

Law No. 80 for 2002
Promulgating the Anti-Money Laundering Law
And its Amendments

In the Name of the People,
The President of the Republic,
The People's Assembly has passed the following Law, and we
hereby promulgate it;

Article (I)

Provisions of the accompanying Anti-Money Laundering Law shall come into force.

Article (II)

The Prime Minister shall issue the Executive Regulations of the accompanying Law, within three months as of the date of its publication.

Article (III)

This Law shall be published in the Official Gazette and shall come into force as of the day following the date of its publication.

This Law shall be stamped with the State's Seal and shall be enforced as one of its laws.

Issued at the Presidency of the Republic on 10 Rabi-ul-Awal 1423 H., corresponding to 22 May 2002 AD.

Hosni Mubarak

¹-Published in the Official Gazette, on 22 May 2002, Issue No. 20 (bis). The Law was amended by the two following laws:

- Law No. 78 for 2003 (Official Gazette, Issue No. 23 bis, on 8 June 2003).
- Law No. 181 for 2008 (Official Gazette, Issue No. 25 bis, on 22 June 2008).

The Anti-Money Laundering Law

Article (1)

In applying the provisions of this Law, the following words and phrases shall have the meanings ascribed thereto unless otherwise stated:

a) Funds:

The national currency, foreign currencies, securities, commercial papers, any valuable items, whether real estate or tangible or intangible movable property, or any rights related thereto, and deeds and documents evidencing any of the said rights.

b) Money Laundering:

Any conduct involving the acquisition, holding, disposing of, managing, keeping, exchanging, depositing, guaranteeing, investing, moving or transferring funds, or tampering with their

value, if such funds are the proceeds of any of the crimes stipulated in Article (2) of this Law, with the knowledge of that, where the purpose of such conduct is to conceal funds, alter the nature, source, location, ownership, any interest therein, change the reality, or prevent the discovery thereof or impede the identification of the perpetrator of the crime wherefrom such funds are generated.

c) Financial Institutions:

1. Banks operating in Egypt, their branches abroad, and branches of foreign banks operating in Egypt;
2. Foreign exchange companies and other entities licensed to deal in foreign currencies;
3. Entities engaged in money transmission activities;
4. Entities engaged in securities;
5. Entities engaged in receiving money;
6. The Postal Saving Fund;
7. Entities conducting mortgage activities and entities dealing in mortgage-related securitization;
8. Entities undertaking financial leasing activities;
9. Entities engaged in factoring activities;
10. Entities undertaking any type of insurance activities, private insurance funds, and insurance brokerage activities;
11. Other entities to be specified by a Prime Minister Decree, determining their obligations and the entities responsible for supervising thereof;¹

¹ Replaced by Law No. 181 for 2008. Item 11 was formerly added by Law No. 78 for 2003.

This is applicable whether the activities prescribed in this Article are undertaken by legal or natural persons.

d) Proceeds:

Funds directly or indirectly resulted or yielded from committing any of the crimes stipulated in Article (2) of this Law.

e) The Unit:

The Money Laundering Combating Unit.

f) The Competent Minister:

The Prime Minister or any minister authorized thereby.

Article (2)¹

It shall be prohibited to launder funds generated from crimes of planting, manufacturing, transporting, smuggling and exporting of narcotics or psychotropic substances and trafficking therein, and managing or preparing a place for abusing such drugs for a return; crimes of hijacking means of transportation and detaining individuals; crimes of terrorism and financing thereof as stipulated in the Penal Code, or in any other law; crimes of unlicensed importation, trading and manufacturing of weaponry, ammunition and explosives; crimes stipulated in Chapters (1), (2), (3), (4), (15) and (16) of Book II of the Penal Code; crimes of stealing and misappropriation of funds; crimes of swindling and breach of trust; crimes of deceit and fraud; crimes of concealing stolen items or those that are the proceeds of a felony or misdemeanor; crimes of receiving money in violation of Law No. 146 for 1988; crimes of infringement of intellectual property

¹ Replaced by Law No. 181 for 2008. It was formerly added by Law No. 78 for 2003.

rights; crimes of male and female prostitution; crimes against antiquities; environment crimes related to dangerous materials and wastes; crimes of murder and injury; crimes of customs evasion; crimes of dealing in foreign currencies in violation of the rules prescribed by law; crimes of illicit gains; crimes stipulated in Article 64 of the Capital Market Law, promulgated by Law No. 95 for 1992; and the organized crimes referred to in international treaties, and their supplementing protocols, to which the Arab Republic of Egypt is a party, where such crimes are penalized under the Egyptian Law, whether the money laundering or the referred to crimes are committed within the Egyptian territories or abroad, provided that such crimes are penalized by both Egyptian and foreign laws.

Article (3)

An independent unit with a special nature shall be established at the Central Bank of Egypt to combat money laundering, wherein the concerned entities shall be represented. The Unit shall assume the responsibilities prescribed under this Law. It shall be provided with a sufficient number of experts and specialists in the fields related to the application of the provisions of this Law, and staffed with qualified and trained employees.

The President of the Republic shall issue a decree on the formation of this Unit, its management system, statutes, without being restricted by any rules or by-laws applicable to the government, public sector, and the public enterprise sector.

Article (4)

The Unit shall be responsible for receiving reports from financial

institutions and other entities* concerning transactions suspected of involving money laundering or terrorism financing* .

The Unit shall establish a database for all available information, and shall establish the means ensuring that such information is accessible to judicial authorities and any other entities responsible for the enforcement of this Law; and shall exchange such information and coordinate with public control entities in the State and with competent authorities in foreign countries and international organizations, in accordance with the provisions of international treaties to which Egypt is a party, or according to the principle of reciprocity.

Article (5)¹

The Unit shall undertake investigation and examination of reports and information received thereby concerning transactions suspected of involving money laundering or terrorism financing, and shall inform the public prosecution of the indications revealed by investigation as to the commitment of any of the crimes stipulated in this Law.

The Unit may request the public prosecution to take provisional measures in accordance with Articles 208-a (bis), 208-b (bis), and 208-c (bis) of the Code of Criminal Procedures.

Provisions of the last paragraph of Article (98) of Law No. 88 for 2003 Promulgating the Law on the Central Bank, the Banking Sector and Money, shall apply to money laundering, terrorism and terrorism financing crimes.

* , Two new phrases "and other entities" and "or terrorism financing" were added to the Article by virtue of Law No. 181 for 2008. The latter phrase was also added to articles (5, 7, 8, and 11) of this Law.

¹ The last paragraph was replaced by virtue of Law No. 181 for 2008.

Article (6)

Personnel of the Unit to be designated by a Minister of Justice decree, upon the request of the Governor of the Central Bank of Egypt, shall have the capacity of law enforcement officers with respect to the crimes stipulated in this Law as related to their job duties.

Article (7)¹

Entities assigned by different laws and systems to supervise financial institutions shall establish and provide adequate means for ensuring that such institutions comply with the systems and rules prescribed by law for combating money laundering or terrorism financing, including the reporting of transactions suspected of involving money laundering or terrorism financing. Such entities and financial institutions shall provide the Unit with the data, information, and statistics necessary for carrying out its duties, and with the transactions to be stipulated in the Executive Regulations, in accordance with the procedures set by the Unit.

The Unit shall follow up the entities and institutions indicated in this Article with respect to the compliance stipulated in the previous paragraph, in accordance with the Executive Regulations.

And in all cases, competent authorities shall report to the Unit any available information regarding money laundering and terrorism financing crimes, actions taken related thereto and the results thereof.

¹ The second and third paragraphs and the last phrase at the end of the first paragraph were added by virtue of Law No. 181 for 2008.

Article (8)¹

Financial institutions shall report to the Unit financial transactions suspected of involving money laundering or terrorism financing, referred to in Article (4) of this Law, as well as trials to conduct such transactions; shall establish systems adequate for obtaining information on the identification and legal status of customers and the beneficial owners, whether natural or legal persons, through official or acceptable customary verification means; and shall register the information concerning such identification.

Financial institutions may not open anonymous accounts or accept anonymous deposits, funds or trusts or under false or fictitious names.

The Executive Regulations shall determine the rules to be followed in establishing the aforementioned systems; and the Unit shall set the forms to be used for such purposes.

Article (9)

Financial institutions shall maintain records and documents for domestic or international financial transactions that contain sufficient data for identifying such transactions; keep such records and documents and records on customers and beneficiaries data referred to in Article (8) of this Law, for a period not less than five years from the date of completing the transaction with the financial institution, or from the date of closing the account, as the case may be. Financial institutions shall update such data periodically and provide access to such records and documents to judicial authorities, and the entities responsible for the enforcement of this Law, when requested during examination, investigation, and collection of indications; or enquiry or trial on

¹ The phrase "as well as attempts to conduct such transactions" was added to the first paragraph of this Article by virtue of Law No. 181 for 2008.

any of the crimes subject to these provisions.

Financial institutions may maintain microfilm copies instead of originals for the period referred to, and such copies shall have the authenticity of the originals in matters related to proof, if prepared, maintained and retrieved in accordance with the rules to be issued by the Unit.

Article (10)

Criminal liability shall not apply to any person who, in good faith, fulfils the obligation of reporting suspicious transactions subject to the provisions of this Law, or provides information or data thereon in violation of the rules imposed to ensure their secrecy. Civil liability shall not apply if such suspicion is believed to be founded on reasonable grounds.

Article (11)

It shall be prohibited to disclose to a customer, beneficiary or any person other than the authorities and entities responsible for enforcing the provisions of this Law any of the reporting, investigation or examination procedures taken with regard to financial transactions suspected of involving money laundering or terrorism financing or any information related thereto.

Article (12)¹

¹ Replaced by virtue of Law No. 181 for 2008.

Without prejudice to Articles (116) and (126) of Law No. 88 for 2003 Promulgating the Law on the Central Bank, the Banking Sector and Money, any passenger, upon entering into or exiting from the country, shall declare to the customs authorities any amounts he/she carries of foreign currencies, securities and negotiable bearer commercial papers, where their value exceed US\$ 10.000 (ten thousand US dollars) or their equivalent in foreign currencies. In this regard, provisions of Article (126) of the referred to Law on the Central Bank, the Banking Sector and Money, shall apply. Declaration shall be made in accordance with the rules and procedures to be set by the Executive Regulations.

Personnel of Customs Authorities, with Law enforcement capacity, may, in case of failure to declare or provision of false information, question the violator about the source of such possessions of the referred to currencies, securities and commercial papers and the purposes of their use. Such authorities shall take measures for seizing the currencies, securities and commercial papers in the cases stipulated in the previous paragraph, and where there are indications of committing a money laundering or terrorism financing crime, provided that such authorities report the procedures taken thereby to the competent authorities to take the necessary action in their regard.

Article (13)

Without prejudice to any severer penalty stipulated under the Penal Code or any other law, crimes stated in the following Articles shall be punishable by the penalties stipulated therein.

Article (14)¹

Any person who commits, or attempts to commit, the money laundering crime stipulated in Article (2) of this Law shall be imprisoned for a period not exceeding seven years, and fined a sum twice the amount of money subject of the crime.

The verdict shall in all cases ordain confiscation of the seized funds, or an additional fine equivalent to the value thereof, where

¹ The last phrase was added to the end of the second paragraph by virtue of Law No. 181 for 2008.

such funds cannot be seized, or in case of disposal thereof to bona fide third parties. This crime shall be excluded from application of the provisions of paragraph two of Article (32) of the Penal Code.

Article (15)

Any person violating any of the provisions of Articles (8, 9 and 11) of this Law shall be penalized by jail and fined an amount not less than five thousand Egyptian pounds and not more than twenty thousand Egyptian pounds, or either penalties.

Article (16)¹

Where the crime is committed by a legal person, the natural person responsible for actual management of the violating legal person shall be penalized by the same penalties stipulated for the acts committed in violation of the provisions of this Law, if knowledge thereof is established, and the crime is committed as a result of the violation of the job duties of such person.

The legal person shall be jointly liable for the payment of any financial penalties and damages if the crime committed in violation of this law is perpetrated by one of its staff in its name and interest.

The court shall ordain publication of the verdict at the expense of the legal person in two daily widespread newspapers. The court may order suspension of the activity of the legal person for a period not exceeding one year.

Article (17)²

¹ The third paragraph was added by virtue of Law No. 181 for 2008.

² Amended by Law No. 78 for 2003.

In case of multiple perpetrators in a money laundering crime, where one of the perpetrators reports to any of the authorities concerned with enquiry or investigation on the crime and the other perpetrators, before their first knowledge thereof, or after knowledge but such a report leads to the arrest of the other perpetrators or seizure of funds subject of the crime, the court, based upon its discretion as to fulfillment of the said conditions, shall rule that the reporting perpetrator be exempted from the penalties of imprisonment and fine stipulated in the first paragraph of Article (14) of this Law, but not from any of the ancillary penalties stipulated in the second paragraph of the same Article.

Article (18)¹

The Egyptian judicial authorities shall cooperate with foreign judicial authorities in the field of money laundering and terrorism financing crimes, with respect to judicial assistance and representation, extradition of accused and convicted persons and handing over of items, in accordance with the rules stipulated in bilateral or multilateral treaties to which Egypt is a party, or on the basis of the principle of reciprocity.

Article (19)

The Authorities referred to in Article (18) of this Law may, in particular, request taking the legal procedures necessary to trace, freeze or seize the funds subject of the money laundering and terrorism financing crimes, without prejudice to the rights of bona fide third parties.

¹ The phrase "and terrorism financing " was added after the phrase "money laundering" stipulated in Articles (18, 19 and 20), by virtue of Law No 181 for 2008.

Article (20)

Competent Egyptian judicial entities may order enforcement of final criminal rulings issued by competent foreign judicial authorities, concerning the confiscation of the funds resulting from money laundering and terrorism financing crimes or proceeds thereof, in accordance with the rules and procedures stipulated in bilateral or multilateral treaties to which Egypt is a party.

Bilateral or multilateral treaties may be concluded to regulate disposal of funds for which a final ruling of confiscation has been issued by Egyptian or foreign judicial entities in money laundering and terrorism financing crimes. Such treaties shall include rules for distributing the said funds among parties to the treaty, in accordance with the provisions stipulated therein.