or service which could not be redeemed or withdrawn in cash within short period of time or could be redeemed for cash in a limited value.

- (B) Product or service which is not transnational service and cannot be used in other jurisdiction or product or service which is transnational but can be used for repayment of debt, or payment for product or service, in limited value.

(C) Product or service which cannot store large amount of value and are not transferrable or only transferrable in low value.

Total value of transaction under (A), (B) and (C) shall not exceed 50,000 baht per month.

Article 6 A financial institution or business or profession under Section 16 may include other risk factors affecting organizational risk that are not prescribed in this Notification into their risk assessment,

Article 7 Risk factors prescribed in this Notification shall be used for customer risk classification under Article 10 of the Ministerial Regulation on Customer Due Diligence B.E. 2563 (2020).

The implementation under paragraph one shall be conducted on both new and existing customers. In the case of existing customers, it shall be implemented when reviewing a customer's risk who previously established business relationship, within the specified time frame for each risk level.

Article 8 Financial institutions and businesses and professions under Section 16 shall use risk factors prescribed in this Notification to complete organizational risk assessment within 90 days from the date this Notification came into force.

Given on 14th January 2021

Police Major General Preecha Jaroensahyanon

Deputy Secretary-General

Acting Secretary-General of the Anti-Money Laundering Board