



QATAR-AMERICA
INSTITUTE

Briefing Report

Qatar's Aggressive Actions Against Money Laundering and Terrorism Finance

Qatar-America Institute Welcomed Qatar's Minister of Finance and Governor of the Central Bank of Qatar

Executive Summary

- Qatar has a robust legal framework in place to combat money laundering and terrorist financing and Qatar is committed to its effective implementation.
- Qatar has aggressively adopted new laws to maintain the integrity of Qatar's financial system and to protect it from abuse by criminal behavior, including terrorist financing and to make Qatar a hostile environment for illicit finance.
- The scope of these laws is designed to bring all of the financial entities under Qatar's jurisdiction under the umbrella of one regulatory authority – the National Anti-Money Laundering and Terrorism Financing Committee.
- The laws and related regulations apply to all relevant sectors, including: banks, Insurance, money transmission services, broker- dealers (securities), asset management financial advisory, designated non-financial businesses and professions (DNFBPs).
- Qatar has signed a Memorandum of Understanding with the Government of the United States relating to co-operation on anti-money laundering and countering terrorism financing. Qatar is currently hosting annual bilateral workshops with the US (Treasury, Justice and State Departments) and their Qatari counterparties to implement the provisions of the MoU.



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Qatar-America Institute was very pleased to launch its inaugural policy breakfast by welcoming its distinguished keynote speakers: Qatar’s Minister of Finance H.E. Ali Shareef Al Emadi, and the Governor of the Qatar Central Bank H.E. Sheikh Abdulla Saoud Al-Thani.

The Qatari financial leaders spoke in Washington, D.C. over breakfast to a select audience of diplomats, sitting and former Congressmen, members of the national media, think-tankers, academics, and foreign policy professionals on their country’s continuing anti-money laundering and counterterrorism finance efforts.

The intimate breakfast symposium was hosted by the newly commissioned Chairman of the Qatar-America Institute, Chase Untermeyer, the former U.S. Ambassador to Qatar (2004-2007).

The Ambassador lauded the establishment of the Qatar-America Institute as a means to promote greater understanding and cooperation between the small Gulf country of Qatar and its long-standing ally in the United States.



The Ambassador introduced His Excellency Ali Shareef Al-Emadi, the Minister of Finance of the State of Qatar, who hailed his country’s decades-long relationship with the United States:

“Today it seems normal that US companies operate our natural resource projects and six American Universities have a campus in Doha, but twenty years ago this was not the case. The strong relationship between Qatar and the United States was responsible for a vision that many of our Gulf neighbors are only now starting to think of.” – **Minister of Finance Ali Shareef Al-Emadi**



As the Minister explained, this relationship has promoted billions of dollars in mutual Qatari and American investments and created numerous American jobs due to the influx of up to 650,000 Qatari tourists in the United States per year.

The strategic relationship has been integral to Qatari and American efforts to broker relations with such groups as the Taliban and Hamas, and has been a linchpin in the fight against terrorism financing throughout the region:

“Some people link Qatar to IS, Hamas, or the Taliban. In fact, the Taliban’s office in the US was brought to Doha in full coordination with the US government in order to negotiate conflict. Similarly in 2006, per discussion with the US, Hamas established an office in Qatar.” - **Minister of Finance Ali Shareef Al-Emadi**

As the Minister further explained, Qatar has come a long way in ensuring that charitable donations made by individuals in Qatar are channeled to the right people instead of redirected to extremist groups. The country has severely limited all charitable organizations from doing anything with their money outside of Qatar:



Law No. 15 of 2014 Regulating Charitable Activities and Regulatory Authority of Charitable Activities (“RACA”):

- Only charities licensed and supervised by RACA are permitted to raise funds for charitable purposes.
- Charities may not receive funds from, or send funds to, any person or entity located outside of Qatar without the prior approval of RACA
- RACA has the power to dissolve charitable organisations if, among other things, it breaches the provisions of this law or engages in political activities
- Charities have detailed record-keeping requirements and RACA has access full access to bank accounts, etc.

The Minister further noted that Qatar has been building upon its existing laws to disrupt support from terrorism at home and abroad, including by implementing severe punishments for those that do:

Law No (3) of 2004 on Combatting Terrorism and Decree (11) of 2017 to the Counterterrorism Law:

- Prohibitions on providing information, training, supplies, weapons, financing, and material support to terrorists and terrorist organizations
- Criminalizes collaboration with or joining organizations or groups, which commit a terrorist crime (whether against the State of Qatar or not); and outlaws obtaining military training from such organizations or groups abroad
- Prohibits creating, directing, or using entities, associations, or organizations to commit terrorist activities
- Provides the prosecution with significant powers of investigation and detention, which are broader than those in normal criminal matters
- Proscribes minimum and significant penalties and provides legal authority for Qatar’s designation of individuals and organizations

The Minister turned the floor over to His Excellency Sheikh Abdulla Bin Saoud Al-Thani, the Governor of the Central Bank of Qatar.

Governor Al-Thani explained the nuances of Qatar’s anti-money laundering and counter-terrorism financing initiatives. He explained that the Central Bank has brought all the regulations of Qatar’s financial centers together under the umbrella of a more concentrated regulatory framework called the “Anti-Money Laundering and Counter-terrorist Financing System” (AML/CFT), which is overseen by the “National Anti-Money Laundering and Terrorism Financing Committee“ (NAMLC).



“The scope of these laws is designed to bring all of the financial entities under Qatar’s jurisdiction under the umbrella of one regulatory authority – the National Anti-Money Laundering and Terrorism Financing Committee, Chaired by Qatar’s Central Bank Deputy Governor. Under this body are three main committees which oversee AML/CFT operations in Qatar: National Counterterrorism Committee, National committee for Prohibiting Weapons, and National Committee for Integrity and Transparency.” - **Governor of the Central Bank of Qatar Abdulla Bin Saoud Al-Thani**

The Governor pointed to several laws instated in recent years that, among other things, criminalize money laundering and terrorist financing, prevented collaboration with terrorist groups, imposed reporting requirements, investigatory procedures, and penalties, limited cyber-crimes, and regulated charitable activities:

Law No. (4) of Year 2010 on Combating Money Laundering and Terrorism Financing:

- Criminalizes money laundering and terrorist financing (and activities that facilitate or contribute to such crimes) in line with FATF Recommendations
- Mandates preventative measures, detailed customer due diligence, and suspicious reporting requirements for financial institutions, DNFBPs and charities
- Establishes clear legal basis for investigations, prosecutions, freezing and seizing of assets, and facilitates international extraditions
- Establishes the powers and responsibilities of competent authorities to monitor compliance by financial institutions and DNFBPs
- Statutory mandate for National Anti-Money Laundering and Terrorism Financing Committee, Financial Information Unit and facilitates international cooperation

These laws, he explained, have been applied to all relevant sectors including banks, services relating to money transmission, asset management, and financial advisory, as well as to designated non-financial businesses like law firms, accounting firms, real estate firms, trust funds, and charities.

With all these financial and nonprofit organizations regulated together under the umbrella of the NAMLC's regulations, Qatar now can align the roles and principles of its financial and nonprofit sectors with international requirements.

This cooperation allows Qatar to aggressively control the flow of money across its borders and to consolidate information to monitor and investigate suspicious transactions.



Furthermore, all Qatari banks have implemented market-leading technologies to ensure effective transaction monitoring, to screen financial transfers and remittances against data from allied countries and terrorism watch lists, and to screen new and existing customers, employees, vendors, agents and third parties.

Sheikh Abdulla Bin Saoud Al-Thani concluded his presentation by praising Qatar's robust legal framework to combat money-laundering and terrorist financing and stressed how deeply financial regulators are committed to ensuring full compliance with AML/CFT requirements.

Q&A Session

The symposium concluded with a question-and-answer-session, in which participants asked about the impact of the UAE-led blockade, Qatar’s relationship with Iran, and the country’s vision for future investments in the United States.

Iran

“ If you look at trade date for 2016 between Qatar and Iran, it comes to \$118 million. Others countries in the GCC have allowed for a trade balance of \$17 billion with Iran. Since the begginign of the blockade, Qatar has traded less than \$15 million with Iran. Because of the blockade, we have opened up trade to more than 80 other countries other than Iran, and by comparison, our trade relationship with Iran is extremely small.” - **Minister of Finance Ali Shareef Al-Emadi**

The investment impact of the blockade on Qatar

“We have not seen any drawback for investment appetite in Qatar from the international community. What we have seen is new opportunities to form new partnerships and diversify our economic relationship with the rest of the world.” - **Governor of the Central Bank of Qatar Abdulla Bin Saoud Al-Thani**

A renewed sense of nationalism and national unity.

“Qatar has a proven record of transforming its natural resource wealth into positive developments for the country and the world, including by investing in education, healthcare, and regional stability. I fully expect Qatar to continue these efforts with a renewed sense of urgency under the blockade. - **Minister of Finance Ali Shareef Al-Emadi**

Watch and listen to the full event here:



PODCAST

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