



**Asia-Pacific  
Economic Cooperation**

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**2018/ACT-NET/WKSP/006**

## **Malaysia: Tracing Assets and Anti-Money Laundering**

Submitted by: Malaysia



**Training Workshop on Asset Recovery  
Bangkok, Thailand  
20-22 March 2018**

# MALAYSIA: TRACING ASSETS & ANTI-MONEY LAUNDERING

Presented by:

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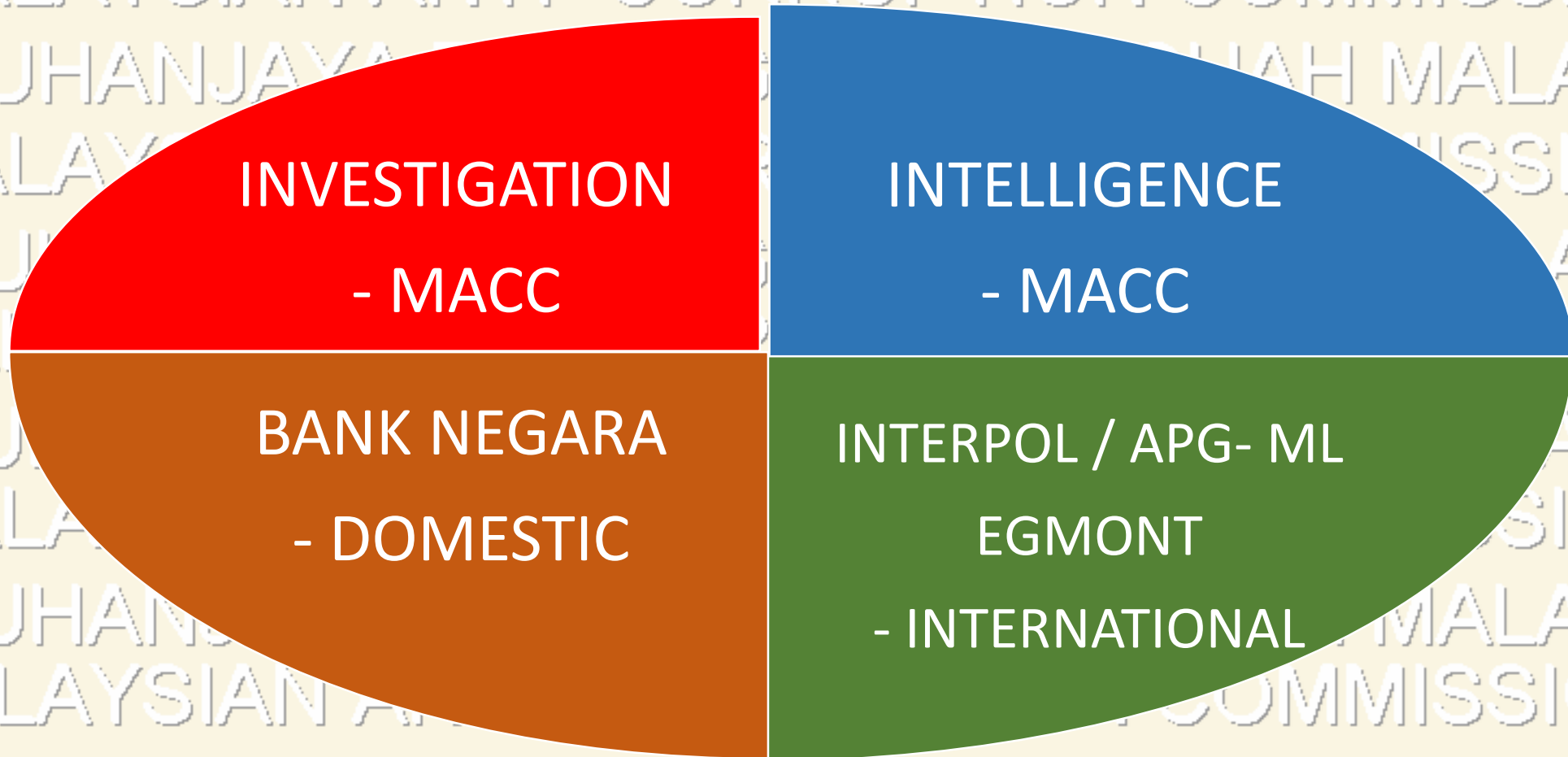
20 March 2018- ACT 01 2017-

Training Workshop on Asset Recovery





# ASPECTS OF COOPERATION







# INVESTIGATION APPROACH



SECTION / ACT	POWERS
Section 31	Power to Search and Seize Warrant
Section 33	Seizure of movable property
Section 35	Power to obtain information from Financial Institutions
Section 36	Power to obtain information
Section 38	Seizure of immovable property
Section 40- MACC Act Section 55- AMLA	Forfeiture of property where there is a prosecution
Section 41- MACC Act Section 56- AMLA	Forfeiture of property where there is no prosecution



# INTELLIGENCE APPROACH



Company  
Comm.

National  
Registration

Private Pension  
Fund

Interception

Asset  
Declaration

Road  
Transport

Telephone  
Records



# CENTRAL BANK



## BANK NEGARA MALAYSIA

### Financial Intelligence & Enforcement Division (FIED)

- Adequate investigation & enforcement powers
- AML/CFT Units set-up in key law enforcement agencies (LEAs)
- Structured training programs for financial investigators

**Number of Predicate Offences under AMLA**

**398 offences from 48 legislations**

**Total Number of Reporting Institutions under AMLA**

**44,264 Reporting Institutions from 8 Categories**

#### 8 REPORTING CATEGORIES

Banking

Capital Market

Insurance

Development Financial Institutions

Money Services Business

Other financial institutions

Electronic Money

Designated non-financial businesses and professions (DNFBPs)



# CENTRAL BANK



## National Coordination Committee to Counter Money Laundering (NCC)

### Agencies / Number of Offences under the Agencies' Purview

All Enforcement Agencies under the AMLATFA (2 Offences)

SUPERVISORY / REGULATORY		ENFORCEMENT		POLICY	
• Bank Negara Malaysia	44	• Inland Revenue Board	3	• Ministry of Domestic Trade Co-operatives and Consumerism	10
• Companies Commission of Malaysia	12	• Malaysian Anti-Corruption Commission	10	• Ministry of International Trade and Industry	13
• Labuan Financial Services Authority	21	• Royal Malaysian Customs Department	10	• Attorney General's Chambers	-
• Securities Commission	27	• Royal Malaysia Police	176	• Ministry of Finance	-
• Registrar of Societies	-	• Immigration Department of Malaysia	2	• Ministry of Foreign Affairs	-
		• Malaysian Palm Oil Board*	4	• Home Ministry	-
		• Department of Wildlife and National Parks*	28		



# MACC- SUCCESSES



OPERATION DBKL	
Cash	RM400,000
Bank	RM512,000
Shares	RM5.6 million
Motor Vehicles	RM500,000
Real Estate	RM5,000,000

OPERATION DRILL	
Cash	RM1,300,000
Motor Vehicles	RM281,000
Land	RM550,000
Real Estate	RM2,850,000

OPERATION WATER SABAH	
Cash	RM74,101,037
Bank	RM16,814,8790
Unit Trust	RM3,785,144
Gold	RM3,174,641
Overseas	Not ascertain

OPERATION SEA LORD		
	Seized	Forfeited
Cash	RM424,071	RM55,000
Bank	RM1,266,811	RM1,266,811
Motor Vehicles		RM200,000
Watches		RM20,500.00





# MACC- STATISTICS



YEAR		RM	USD
2012	SEIZED	43,371,871.00	11,120,992.56
	FORFEITED	20,733,532.00	5,316,290.26
2013	SEIZED	53,323,262.00	13,672,631.28
	FORFEITED	4,447,642.00	1,140,421.03
2014	SEIZED	21,389,934.00	5,484,598.46
	FORFEITED	3,828,672.00	981,710.77
2015	SEIZED	22,270,593.00	5,710,408.46
	FORFEITED	3,937,035.00	1,009,496.15
2016	SEIZED	207,656,212.00	53,245,182.56
	FORFEITED	4,950,124.00	1,269,262.56
2017 (Jan- Jun)	SEIZED	47,361,552.00	12,143,987.69
	FORFEITED	1,547,333.00	396,752.05

**MACC Act 2009**  
**AML Act 2001**  
**USD1- RM3.90**



# CHALLENGES



Burden of Proof

Income Tax- baseline for legitimate income

Asset Declaration- Department / Cash / Punitive  
Action

Retention of Records- bank mergers



# FIRST CYCLE REVIEW- (Chapter V) SUCCESS AND GOOD PRACTISES



## Chapter V- Asset Recovery

- The BNM Standard Operating Procedures on Receipt, Analysis and Dissemination of Financial Intelligence with foreign States (Article 52)
- Section 34 of MACMA provides that a certificate issued by an appropriate foreign authority stating that a foreign forfeiture order is in force and is not subject to appeal shall be received in evidence before a court without further proof (Article. 54)
- The flexibility of section 19 MACMA, which allows Malaysia to fulfil any request in the manner the requesting State wishes and to the fullest, within legal limits; moreover, detailed guidance and model request forms facilitate the provision of assistance (Article 55 (3))
- Continuous consultation between the requesting and the requested State is a good practice; Malaysia does not in practice refuse requests but closes the cases provisionally until additional information or evidence from requesting States is received (Articles 55 (7) and (8))
- Malaysia has enforced the provisions of MACMA resulting in proceeds of property being returned to bona fide third parties (Article 57 (2))



## CONTACT INFORMATION



**THANK YOU  
TERIMA KASIH**

**谢谢 (XIE XIE)**

**ขอขอบคุณ**

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