

**SENATE OF PAKISTAN  
HOUSE OF THE FEDERATION**

REPORT NO.7 OF 2017



*House of the Federation*

**REPORT OF THE STANDING COMMITTEE ON FINANCE, REVENUE,  
ECONOMIC AFFAIRS, STATISTICS AND PRIVATIZATION**

**ON**

**THE ANTI-MONEY LAUNDERING (AMENDMENT) BILL, 2017"  
INTRODUCED BY SENATOR MUHAMMAD AZAM KHAN SWATI**

**PRESENTED BY**

**SENATOR SALEEM MANDVIWALLA**

## SENATE SECRETARIAT

### **REPORT OF THE STANDING COMMITTEE ON FINANCE, REVENUE, ECONOMIC AFFAIRS, STATISTICS AND PRIVATIZATION ON THE PRIVATE MEMBER'S BILL TITLED "THE ANTI-MONEY LAUNDERING (AMENDMENT) BILL, 2017"**

I, Senator Saleem Mandviwalla, Chairman Standing Committee on Finance, Revenue, Economic Affairs, Statistics and Privatization, have the honour to submit, on behalf of the Committee, this report on a Private Member's Bill further to amend the Anti-Money Laundering Act, 2010 [The Anti-Money Laundering (Amendment) Bill, 2017], introduced by Senator Muhammad Azam Khan Swati on 13<sup>th</sup> March, 2017, and referred by the House to the Standing Committee for consideration and report;

2. The composition of the Standing Committee is given as under: -

(1)	Senator Saleem Mandviwalla	Chairman
(2)	Senator Ilyas Ahmed Bilour	Member
(3)	Senator Muhammad Mohsin Khan Leghari	Member
(4)	Senator Ms. Ayesha Raza Farooq	Member
(5)	Senator Muhammad Talha Mahmood	Member
(6)	Senator Ms. Nasreen Jalil	Member
(7)	Senator Kamil Ali Agha	Member
(8)	Senator Mushahid Uallah Khan	Member
(9)	Senator Saud Majeed	Member
(10)	Senator Sardar Fateh Muhammad Muhammad Hassani	Member
(11)	Senator Osman Saifullah Khan	Member
(12)	Senator Mohsin Aziz	Member
(13)	Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization	Ex-Officio Member

M. J.

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3. The Committee considered the said Bill in its meeting held on 28<sup>th</sup> April, 2017, which was attended by the following, namely:-

(1) Senator Saleem Mandviwalla	Chairman
(2) Senator Ilyas Ahmed Bilour	Member
(3) Senator Kamil Ali Agha	Member
(4) Senator Mushahid Ullah Khan	Member
(5) Senator Muhammad Azam Khan Swati	Mover

4. The mover briefed the Committee about the aims and objectives of the said Bill and stated that a large number of people in Pakistan were involved in money laundering but the concerned authorities were unable to take any action against them due to lack of evidence and strictness in the law and people were taking advantage of it. Therefore, in order to prevent money laundering and transfer of public money to the foreign banks through illegal means, the law must be strict and the punishments should be enhanced in order to empower relevant authorities to curb money laundering and take action against the people involved in that illegal activities.

5. While opposing the Bill, the Secretary, Finance Division, said that the punishments already prescribed under the Anti-Money Laundering Act, 2010, were sufficient and in accordance with the best international practices. He further said that in the existing Act, minimum punishment was an imprisonment for one year which may extend to ten years and the forfeiture of property involved in the money laundering was also a major punishment.

6. The Committee observed that under the Anti-Money Laundering Act, only one conviction had been made so far and was of the view that there was no need to make any further amendment in the said Act. Senator Muhammad Azam Khan Swati, Member-in-Charge of the Bill, stated that he would not press the instant Bill further and withdraw the same in the House, as per Senate rules.

M. J.

7. The Committee recommended that the House may grant leave to Senator Muhammad Azam Khan Swati to withdraw the Anti-Money Laundering (Amendment) Bill, 2017, in terms of Rule 115 of the Rules of Procedure and Conduct of Business in the Senate, 2012. The Committee gave approval for presentation of this Report to the House.

8. The Bill, as introduced in the Senate, is at Annex-A.



**(MUHAMMAD TAHIR KHAN)**  
Secretary (Committee)



**(SENATOR SALEEM MANDVIWALLA)**  
Chairman (Committee)

Islamabad, the  
28<sup>th</sup> April, 2017

**[TO BE INTRODUCED IN THE SENATE]**

**A**

**Bill**

*further to amend the Anti-Money Laundering Act, 2010*

**WHEREAS** it is expedient further to amend the Anti-Money Laundering Act, 2010 (VII of 2010) for the purposes hereinafter appearing;

It is hereby enacted as follows:-

**1. Short title and commencement.-** (1) This Act may be called the Anti-Money Laundering (Amendment) Act, 2017.

(2) It shall come into force at once.

**2. Amendment of section 4, Act VII of 2010.-** In the Anti-Money Laundering Act, 2010 (VII of 2010), in section 4,-

(i) for the words "which shall not be less than one year but may extend to ten years and shall also be liable to fine which may extend to one million rupees" the words "which shall not be less than ten years but may extend to imprisonment for life or with fine which shall not be less than ten million rupees but may extend to twenty five million rupees or with both" shall be substituted; and

(ii) in the proviso for the words "five million rupees" the words "fifty million rupees" shall be substituted.

**STATEMENT OF OBJECTS AND REASONS**

In Pakistan there are many people who are involved in money laundering but due to lack of evidence the higher authorities are unable to take any action against them, and there is no strictness in the law that's why these people are causing harm to economy of the country and also to the public money. For the purpose of preventing money laundering and transferring public money to the foreign banks by illegal means from the country, the law must be strict so that the higher authorities may take full action against those who are involved in this offence.

This Bill has been designed to achieve aforementioned purpose.

**SENATOR MOHAMMAD AZAM KHAN SWATI**  
**Member-in-Charge**