



وزارة العدل والشؤون الإسلامية والأوقاف
Ministry of Justice, Islamic Affairs
and Waqf

Normal and enhanced due diligence procedures to be implemented by lawyers and foreign legal consulting offices

Order No. (14) of 2021 Regarding the Measures to Prohibit and Combat Money Laundering, Terrorism Financing and Illegal cross-border transfer of funds in the Profession of Lawyers and Foreign Legal Consulting Offices and the Rules related to Freezing and Unfreezing the Funds, and the Prohibition of dealing with persons or entities on the Terrorist Lists

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Order No. (12) of 2021 regarding the National Terrorism Lists and the implementation of Security Council resolutions of the United Nations promulgated under Chapter VII of the Charter of the United Nations concerning the prevention and suppression of terrorism and its financing in addition to preventing, suppressing and stopping the spread and financing of weapons of mass destruction



Normal due diligence procedures and rules

Implementing normal due diligence procedures towards clients that requested legal work or work of special nature in the following cases:

1

If the client is a natural person and is not a politically exposed person.

2

If the client is a ministry, agency, governmental authority, or any legal person wholly owned by the Kingdom, or a financial institution licensed by the Central Bank of Bahrain.

3

If the client is the ultimate beneficiary.

4

If the client's name is not on the Sanctions List or the National Terrorism Lists.

5

If the client is a politically exposed person, and the legal work required relates to personal status, or labor contract or any legal work that does not require transfer of funds or dealing with it.

6

If the work requested does not fall within the scope of suspicious or unusual transactions, attempt to deal in them, or work of special nature, and is not related to a high-risk country.

Normal due diligence procedures:

1

Verifying the information provided by the client when conducting the legal work or work of a special nature.

2

Verifying the credibility of the data concerning the identity of the client and the ultimate beneficiary and record it in the register approved by the Ministry - the disclosure form and electronic registers- and inform the Enforcement Unit and the Follow-up Unit of any suspicious data, in addition to updating the data and documents periodically.

3

It is not permissible to deal with unknown individuals or individuals who refrain from providing data concerning their identity or the identity of the ultimate beneficiary, or if the documents necessary for implementing normal due diligence and enhanced due diligence are not fulfilled.

4

Refrain from informing the client about any information related to suspicious or unusual transactions or attempting to deal in them that has been detected, and not informing him about any action taken or will be taken in respect of it.

Implementing enhanced due diligence procedures towards clients that requested a legal work or work of special nature in the following cases:

1

If the client is a politically exposed person and the required legal work is not related to personal status or labor contracts.

2

If the client's name is on the Sanctions List or the National Terrorism Lists.

3

If the client is not the ultimate beneficiary.

4

If the work requested by the client falls within the scope of any of the work of a special nature.

5

If the legal work requested by the client is related to or will be conducted in a high-risk country, or if the ultimate beneficiary is a resident or citizen to it, or if the source of funds is from those countries or will be transferred to them.

6

If the lawyer or the foreign office finds out that the legal work requested by the client is considered to be as high-risked or there is a possibility of money laundering, terrorism financing or illegal cross-border transfer of funds, even if none of the points from (1) to (5) is valid.

Enhanced due diligence procedures:

In addition to the normal due diligence procedures stipulated above, the lawyer and the foreign office shall implement the following enhanced due diligence procedures upon the existence of any of the cases aforementioned and notify the compliance officer or his deputy immediately upon implementing the procedures:

1

Obtaining more information to determine the identity of the client and the ultimate beneficiary, and it is permissible to rely on the approved electronic methods and means to receive identities by implementing the recommendations issued by the Financial Action Task Force (FATF) related to electronic identity (Digital Identity). The lawyer and the foreign office shall inform the Enforcement Unit and notify the Follow-up Unit regarding any suspicious act or data.

2

Ensure the suitability of legal work or work of special nature to the nature of the client's activity.

3

Inquire about the source of funds and follow reasonable procedures to verify their sources, and inquire about the purpose of legal work or works of special nature, in particular for politically exposed persons.

4

Any other procedures or measures that are more effective in line with the legal work or work of special nature.

5

Request clarification of complex or unusual transactions and their purpose if it is not clear.

6

Freeze any funds or legal work of a special nature they have that is related or beneficial to any of the persons or entities whose names are included in the Sanctions List or the National Terrorism Lists, and keep a record of it and inform the Enforcement Unit, The Committee and the Follow-up Unit, and notify the client immediately after the freezing procedures are completed or lifted.

Contact Details

The Follow-up Unit: Gr-followup@moj.gov.bh

The Enforcement Unit: Str@bahrainfiu.gov.bh

