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LAW ON THE PREVENTION OF MONEY LAUNDERING AND FINANCING OF TERRORISM

CHAPTER I.

GENERAL PROVISIONS

Article 1

This Law shall regulate the measures, the activities and the procedures that the entities and the competent bodies take for detecting and preventing money laundering, connected crimes, and financing of terrorism (hereinafter: money laundering and financing of terrorism), as well as the operation and the competence of the Financial Intelligence Office (hereinafter: the Office).

Definitions

Article 2

The terms used in this Law shall have the following meaning:

1. **“Money laundering”** are the activities envisaged by the Criminal Code as a crime of laundering money and other proceeds of crime;
2. **“Financing of terrorism”** are the activities envisaged by the Criminal Code as a crime of financing of terrorism;
3. **“Act of terrorism”** is a crime defined in Article 2 of the International Convention for the Suppression of the Financing of Terrorism ratified in accordance with the Law on Ratification of the International Convention for the Suppression of the Financing of Terrorism (“Official Gazette of the Republic of Macedonia” no. 30/2004) as a crime of terrorism and other crimes connected to terrorism envisaged by the Criminal Code;
4. **“Terrorist”** is a natural person who:
 - a) commits or attempts to commit an act of terrorism by any means, directly or indirectly, unlawfully and willingly;
 - b) participates as an accomplice in an act of terrorism;
 - c) organizes or directs others to commit an act of terrorism; or
 - d) contributes to the commission of an act of terrorism by a group of persons acting with a common purpose, with the aim of committing the act of terrorism and/or with the knowledge of the intention of the group to commit an act of terrorism;
5. **“Terrorist organization”** is a group of terrorists that:
 - A) commits or attempts to commit an act of terrorism by any means, directly or indirectly, unlawfully and willingly;
 - b) participates as an accomplice in an act of terrorism;
 - c) organizes or directs others to commit an act of terrorism; or
 - d) contributes to the commission of an act of terrorism by a group of persons acting with a common purpose, with the aim of committing the act of terrorism and/or with the knowledge of the intention of the group to commit an act of terrorism;
6. **“Proceeds of crime”** are any property or benefit obtained or received, directly or indirectly, by committing a crime. The proceeds of crime also include proceeds of crime committed abroad, provided

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that it has been envisaged as a crime at the time of its commission, both under the laws in the country where it has been committed and under the laws of the Republic of Macedonia;

7. **“Connected crime”** is a crime that generates proceeds which may be the object of commission of the crime of money laundering;

8. **“Property”** are money or other payment instruments, securities, deposits, other ownership of any kind, tangible or intangible, movable or immovable, regardless of the manner of acquisition, as well as other rights on things, claims, legal documents in any form, including in a written or electronic form, that prove the ownership of the property or the interest/share in such property;

9. **“Financial institutions”** are:

a) banks and savings houses established on the basis of a license of the governor of the National Bank of the Republic of Macedonia, the principal activity of which is to accept deposits and other repayable sources of funds from the public and to extend credits on their own behalf and for their own account;

b) legal entities that are not banks or savings houses that carry out one or several of the following activities:

- crediting, including factoring and financing of commercial transactions,
- issuance and administration of means of payment (payment cards, checks, traveler's checks, bills of exchange),
- issuance of electronic money,
- financial leasing,
- currency exchange operations,
- payment services (payment transactions in the country and abroad, including deposit and withdrawal of cash at the account through which payment transactions are made, activities related to opening, keeping/maintaining and closing of the account, making payment transactions, issuance of payment instruments/or acceptance of payment transactions, money remittances (fast money transfer), services for initiation of payments),
- issuance of payment guarantees, avals and other forms of collateral,
- trade in instruments on the money market,
- trade in foreign currency, including trade in precious metals,
- trade in securities,
- trade in financial derivatives,
- asset and securities portfolio management for clients and/or investment advising of clients,
- provision of services for safeguarding investment and pension funds' assets,
- purchase and sale, guaranteeing or placement of securities emission,
- safeguard of clients' securities,
- giving advices to legal entities in relation to the structure of the capital, business strategy or other related issues, or provision of services related to merger or acquisition of legal entities,
- intermediation in the conclusion of credit and loan agreements, and
- processing and analyzing information on the legal entities' creditworthiness,

c) insurance companies, insurance brokerage companies, companies for insurance representation, insurance brokers and insurance agents, that carry out life insurance activities, that is, carry out activities for representation or intermediation in insurance when concluding life insurance contracts;

d) companies for management of private investment funds and private funds;

e) companies for management of open-end investment funds and closed- end investment funds;

f) companies for management of mandatory and voluntary pension funds;

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g) branch offices of foreign financial institutions from points a) to f) in the Republic of Macedonia;

h) the Macedonian Post Office AD in the part pertaining to postal money remittance;

i) and other legal entities or natural persons that, in accordance with the law, carry out one or several activities related to extension of credits, issuance of electronic money, issuance and administration of credit cards, financial leasing, factoring, forfaiting, provision of investment advisory services, intermediation in micropayment, keeping or administering/distributing cash, and other financial activities determined by a law;

10. **“Business relationship”** is a business, professional or commercial relationship which is connected with the professional and business activities of the entity referred to in Article 5 of this Law and which is expected, at the time when it is established, to have an element of duration;

11. **“Occasional transaction”** is a transaction which is not made within the framework of an established business relationship;

12. **“Client”** is a natural person, legal entity, foreign trust and similar legal arrangement which is establishing, has established a business relationship with the entity or makes an occasional transaction;

13. **“Transaction”** is deposit and/or withdrawal of cash, acceptance and withdrawal of deposits, exchange of currencies, money transfers, conclusion of contracts, purchase and sale of goods and services, sale or assignment of basic capital, sale or assignment of stocks or shares, registration of securities or transfer of securities or other property, and other activity carried out by the entities in accordance with their legal powers;

14. **“Money”** are cash, commercial bank money or electronic money;

15. **“Cash”** are banknotes and coins which, on the basis of a law, are in circulation in the Republic of Macedonia or a foreign country;

16. **“Electronic money”** are electronic money in accordance with the law;

17. **“Physically transferable means of payment”** are travelers’ cheques, cheques, bills of exchange, money remittances, and other physically transferable means of payment that are payable to the bearer or are transferable without limitations;

18. **“Providers of services to legal entities or trusts”** are natural persons or legal entities that, within the scope of their operation, provide the following services to third parties:

a) establishment of legal entities;

b) acting as or engaging another entity to act as a governing body or a member of the governing body of a legal entity;

c) providing a head office, business address, correspondence address or other related services for a legal entity or a foreign trust;

d) acting as or engaging another entity to act as a manager of a foreign trust or a similar legal arrangement established by an explicit statement;

e) acting as or engaging another entity to act as a partner or to act as a stockholder for another entity (except for a trade company listed on the stock exchange);

19. **“Trust”** is a legal relationship which is established in accordance with the regulations of another country between a person-founder, during one’s lifetime (inter vivos) or upon one’s death, where the property is given to be administered to a trustee for the benefit of a beneficiary/a group of beneficiaries or for a particular purpose;

20. **“Beneficial owner”** is any natural person (persons) who ultimately owns the client or controls the client and/or a natural person (persons) on whose behalf a transaction is made. The term also includes a

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natural person (persons) who ultimately and effectively controls a legal entity or a foreign legal arrangement;

21. **“Register of beneficial owners”** is an information system which enables receipt, recording, processing, keeping and exchange of data and/or documents about the beneficial owners in an electronic form;

22. **“Public office holders”** are natural persons who hold or who have held a public office in the Republic of Macedonia or in another country, such as:

- a) presidents of states and governments, ministers and deputy ministers or assistant ministers;
- b) elected representatives in the legislative power;
- c) judges in supreme or constitutional courts or other holders of high- ranked judicial offices against whose decision, except in exceptional cases, legal remedies are not allowed;
- d) members of governing bodies of supervisory and regulatory bodies and agencies, state audit institution and members of the board of a central bank;
- e) ambassadors;
- f) officers of high military rank (ranks higher than a colonel);
- g) elected and appointed persons in accordance with the law and members of the governing and supervisory bodies in legal entities established by the state;
- h) persons holding offices in political parties (members of the executive bodies of political parties);
- i) persons who hold or have held a prominent office in an international organization, such as directors, deputy directors, members of governing and supervisory boards, or other equivalent offices; and
- j) mayors and presidents of municipal councils.

The persons referred to in points a) through j) are considered public office holders at least two years upon termination of the public office, based on a previously carried out risk assessment by the entities.

The term “public office holders” also includes:

1) family members of the public office holder such as:

- a spouse or an unwed partner of the public office holder,
- children and their spouses or unwed partners of the children of the public office holders or
- parents of the public office holders.

2) a person considered a close associate with the public office holder is a natural person:

- who is known to have a joint legal or beneficial ownership of a legal entity, has concluded contracts, or has established other close business relationships with the public office holder or
- who is the only beneficial owner of the legal entity or the legal arrangement which are known to have been established for the benefit of the public office holder,

23. **“Preliminary injunctions”** are temporary prohibitions on using or managing money, securities, funds or any other property, temporary keeping and securing on the basis of a decision issued by a court or by another competent body in a procedure laid down by a law;

24. **“Correspondent relationship”** is:

- a) when a bank as a “correspondent” provides bank services to another bank as a “respondent”, including keeping an account and providing services related to keeping an account such as cash management, international funds transfers, cheque clearing, payment which is used directly by third parties for the purpose of carrying out an operation on their own behalf and foreign exchange services and/or
- b) the relationships between and among banks and other financial institutions where similar services are provided by a financial correspondent institution to a financial respondent institution, as well as relationships established for securities transactions or funds transfers;

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25. **“Transfer of funds”** is any transaction, including money remittances, which is at least partially conducted electronically on behalf of the payer through a payment service provider in order the funds to be made available to the recipient through a payment service provider, regardless whether the payer and the recipient are the same entity and regardless whether the payment service provider is the same for the payer and for the recipient;

26. **“Program”** is a document of the entity that determines rules, procedures and instructions for application of measures and activities for prevention of money laundering and financing of terrorism for the purpose of efficient reduction and management of the identified risk of money laundering and financing of terrorism;

27. **“Authorized person”** is a person employed with the entity and appointed by the governing body of the entity, in charge of the implementation of the measures and activities for prevention of money laundering and financing of terrorism and cooperation with the Office;

28. **“Senior management of the entity”** is a person who, by law and internal acts, is authorized to manage and is responsible for the operation of the entity and who has adequate authorizations and a position to make decisions that may affect the exposure of the entity to a risk of money laundering and financing of terrorism;

29. **“Shell bank”** is a financial institution that, in the country of registration, has no business premises, employees and governing bodies and is not a member of a bank or another type of a group that is subject to supervision on a consolidated basis;

30. **“Games of chance”** are games of chance in accordance with the Law on the Games of Chance and Entertainment Games;

31. **“Group”** is a group of trade companies which consists of a parent company, its subsidiaries, and companies in which the parent company or its subsidiaries hold a participation, as well as companies linked to each other in a manner laid down by the regulations on trade companies;

32. **“National risk assessment”** is a comprehensive process for identification and analysis of the risks of money laundering and financing of terrorism in a particular state, in order to develop adequate measures for prevention of money laundering and financing of terrorism and efficient allocation of the available resources for the purpose of controlling, reducing or eliminating the established risks and improving the system for prevention of money laundering and financing of terrorism;

33. **“Financial intelligence unit”** is a central national body responsible for receipt and analysis of reports of suspicious transactions and other information of importance for the money laundering and financing of terrorism and submission of the results from the analysis and other additional relevant information to the competent bodies in case of grounds for suspicion of money laundering and financing of terrorism;

34. **“Legal arrangement”** is a trust and another similar legal form established in accordance with the regulation of a foreign country;

35. **“High-risk countries”** are countries which have not implemented or have not sufficiently implemented the international standards for prevention of money laundering and financing of terrorism and countries determined as risky in accordance with the national risk assessment;

36. **“Non-profit organizations”** are legal entities, legal arrangements or organizations which are primarily involved in fundraising or allocation of funds for charitable, religious, cultural, educational or social purposes or another type of charitable activities

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CHAPTER II.

NATIONAL RISK ASSESSMENT OF MONEY LAUNDERING AND FINANCING OF TERRORISM

National risk assessment of money laundering and financing of terrorism

Article 3

- (1) The Republic of Macedonia shall conduct a national risk assessment of money laundering and financing of terrorism (hereinafter: national risk assessment) for the purpose of identifying, assessing, understanding and reducing the risk related to money laundering and financing of terrorism and shall update it every four years at the least.
- (2) The Council for Combating Money Laundering and Financing of Terrorism referred to in Article 125 of this Law shall be responsible for coordination of the activities for conducting the national risk assessment in the Republic of Macedonia and preparation of a report for national risk assessment of money laundering and financing of terrorism.
- (3) The Council for Combating Money Laundering and Financing of Terrorism referred to in Article 125 of this Law shall submit the report for the national risk assessment of money laundering and financing of terrorism to the Government of the Republic of Macedonia for adoption.
- (4) The report for the national risk assessment shall be published on the internet site of the Office.

Purposes of the national risk assessment

Article 4

- (1) The findings of the report for the national risk assessment shall be used for the following purposes:
 - improvement of the national regulation for prevention of money laundering and financing of terrorism,
 - identification of the flaws in the system for prevention of money laundering and financing of terrorism and measures for their overcoming,
 - identification of sectors or activities with a lower or higher risk of money laundering and financing of terrorism,
 - identification of sectors or activities where the entities are obliged to apply enhanced measures of analysis and, if necessary, specifying other measures that the entities are obliged to apply,
 - definition of priorities and allocation of resources in order to prevent money laundering and financing of terrorism,
 - preparation and adoption of relevant regulations for particular sectors or activities and implementation of measures in accordance with the identified risks of money laundering and financing of terrorism, and
 - information and assistance to the entities in the implementation of their internal risk assessment of money laundering and financing of terrorism.
- (2) The Council for Combating Money Laundering and Financing of Terrorism referred to in Article 125 of this Law, on the basis of the findings from the report for the national risk assessment, shall prepare a draft national strategy for combating money laundering and financing of terrorism together with an action plan of measures and activities for reducing and managing the identified risks and the

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consequences of money laundering and financing of terrorism and shall monitor its implementation and the implementation of the action plan.

(3) The Government of the Republic of Macedonia shall adopt the national strategy for combating money laundering and financing of terrorism together with the action plan of measures and activities referred to in paragraph (2) of this Article for a period of four years.

CHAPTER III.

MEASURES AND ACTIVITIES TAKEN BY THE ENTITIES FOR THE PURPOSE OF DETECTING AND PREVENTING MONEY LAUNDERING AND FINANCING OF TERRORISM

1.GENERAL PROVISIONS

Entities Article 5

Entities shall be the entities that are obliged to take the measures and activities for detection and prevention of money laundering and financing of terrorism envisaged by this Law (hereinafter: the entities), such as:

1. Financial institutions and subsidiaries, branches and business units of foreign financial institutions that carry out an activity in the Republic of Macedonia in accordance with the law;
2. Legal entities and natural persons that provide the following services:
 - a) intermediation in the trade in immovables;
 - b) audit and accounting services;
 - c) advising in the field of taxes;
 - d) providing investment advisor services; and
 - e) providing services for organization and conducting auctions;
3. Notaries, lawyers and law companies that exercise public authorizations in accordance with the law;
4. Organizers of games of chance:
 - a) lottery games;
 - b) games of chance in a casino;
 - c) betting shop games of chance;
 - d) games of chance in slot machine clubs;
 - e) electronic games of chance;
 - f) closed-type tombola; and
 - g) online games of chance;
5. Service providers to trusts or legal entities;
6. The Central Securities Depository; and
7. Legal entities that carry out an activity of acceptance of movable items and immovable property as pledge (pawnshops).

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Exceptions in relation to legal entities and natural persons that carry out financial activities on an occasional or limited basis

Article 6

(1) The entities referred to in Article 5 of this Law that carry out financial activities on an occasional or limited basis and for which a low risk of money laundering and financing of terrorism is determined by the national risk assessment, shall not be obliged to apply the measures and activities for prevention of money laundering and financing of terrorism foreseen by this Law, provided that the following requirements are met:

- the financial activity is ancillary and directly related to the main business activity,
- the annual net turnover of the financial activity does not exceed EUR 100 000 in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia or 5% of the total annual turnover of the entity,
- the main business activity is not provision of audit services, organization and conducting games of chance, accounting services, tax advisor services, activities related to trade in immovable properties, provision of services to trusts or legal entities or notarial and lawyers services,
- the highest amount of the transaction per client and per individual transaction regardless whether it is conducted as one or several transactions that appear to be linked with each other should not exceed EUR 500 in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia, and
- the financial activity is carried out only for entities that are clients in view of the main business activity and is generally not available to the public.

(2) The provisions of paragraph (1) of this Article shall not apply to legal entities, sole proprietors or natural persons that carry out a business activity on their own if they make money remittances in accordance with the law.

(3) The entity referred to in paragraph (1) of this Article shall submit a request not to apply the provisions of this Law to the Office. Documentation from which it can be determined that the requirements referred to in paragraph (1) of this Article are met and documentation for the conducted risk assessment of money laundering and financing of terrorism for each financial activity shall be attached to the request.

(4) The Office shall adopt a decision on the request referred to in paragraph (3) of this Article in accordance with the provisions of the Law on the General Administrative Procedure.

(5) The decision referred to in paragraph (4) of this Article shall have a validity period of two years as of its adoption. Upon expiry of the validity of the decision, the entity shall submit a new request referred to in paragraph (3) of this Article for exemption from application of the provisions of this Law.

(6) If the circumstances on the basis of which the decision is issued change before the expiry of the validity of the decision, the entity referred to in paragraph (1) of this Article shall be obliged to notify the Office of such changes within a period of fifteen days as of the day of their occurrence. On the basis of this notification or on the basis of other information, the Office shall ex officio adopt a new decision that annuls the previous decision and shall decide on the application of the provisions of this Law.

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Article 7

(1) The notaries, lawyers and law companies that carry out public authorizations in accordance with the law shall be obliged to apply the measures and activities for prevention of money laundering and financing of terrorism in the cases where they provide legal services for their clients referring to the following activities:

- a) sale and purchase of movable items, immovable property, partners' shares or stocks,
- b) trade in and management of property,
- c) opening and management of bank accounts, safe deposit boxes and other financial activities,
- d) establishment or participation in the operation or management of legal entities, trusts or legal arrangements, and
- e) representation of clients in transactions.

(2) The obligations under this Law shall not apply to the lawyers and law companies that perform the task of defending and representing the client in court proceedings. In such case, the lawyers and law companies, on a request of the Office, should submit a written explanation of the reasons for which they have not acted in accordance with the provisions of this Law within a period of seven days.

2. MEASURES AND ACTIVITIES FOR DETECTING AND PREVENTING MONEY LAUNDERING AND FINANCING OF TERRORISM

Article 8

Measures and activities for detecting and preventing money laundering and financing of terrorism (hereinafter: measures and activities), taken by the entities shall be:

- preparation of a risk assessment of money laundering and financing of terrorism and its regular updating,
- introduction and application of programs for efficient reduction and management of the identified risk of money laundering and financing of terrorism,
- client due diligence,
- information and submission of data, information and documentation to the Office in accordance with the provisions of this Law and the bylaws adopted on the basis of this Law,
- storage, protection and keeping records of data,
- appointment of an authorized person and his/her deputy and/or formation of a department for prevention of money laundering and financing of terrorism,
- conduct of internal control, and
- other measures deriving from the provisions of this Law.

Article 9

(1) The obligation to take the measures and activities foreseen by this Law shall also exist in the cases where the entities are undergoing bankruptcy and liquidation procedure.

(2) The obligation referred to in paragraph (1) of this Article shall be fulfilled by the bankruptcy manager until the closing or concluding the bankruptcy procedure, that is, by the liquidator until the closing of the liquidation procedure.

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Preparation of risk assessment of money laundering and financing of terrorism

Article 10

(1) The entities shall be obliged to prepare a risk assessment of money laundering and financing of terrorism in order to identify, assess, understand and reduce the risks of money laundering and financing of terrorism, taking into consideration the risk factors that refer to:

- a) the client;
- b) the states or the geographical areas;
- c) the products, services or transactions; and
- d) distribution channels.

(2) The risk assessment referred to in paragraph (1) of this Article must be documented and appropriate to the size of the entity, the type, scope and complexity of its business activity.

(3) The entity shall be obliged to regularly update the risk assessment referred to in paragraph (1) of this Article.

(4) The entity shall be obliged to submit the risk assessment referred to in paragraph (1) of this Article to the competent supervisory bodies referred to in Article 146 of this Law on their request.

(5) The entity shall be obliged to harmonize the risk assessment referred to in paragraph (1) of this Article with the national risk assessment.

(6) Before making significant changes in its business activities and processes that may affect the measures that are taken in order to prevent money laundering and financing of terrorism, as well as before introducing a new product, service, activity or distribution channel, as well as before introducing new technologies, the entity shall be obliged to conduct a risk assessment in order to determine and assess the way in which the changes affect the exposure to the risk of money laundering and financing of terrorism and shall be obliged to take appropriate measures for reduction and for efficient management of the risk.

(7) The supervisory bodies referred to in Article 146 of this Law shall be obliged to prepare guidelines for conducting a risk assessment for the entities they supervise.

Introduction and application of Programs for efficient reduction and management of the identified risk of money laundering and financing of terrorism

Article 11

(1) The entities shall be obliged to prepare and apply a Program for efficient reduction and management of the identified risk of money laundering and financing of terrorism which contains:

- aims, scope and manner of operation of the system for prevention of money laundering and financing of terrorism of the entity,
- organizational structure of the entity, position of the authorized person and his/her deputy in the organizational structure,
- data on the authorized person and his/her deputy,
- authorization and responsibilities of the authorized person and his/her deputy,
- authorization and responsibilities of all employees in the entity that participate in the implementation of the provisions of this Law and the bylaws adopted on the basis of this Law,

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- conclusions from the conducted risk assessment and manner of management of the risk of money laundering and financing of terrorism,
- measures related to client due diligence and acceptability of clients,
- manner of recognizing unusual transactions and suspicious transactions of money laundering and financing of terrorism,
- manner of introducing internal mechanism for timely and adequate informing,
- manner of keeping the data and documents,
- manner of submitting reports to the Office,
- plan for continuing training of the employees in the entity in the field of prevention of money laundering and financing of terrorism that provides delivery of at least two training events during the year, and
- procedure and plan for conducting internal control for carrying out the measures and the activities for prevention of money laundering and financing of terrorism that are adequate to the size and the type of the entity.

(2) The senior management of the entity shall be obliged to adopt the program referred to in paragraph (1) of this Article, to regularly monitor and assess its adequacy, harmonization and efficiency and if necessary, to enhance the measures taken by the entity.

(3) The entity shall be obliged to submit the program referred to in paragraph (1) of this Article to the competent supervisory bodies referred to in Article 146 of this Law on their request within a period of seven days.

Client due diligence Article 12

The entities shall be obliged to carry out client due diligence in the following cases:

- a) upon establishment of a business relationship with the client;
- b) where a transaction in the amount of EUR 15 000 or more in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia is made, regardless whether the transaction is made in a single operation or in several operations which are obviously linked;
- c) where an occasional transaction is made constituting transfer of funds in the amount higher than EUR 1 000 in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia;
- d) regarding games of chance, in the case of deposit and withdrawal of a prize, as well as during buying or cashing-in chips in the amount of EUR 1 000 or more in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia, regardless whether the transaction is made in a single operation or in several operations which are obviously linked and which reach a total amount of EUR 1 000 or more in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia;
- e) in the case of suspicion of the veracity or adequacy of the previously obtained data about the identity of the client or the beneficial owner; and
- f) in the case of suspicion of money laundering or financing of terrorism, regardless of any kind of exception or amount of the funds.

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Cases where client due diligence is not conducted

Article 13

- (1) The entities shall not be obliged to conduct the measures referred to in Article 14 of this Law in view of the electronic money, provided that the following requirements are met:
1. the payment instrument cannot be reloaded or the maximum monthly transactions of the payment instrument is limited to EUR 150 in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia and can be used only in the Republic of Macedonia;
 2. the funds deposited in the payment instrument cannot exceed EUR 150 in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia;
 3. the payment instrument is used solely for purchase of goods or services;
 4. the anonymous electronic money cannot be stored in the payment instrument;
 5. the issuer of electronic money carries out monitoring/control of the transactions or business relationships, in order to detect complex and unusual or suspicious transactions.
- (2) The exception referred to in paragraph (1) of this Article shall not apply in the case of redemption of electronic money in cash or withdrawal of money in cash in equivalent value of the electronic money which is higher than EUR 100 in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia.
- (3) The provisions of paragraph (1) of this Article shall not apply in the cases where there are reasons of suspicion for money laundering or financing of terrorism.

Measures for client due diligence

Article 14

- (1) The client due diligence referred to in Article 12 of this Law shall include:
- a) identification of the client and verification of its identity by using documents, data and information from reliable and independent sources, including, where possible, by using electronic identification means issued under the notified electronic identification scheme in accordance with the law;
 - b) identification of the principal of the power of attorney and verification of its identity by using documents, data and information from reliable and independent sources, including, where possible, by using electronic identification means issued under the notified electronic identification scheme in accordance with the law;
 - c) identification of the beneficial owner and taking appropriate measures for verification of its identity by using documents, data and information from reliable and independent sources in order for the entity to be assured who the beneficial owner is;
 - d) obtaining information about the aim and purpose of the business relationship; and
 - e) continuous monitoring of the business relationship and the transactions that are made within the established business relationship for the purpose of ensuring that such transactions are consistent with the risk profile and the business of the client and, if necessary, determination of the sources of funds, in the course of which the documents and data available to the entity must be updated.

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- (2) If the client is a legal entity or a legal arrangement, the entity shall be obliged to take measures for determination of the nature of its business activity and the ownership and control structure.
- (3) The entities shall apply each measure under the client due diligence, and its scope shall depend on the client's risk assessment.
- (4) The entities shall be obliged to make the documents for the client's risk assessment available to the supervisory bodies referred to in Article 146 of this Law in order for them to confirm that the established risk of money laundering and financing of terrorism is adequate and that the scope of the measures taken is proportionate to the risk of the client.
- (5) The entities shall be obliged to apply the measures for the client's due diligence to the existing clients and the business relationship with them on the basis of the risk assessment, at a determined period of time in accordance with the prepared risk assessment, taking into account the previously conducted due diligence of the client and the change of the circumstances that are of importance for the application of the provisions of this Law.

Identification and verification of the identity

Article 15

- (1) The entities shall be obliged to make the identification and the verification of the identity of the client, the principal of the power of attorney or the beneficial owner before they establish a business relationship or before they make an occasional transaction.
- (2) As an exception to paragraph 1 of this Article, the entities may verify the identity of the client, the principal of the power of attorney or the beneficial owner during the establishment of the business relationship, in order not to disturb the course of the business relationship and in the case of a low risk of money laundering and financing of terrorism.

Identification and verification of client's identity

Article 16

- (1) If the client is a natural person, it shall be identified and its identity shall be verified by submitting an original and a valid document for identification, issued by a competent body, or a notary verified copy, or where possible, by using electronic identification means issued under the notified electronic identification scheme in accordance with the law.
- (2) The document referred to in paragraph (1) of this Article, and if possible, the data for identification of persons that use electronic identification means, shall determine the name, the surname, the date and place of birth, the place and address of the permanent or temporary residence, the personal identification number or the identification number, and the number of the personal identification document or the serial number of the electronic identification means, the body that has issued it, and the validity date, that is, the name of the issuer of the electronic identification means and the validity date of the electronic identification means.
- (3) If the client is a legal entity or a legal arrangement, it shall be identified and its identity shall be verified by a registration document in original or a notary verified copy, issued by a competent body in the state of legal entity's registration, or articles of incorporation of the legal arrangement. The registration or incorporation document shall be submitted in a paper and/or electronic form. The

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registration documents issued by a competent body of a foreign state should be translated in Macedonian language by an authorized court translator.

(4) The document referred to in paragraph (3) of this Article shall determine the name, the legal form, the head office, the tax number or other registration number of the legal entity or the legal arrangement, the founder(s), the trustee(s), the beneficiary or a group of beneficiaries of the trust, the legal representative, the governing body, and the persons that are authorized for establishing a business relationship on behalf of the client.

(5) The entities shall mandatorily keep a copy of the documents referred to in paragraphs (1) and (3) of this Article in a paper form, as well as electronic records of the data referred to in paragraphs (1) and (3) of this Article for the purposes of identification of persons that used electronic identification means obtained by using electronic identification means issued under the notified electronic identification scheme, and shall apply the technical and organizational measures in accordance with the regulations on personal data protection.

(6) The entities may also request other data, information and documents from the client and/or reliable and independent sources for verification of the identity of the client.

Identification and verification of the identity of the principal of the power of attorney

Article 17

(1) The entities shall be obliged to determine whether the client acts on behalf and for the account of a third person.

(2) In the cases referred to in paragraph (1) of this Article, the entities shall be obliged to identify and verify the identity of the person who makes the transaction (the attorney-in-fact), the holder of the rights (the principal of the power of attorney) and the power of attorney document.

Identification and verification of the identity of the beneficial owner

Article 18

(1) The entities shall be obliged to identify the beneficial owner.

(2) The entities shall be obliged to verify the identity of the beneficial owner on the basis of data and information from reliable and independent sources, to the extent which is adequate to the conducted risk assessment, so as to be assured which the beneficial owner is.

(3) The entities shall obtain the data on the beneficial owner from the original or verified documentation from a trade, court or another public register, which must not be older than six months. The entities shall be obliged to check the data on the beneficial owner in the register of beneficial owners, and must not rely exclusively on the data entered in the register.

(4) If the entities cannot obtain all the data on the beneficial owner of the client from the trade, court or another public register or the register of beneficial owners, they should obtain the necessary data by checking the original or the verified documents and business records submitted by the legal representative of the client or a person authorized by the legal representative.

(5) If the client is not subject to entry into an appropriate register the entities cannot obtain the necessary data on the beneficial owner in the manner described in paragraphs (2), (3) and (4) of this Article, the entities shall be obliged to obtain the data directly from the legal representative or a person

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authorized by the legal representative by a written statement which is notary verified under full moral and material liability.

(6) If, during the determination of the beneficial owner, the entities have suspicions about the authenticity of the submitted data or the authenticity of the documents or the other business documentation, they shall be obliged to require a written statement from the legal representative or a person authorized by the legal representative which is verified by a notary under full moral and material liability before they establish a business relationship or before they make a transaction.

(7) In the cases referred to in paragraphs (5) and (6) of this Article, the entities shall be obliged to apply one or several measures for enhanced due diligence in accordance with the provisions of this Law.

(8) The director of the Office shall determine the manner of identification of the beneficial owner by guidelines.

Beneficial owner of a legal entity

Article 19

(1) A beneficial owner of a legal entity shall be:

1. A natural person (persons) who is an owner of the legal entity or controls the legal entity through direct ownership of sufficient percentage of shares, stocks, including also bearer stockholdings or voting rights or other rights in the legal entity;

2. A natural person (persons) who controls the legal entity through indirect ownership of sufficient percentage of shares, stocks, including also bearer stockholdings or voting rights or other rights in the legal entity; or

3. A natural person (persons) who exercises control over the legal entity in any other manner.

(2) An indicator of direct ownership referred to in paragraph (1) point 1 of this Article shall be the ownership of over 25% of the shares, the voting rights or the other rights in the legal entity or the ownership of 25% plus one stock.

(3) An indicator of indirect ownership referred to in paragraph (1) point 2 of this Article shall be the ownership or the control of the natural person (persons) over one or several legal entities that individually or jointly have over 25% of the shares or 25% plus one stock.

(4) If a natural person(s) cannot be determined as a beneficial owner(s) by the application of points 1 and 2 of paragraph (1) of this Article or the entity is not sure that the natural person(s) identified in accordance with points 1 and 2 of paragraph (1) of this Article is(are) beneficial owner(s), in such cases the person(s) identified by applying the point 3 of paragraph

(1) of this Article shall be considered a beneficial owner(s).

Beneficial owner of other legal entities

Article 20

A beneficial owner of domestic and foreign associations and their alliances, foundations, institutions, chambers, trade unions, political parties, cooperatives, religious communities, or other organizations in which the participation in the governance based on the ownership share in the capital is not possible to be determined, shall be considered any natural person who is authorized to represent or the natural person who has a controlling position in the governance of the property of the organization.

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Beneficial owner of a legal arrangement

Article 21

(1) A beneficial owner of a legal arrangement shall be any natural person who is:

1. a founder;
2. a trustee;
3. a manager(s) (if any);
4. a beneficiary or a group of beneficiaries of the property it administers under the conditions that the future beneficiaries are determined or may be determined;
5. natural persons who have roles that are the same or similar with the ones referred to in points 1, 2, 3 and 4 of this paragraph; and/or
6. another natural person who controls the legal arrangement through direct or indirect ownership or in any other manner.

Beneficial owner of a sole proprietor or individuals who carry out a business activity

Article 22

A beneficial owner of a sole proprietor or individuals who carry out a business activity shall be a natural person who is registered to perform the business activity and at the same time is the sole authorized representative.

Beneficial owner of budget users

Article 23

A beneficial owner of a budget user shall be the manager of the budget user.

Beneficial owner of legal entity in state ownership

Article 23-a

A beneficial owner of a legal entity in state ownership shall be the person heading or managing the governing body of the legal entity in state ownership.

Beneficial owner of legal entity under bankruptcy or liquidation

Article 23-b

A beneficial owner of a legal entity under bankruptcy or liquidation shall be the bankruptcy manager, that is, the liquidator until the completion of the bankruptcy, that is, liquidation procedure.

Exceptions with regard to the identification of the beneficial owner

Article 24

The entity does not have to identify and verify the identity of the beneficial owner if the client is a legal entity whose securities are listed on a domestic or foreign securities exchange from states which meet

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the international standards for prevention of money laundering and financing of terrorism or the data on the beneficial owners are transparent and publicly available.

Obligation for possession and keeping of data on the beneficial owner

Article 25

(1) The following entities, subject to entry in the registers that are kept in the Central Register of the Republic of Macedonia (hereinafter: legal entities), shall have an obligation to possess and keep data and documents on the beneficial owner:

1. trade companies, sole proprietor, individuals who carry out a business activity, subsidiaries and branch offices of foreign trade companies and foreign sole proprietor;
2. associations, alliances, foundations, chambers, trade unions, political parties, cooperatives, religious communities, or other organizations;
3. notaries, lawyers and other persons who exercise public powers;
4. budget users;
5. legal entities in state ownership; and
6. legal entities under bankruptcy or liquidation.

(2) The legal entities referred to in paragraph (1) points 1 and 2 of this Article shall be obliged to possess and keep adequate, accurate and updated data and documents on:

a) the beneficial owner(s), that is:

1. name and surname;
2. address of permanent residence, that is, temporary residence;
3. day, month and year of birth;
4. personal identification number or another identification number and data on the type, number, issuer, state and date of issuance of the identification document;
5. citizenship; and
6. data on the type and scope of the beneficial ownership.

b) ownership structure, and regarding the trade companies, data on the shares, contributions or another form of participation in the ownership of the company as well.

(3) The legal entities referred to in paragraph (1) point 3, 4, 5 and 6 of this Article shall be obliged to possess and keep adequate, accurate and updated data referred to in paragraph (2) point a) of this Article.

(4) The legal arrangements established in accordance with the law of a foreign state that have been granted a tax identification number (TIN) in the Republic of Macedonia in accordance with the law shall be obliged to possess and keep adequate, accurate and updated data referred to in paragraph (2) point a) of this Article.

Register of beneficial owners

Article 26

(1) A register of beneficial owners (hereinafter: a register) shall be established for the purpose of ensuring transparency of the ownership structure of the legal entities.

(2) The Central Register of the Republic of Macedonia (hereinafter: register's administrator) shall establish, keep, maintain and manage the register.

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(3) The legal entities referred to in Article 25 paragraph (1) of this Law, with the exception of sole proprietors, persons who exercise public powers, budget users, legal entities in state ownership and legal entities under bankruptcy and liquidation and individuals who carry out a business activity, shall enter the data on their beneficial owners in the register within a period of eight days as of the day of entry of the incorporation of the business entity in the appropriate register or within a period of eight days as of the change of the data on the beneficial owner. The registration agent or the register's administrator shall be obliged to inform the legal entity about the obligation for mandatory entry of the data on the beneficial owner during the procedure for entry.

(4) The provisions of paragraph (3) of this Article shall not apply to the legal entities that are companies listed on an organized securities market and that are obliged to meet the requirement for publication of the data on the beneficial owners which ensures appropriate transparency of the information about the ownership in accordance with the relevant international standards.

Submitters **Article 27**

(1) The authorized person for representation of the legal entity shall be obliged to enter the data in the register.

(2) The legal entities may authorize another person through the register's administrator system to enter the data for their beneficial owners, as well as the data on the changes of the beneficial owners in the register on their behalf.

(3) The legal entities shall be responsible for the accuracy, adequacy and updating of the data entered in the register.

Entry of the data in the register **Article 28**

(1) The following data shall be entered in the register:

a) data on the legal entity: name, head office, PINE and tax number, date of incorporation and deletion of the business entity, that are taken and registered ex officio and automatically from the single trade register and the register of other legal entities;

b) data on the beneficial owner: personal name, personal identification number or another identification number, address of permanent, that is, temporary residence, date of birth and citizenship, that are taken ex officio and by using electronic means from the Central Register of Population by entering the personal identification number of the citizen, with regards to citizens of the Republic of North Macedonia living in the state or abroad, as well as foreign citizens having their stay in the Republic of North Macedonia regulated for more than one year or are entered by the submitter for the foreign citizens; and

c) data on the ownership of the beneficial owner.

(2) The register's administrator shall keep and manage the register in the manner that:

- in addition to the last status of the data on the beneficial owners, all previous entries, changes in the data and deletions according to the time and type of occurrence are also kept and

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- the data in the register are available ten years after the deletion of the legal entity from the competent register.

(3) The entry of the data shall be made electronically, free of charge, through the web portal of the register's administrator, within the prescribed deadlines, applying the technical and organizational measures in accordance with the regulations on personal data protection.

(4) The minister of finance shall prescribe the manner of entering, reporting, correcting and deleting the data in the register, the manner of using, the manner of expressing the amount of the share (indicator for determination of ownership), the manner of maintaining and administrating, the technical requirements (needs) for establishment of the register.

Access to the data on beneficial owners

Article 29

(1) The data that are entered in the register shall be available to the Office, the competent state prosecution bodies, the courts, the bodies that conduct supervision referred to in Article 146 of this Law, and the entities referred to in Article 5 of this Law directly and on the basis of an electronic access.

(2) The data in the register on the personal name, month and year of birth, citizenship, country of stay, ownership share or another form and type of ownership or control, shall be publicly available in a form of information and shall be used by paying a fee in accordance with the tariff of the register's administrator.

(3) The information referred to in paragraph (2) of this Article shall be issued according to the entered data in the Central Register of Population on the day of its issuance.

(4) The information about the beneficial owner of a sole proprietor, the individuals who carry out a business activity and the persons who exercise public powers, as well as the budget users, the legal entities in state ownership and legal entities under bankruptcy and liquidation, shall be issued in accordance with the last entered data in the single trade register and the register of other legal entities and the register of budget users in the competence of the Ministry of Finance.

Check of the data in the register

Article 30

(1) The register's administrator shall check the data in the register and shall determine whether the legal entities referred to in Article 25 paragraph (1) of this Law have entered the data referred to in Article 28 paragraph (1) of this Law, the change of such data within the deadline set in Article 26 paragraph (3) of this Law, and in the manner prescribed by the rulebook referred to in Article 28 paragraph (4) of this Law.

(2) The register's administrator shall immediately inform the Office electronically about the legal entities referred to in Article 25 paragraph

(1) of this Law that have not entered the data referred to in Article 28 paragraph (1) of this Law and have not entered the change of such data in the manner and within the deadline set in the rulebook referred to in Article 28 paragraph (4) of this Law.

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Ongoing monitoring of a business relationship

Article 31

- (1) The entity shall be obliged to carefully monitor the business activities and the transactions carried out under the business relationship with the client, in order to confirm that such transactions are made in accordance with the aim and the purpose of the business relationship, the client risk profile, its financial condition, and its sources of financing.
- (2) The entity shall be obliged to regularly check and update the documents and data on the clients, the beneficial owners and the risk profile of the clients with which it has established a business relationship.
- (3) The entity shall be obliged to ensure that the scope and the frequency of implementing the measures referred to in paragraph (2) of this Article are in compliance with the due diligence and the assessment of the risk referred to in Article 10 of this Law and that they are adjusted to the risk of money laundering and financing of terrorism to which the entity is exposed during carrying out a particular business activity or transaction, that is, within the framework of the business relationship with the client.

Simplified client due diligence

Article 32

- (1) The entities may apply simplified measures for client due diligence in the cases where, in accordance with the provisions of Article 10 of this Law, they have established a low risk of money laundering and financing of terrorism.
- (2) In the course of making a decision on applying simplified measures for client due diligence, the entities shall be obliged to take into consideration the results from the national risk assessment.
- (3) The measures for the simplified client due diligence may be:
 - verification of the identity of the client or the beneficial owner upon the establishment of the business relationship,
 - reduction of the frequency of updating the documents and the data about the clients, and/or
 - reduction of the degree of monitoring the business relationship and the client's transactions.
- (4) The entities shall be obliged to provide an appropriate documentation on the basis of which it can be confirmed that the application of simplified due diligence is allowed and that the measures of the simplified client due diligence are appropriate to the risk, as well as to make such documentation available to the supervisory bodies referred to in Article 146 of this Law.
- (5) The simplified client due diligence shall not be allowed where, regarding the client, the transaction, the business relationship, or the property, there is a suspicion of money laundering or financing of terrorism where specific scenarios of high risk of money laundering or financing of terrorism are applied, or in the cases of complex and unusual transactions.

Enhanced client due diligence

Article 33

- (1) In the case of high risk of money laundering or financing of terrorism determined in accordance with Article 10 of this Law or on the basis of the national risk assessment referred to in Article 3 of this

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Law or in the case of suspicion of money laundering or financing of terrorism, the entities shall be obliged, in addition to the measures for client due diligence referred to in Article 14 of this Law, to take one or several of the following measures:

- obtaining additional data on the client,
- more frequent updating of the documents and data on the client,
- obtaining additional data on the nature of the business relationship and the client's transactions,
- obtaining additional data about the source of funds and the source of wealth of the client,
- obtaining information about the reason for the planned or made transactions,
- obtaining an approval by the senior management for establishment of a new or continuation of the business relationship,
- enhanced monitoring of the business relationship, and/or
- a request to make the first payment through an account of the client in a bank in the Republic of Macedonia.

(2) The entity shall be obliged to document the implementation of the measures for enhanced due diligence referred to in paragraph (1) of this Article and to make such documentation available to the supervisory bodies referred to in Article 146 of this Law.

Correspondent relationship Article 34

Except in the cases of Article 33 of this Law, where correspondent relationships are established, the financial institution shall be obliged to take the following measures of enhanced due diligence:

- a) to collect sufficient data for the correspondent financial institution in order to fully determine its activity and, from publicly available information, to determine its reputation, as well as the quality of supervision, including whether it has been a subject of investigation of money laundering or financing of terrorism or another supervision measure;
- b) to request information and based on the information to assess the system for protection against money laundering and financing of terrorism of the correspondent financial institution;
- c) to obtain an approval from the senior management for establishment of a new correspondent relationship;
- d) to precisely prescribe the mutual rights and obligations in the field of money laundering and financing of terrorism; and
- e) to determine whether the correspondent financial institution carries out the client due diligence referred to in this Law for the entities with direct access to its correspondent accounts in the financial institutions in the Republic of Macedonia, at least in the scope and manner laid down by this Law, as well as to determine whether the correspondent financial institution is prepared to provide the data for identification and verification of the identity of a client of a foreign bank or another financial institution and its beneficial owner, and to submit them to the bank or another financial institution upon its request.

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Client which is not physically present

Article 35

Except in the cases of Article 33 of this Law, where the client, the attorney-in-fact or the legal representative of the client-legal entity is not physically present for the purposes of identification or where their identity cannot be verified by using electronic identification means issued under the notified electronic identification scheme in accordance with the law, the entity should take one or several of the following measures of enhanced due diligence:

- a) to determine the client's identity by additional documents, data or information;
- b) to take additional measures that confirm the provided documents or to request the documents to be confirmed by a financial institution from the Republic of Macedonia, from a member state of the European Union, or from a country in which the regulations anticipate approximately the same criteria and standards for prevention of money laundering and financing of terrorism as the requirements anticipated by this Law; and
- c) to make the first payment through an account of the client in a bank in the Republic of Macedonia.

Client – holder of a public office

Article 36

(1) Except in the cases of Article 33 of this Law, if the entity carries out transactions or enters into a business relationship with a client - holder of a public office, it shall be obliged to take the following measures of enhanced due diligence:

- a) to determine whether the client - public office holder and/or the beneficial owner is a public office holder or to obtain its statement;
- b) to obtain an approval from the senior management for establishment of a business relationship with the client - public office holder and/or the beneficial owner, as well as to obtain a consent to continue the business relationship with the existing client - public office holder and/or the beneficial owner that has become a public office holder;
- c) to take appropriate measures to determine the source of funds and the source of wealth of the client - public office holder and/or the beneficial owner who is a public office holder; and
- d) to intensively monitor the business relationship.

(2) The entity shall be obliged to take measures to determine whether the beneficiary and/or the beneficial owner of the beneficiary of life insurance and other insurances related to investment is a public office holder.

(3) In the cases of paragraph (2) of this Article, the entity shall be obliged to notify the senior management before the payment of the insurance policy premium and to review and determine the whole business relationship with the client in detail.

(4) The Commission for the Prevention of Corruption should prepare and keep an updated list of these persons who are citizens of the Republic of Macedonia.

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Clients from high-risk countries

Article 37

(1) Except in the cases of Article 33 of this Law, where the client is from a high-risk country, the entity shall be obliged, in the course of establishing the business relationship or making a transaction, to take the following measures in particular:

- obtaining additional data on the client and/or the beneficial owner, its business activity, the nature of the business relationship, the purpose of the announced or executed transaction, the sources of funds, and the source of wealth of the client,
- more frequent updating of the documents and the data on the client and the beneficial owner,
- obtaining an approval by the senior management for establishment of a new business relationship or continuation of the existing business relationship, or
- enhanced monitoring of the business relationship and the activities that are taken within the framework of such business relationship.

(2) The Office shall regularly publish a list of high-risk states on its official website.

Complex and unusual transactions

Article 38

(1) The entity shall be obliged to pay special attention to all complex and unusually large transactions, as well as to any transaction carried out in an unusual manner that has no obvious economic justification or legal purpose or deviates from the usual or expected business operation of the client and in the cases where they have still not determined reasons for suspicion of money laundering or financing of terrorism in relation thereof.

(2) The entities shall be obliged to pay special attention to the business relationships and the transactions with non-profit organizations.

(3) With regard to the transactions referred to in paragraphs (1) and (2) of this Article, the entity, within the framework of the enhanced client due diligence, shall be obliged to take the following measures in particular:

1. gather and check additional data on:
 - a) the business activity of the client and
 - b) the nature of the business relationship with the client;
2. gather and check data on the purpose of the announced or executed transaction;
3. update data on the identification of the client and the beneficial owner; and
4. gather and check data on the funds source for the transaction.

(4) With regard to the transactions referred to in paragraphs (1) and (2) of this Article, the entity shall be obliged to keep the results of the due diligence referred to in paragraph (3) of this Article in a written form and to make them available to the supervisory bodies referred to in Article 146 of this Law.

(5) If, after the conducted due diligence referred to in paragraph (3) of this Article, the entity determines that there are grounds for suspicion of money laundering or financing of terrorism, it shall be obliged to submit a report to the Office in accordance with Article 54 of this Law.

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Rejection of a business relationship and a transaction

Article 39

- (1) In the cases where the measures for client due diligence referred to in Article 14 of this Law cannot be implemented, the entity shall be obliged to reject the establishment of a business relationship or not to carry out the transaction or to terminate the business relationship with the client.
- (2) In the case where the beneficial owner of the legal entity referred to in Article 27 of this Law is not entered or updated in the register of beneficial owners, the entity shall be obliged to postpone the establishment of the business relationship or to postpone the execution of the transaction until the data are entered in the register.
- (3) In the cases of paragraph (2) of this Article, the entity shall be obliged to immediately notify the Office in accordance with Article 56 of this Law.
- (4) In the cases of paragraph (1) of this Article, the entity shall be obliged to prepare a written analysis and to determine the need of submission of a report to the Office in accordance with Article 54 of this Law. The entity shall be obliged to keep the analysis and to make it available on request of the supervisory bodies of Article 146 of this Law.

Exception to the implementation of the measures for client due diligence

Article 40

Where the entity has suspicions of money laundering or financing of terrorism and has grounds for assuming that the implementation of the client due diligence measures would lead to the client knowing that such measures are taken, the entity may not conduct the whole process of client due diligence, but instead it should immediately submit a report to the Office in accordance with Article 54 of this Law.

Application of the measures and activities for prevention of money laundering and financing of terrorism by subsidiaries and branch offices of the entity

Article 41

- (1) The entity that has its own subsidiaries or branch offices in another state should ensure application of the measures for prevention of money laundering and financing of terrorism in the subsidiaries or branch offices.
- (2) If the regulations of the state where the subsidiary or the branch office referred to in paragraph (1) of this Article has its head office do not allow application of the measures referred to in paragraph (1) of this Article, the entity should immediately inform the appropriate supervisory body referred to in Article 146 of this Law.

Entrusting the obligations for client due diligence to third parties

Article 42

- (1) In the cases where the entities implement the measures referred to in Article 14 of this Law, they may entrust the implementation of the measures and the activities referred to in Article 14 paragraph (1) points a), b), c) and d) of this Law to third parties under the conditions set out by this Law.

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- (2) In the cases referred to in paragraph (1) of this Article, the entities should from the third parties:
- a) immediately obtain the necessary information in accordance with Article 14 paragraph (1) points a), b), c) and d) of this Law;
 - b) on their request, without any delay, receive the necessary documentation for the conducted client due diligence; and
 - c) establish that the third party is licensed for the activity it performs and is subject to control by a competent body and fulfills the client due diligence measures and keeping of data in accordance with this Law.
- (3) The entities may entrust the implementation of the measures and the activities referred to in Article 14 paragraph (1) points a), b), c) and d) of this Law to third parties that are part of the same financial group, provided that the financial group applies the requirements for client due diligence, keeping of data and internal programs for prevention of money laundering and financing of terrorism, enhanced due diligence of public office holders in accordance with the international standards.
- (4) The entity shall be obliged to previously check whether the third party referred to in paragraphs (1) and (3) of this Article meets the requirements referred to in Article 14 of this Law. In the case where the third party is from another state, the entity should take into consideration the risk level of money laundering and financing of terrorism in the state. It shall not be allowed to entrust the implementation of the measures and activities referred to in Article 14 paragraph (1) points a), b), c) and d) of this Law to a third party which is from a state that does not apply the standards for prevention of money laundering and financing of terrorism or to a shell bank.
- (5) The responsibility for implementation of the client due diligence measures in the cases referred to in paragraph (1) of this Law shall remain with the entity which entrusts the implementation of the measures and activities referred to in Article 14 paragraph (1) points a), b), c) and d) of this Law to third parties.
- (6) The third party may be a bank, a notary, a company for investment funds management and an investment fund, a company for mandatory and voluntary pension funds management, and an insurance company carrying out life insurance activities.
- (7) The entity may within the framework of its group entrust the implementation of the measures and activities referred to in Article 14 paragraph (1) points a), b), c) and d) of this Law to a third party which is part of the group provided that:
1. the group applies the measures and activities referred to in Article 14 paragraph (1) points a), b), c) and d) of this Law and monitors the obligations related to the keeping of data and has introduced and applies a program for prevention of money laundering and financing of terrorism containing elements in accordance with the provisions of this Law and
 2. the implementation of the obligations at the level of the group is subject to supervision by the competent supervisory bodies referred to in Article 146 of this Law or the competent supervisory bodies of a third country.
- (8) The providers of services to the entities or the agents with which the entities have concluded a contract for services, as well as the entities established in high-risk countries, shall not be considered third parties.

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Obtaining and forwarding information in case of transfer of funds

Article 43

(1) The financial institutions shall be obliged, in case of deposit of EUR 1 000 or any other currency in counter value of EUR 1 000 or more according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day of depositing, for the purpose of transferring the funds through the international payment operations, to provide data on:

- a) the payer - on the basis of which its identity may be determined and verified, that is:
 - the name and the surname, that is, the company's name of the payer,
 - the account number, and if it is missing or cannot be determined, it is necessary to determine the reference number of the transaction which enables its monitoring and
 - the address or the number of the national identification document or identification number of the client or the date and place of birth.
- b) the recipient - on the basis of which its identity may be determined, that is:
 - the name and the surname, that is, the company's name of the recipient and
 - the account number, and if it is missing or cannot be determined, it is necessary to determine the reference number of the transaction which enables its monitoring.

(2) The financial institutions shall be obliged, in case of deposit of EUR 1 000 or any other currency in counter value of EUR 1 000 or more according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day of depositing, for the purpose of transferring the funds through the domestic payment operations, to provide the data on the payer on the basis of which its identity may be determined and verified. If the provided data cannot be forwarded due to technical reasons, only the data concerning the account number or the reference number of the transaction shall be forwarded.

(3) The financial institutions referred to in paragraph (2) of this Article, on a request of the financial institution that should execute the payment, or of the competent bodies, shall be obliged to make the data referred to in paragraph (1) of this Article available in a period of three working days as of the submission of the request at the latest.

(4) The financial institutions that act as intermediaries in the transfer of funds in the amount of EUR 1 000 or any other currency in counter value of EUR 1 000 or more according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day of transfer, in the international payment operations, shall be obliged to forward the data on the payer referred to in paragraph (1) of this Article to the financial institution that is to pay the funds.

(5) In the case of payments regarding transfer of funds in the international payment operations in the amount of EUR 1 000 or any other currency in counter value of EUR 1 000 or more according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day of payment, the financial institutions shall be obliged to provide data from the financial institution of the payer about the identity of the payer and, within the frameworks of their internal acts, to determine whether part of the data referred to in paragraphs (1), (2) and (4) of this Article is missing and the manner of dealing with such transfers. The entities should ask for the missing data or reject the transfer.

(6) The financial institutions may limit or terminate the business relationship with the financial institutions which do not provide, that is, forward the data envisaged in paragraphs (1), (2), (4) and (5) of this Article.

(7) The provisions of this Article shall not apply to the following types of transfers:

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- use of cards for cash withdrawal from a bank account, cash machines or from pos terminals and retail payments,
- transfers and settlements where both the payer and the recipient are banks that carry out the transfer on their own behalf and for their own account, and
- payment of a tax, fines and other public duties.

Currency exchange activities

Article 44

The entities that hold a license for exchange activities, in addition to the measures prescribed by Article 14 of this Law, shall be obliged to verify the identity of the client in accordance with Article 16 of this Law before making any transaction that involves an amount higher than EUR 500 in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia.

Article 45

- (1) The entities referred to in Article 44 of this Law shall be obliged to record the data about the client in chronological order, in a numbered register, signed by the authorized person or another person who holds an authorization to sign the register given by a managerial person in accordance with the bylaws of the entities.
- (2) The minister of finance, on a proposal of the director of the Office, shall prescribe the form and the contents of the numbered register referred to in paragraph (2) of this Article.

Organizers of games of chance

Article 46

- (1) The organizers of games of chance in a game shop (casino), in addition to the measures prescribed by Article 14 of this Law, shall be obliged to determine the identity of the client in accordance with Article 16 of this Law immediately upon the entry in the casino and upon buying or cashing-in chips in the amount higher than EUR 1 000 in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day the buying, that is, the paying out has been done, regardless of whether the transaction is conducted as one or several transactions that are obviously linked with each other.
- (2) The organizers of games of chance, with the exception to the organizers of games of chance in a game shop (casino), in addition to the measures prescribed by Article 14 of this Law, shall be obliged to determine the identity of the client in accordance with Article 16 of this Law before payment of the prize, payment of deposit or in both cases where the transaction is in the amount of EUR 1 000 or more in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day the buying, that is, the paying out has been done, regardless of whether the transaction is conducted as one or several transactions that are obviously linked with each other.

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Brokerage companies and banks that hold a license to work with securities

Article 47

- (1) The brokerage companies and the banks that hold a license to work with securities shall be obliged to keep a numbered register for trade in securities, the total value of which is higher than EUR 15 000 in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia, signed by the authorized person or another person who holds an authorization to sign the register given by a managerial person in accordance with the bylaws of the brokerage companies and the banks that hold a license to work with securities.
- (2) The minister of finance, on a proposal of the director of the Office, shall prescribe the form and the contents of the numbered register referred to in paragraph (1) of this Article.

Prohibitions

Article 48

- (1) Payments in cash for goods and services in the amount of EUR 2 000 or more in Denar counter value in a form of one or several transactions that are obviously linked, not carried out through a bank, a savings house or an account in another institution rendering payment services, shall be prohibited.
- (2) The entities that are authorized by law to register securities, any other property or legal matters, or to report or transfer money, securities or any other property, may complete such registration or transfer only if the client submits a proof that the money transfer exceeding the amount referred to in paragraph (1) of this Article is carried out through a bank, a savings house or an account in another institution rendering payment services.
- (3) The prohibition referred to in paragraph (1) of this Article shall not apply to the organizers of games of chance.

Article 49

- (1) The financial institutions shall be prohibited to enter in, or continue, a business relationship with shell banks and to establish or continue a correspondent business relationship with a bank for which they known that allows opening and operating accounts of shell banks.
- (2) The shell banks shall be prohibited to carry out financial activities in the Republic of Macedonia in any manner.

Article 50

The financial institutions shall be prohibited to open and maintain anonymous accounts and accounts in fictitious names.

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Keeping data

Article 51

- (1) The entities shall be obliged to keep copies of the documents, that is, electronic records of the data obtained by using electronic identification means issued under the notified electronic identification scheme in accordance with the law, for determination and verification, that is, identification and authentication of the identity of the client, the principal of the power of attorney and the beneficial owner, for the implemented client or beneficial owner due diligence procedures, and for the completed transactions or attempted transactions, the client's file, and the business correspondence in electronic or paper form, for ten years after the transaction is completed, calculated as of the last transaction.
- (2) The entities shall be obliged to keep copies of the completed due diligence in accordance with Article 38 of this Law in electronic or paper form for ten years.
- (3) The entities shall be obliged to keep the data in the same form as delivered to the office for ten years as of the day of submission. Upon expiry of this deadline, the entities shall be obliged to delete the personal data of the client.
- (4) The financial institutions shall be obliged to keep data on the payer and the recipient of non-cash transfer of funds referred to in Article 43 of this Law for ten years as of the completed transfer.
- (5) The register referred to in Articles 44 and 47 of this Law shall be mandatorily kept for ten years as of the last entered data.
- (6) The entities shall be obliged to keep copies of the documentation referred to in Article 58 of this Law for ten years.
- (7) In the case of termination of the entity, the obligation to keep the data for the period determined in paragraph (1) of this Article shall be transferred to the legal successors of the entity.
- (8) If the legal entity has no legal successors, the obligation to keep the data referred to in paragraph (1) of this Article shall be transferred to its founders.
- (9) The entities shall be obliged to make the documents referred to in paragraph (1) of this Article available to the supervisory bodies referred to in Articles 146 of this Law on their request.
- (10) On a request of the Office, the entities shall be obliged to keep the data referred to in paragraph (1) of this Article for more than ten years.

Submission of data to the Office

Article 52

- (1) The entities shall be obliged to submit the gathered data, information and documents to the Office in case of cash transaction in the amount of EUR 15 000 in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia or more, regardless of whether it is a single transaction or several obviously linked transactions.
- (2) The entities shall be obliged to submit the gathered data, information and documents about the completed transactions referred to in paragraph (1) of this Article to the Office in a form of a report within a period of three working days at the latest as of the completed transaction.
- (3) The minister of finance, on a proposal of the director of the Office, shall prescribe the form and the contents of the report referred to in paragraph (2) of this Article.

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Article 53

- (1) The notaries shall submit to the Office, in electronic form, by the end of the day, the collected data on prepared notary documents, confirmed private documents, and verified signatures on contracts based on which property is acquired in the amount of EUR 15000 or more in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day when the notary documents are prepared, the private documents are confirmed, and the signatures on the contract are verified.
- (2) The banks shall submit to the Office, in electronic form, by the tenth day of the current month for the previous month, the collected data regarding the credits made drawable to their clients in the amount of EUR 15 000 or more in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day of advancement of the credit.
- (3) The banks shall submit to the Office, in electronic form, by the tenth day of the current month for the previous month, the collected data regarding awarded and/or received loans between the clients in the amount of EUR 5 000 or more in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia.
- (4) The providers of money remittances services (fast money transfer) shall submit the data on the transactions in the amount of EUR 1 000 or more in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day of making the transaction to the Office, in electronic form, by the end of the day for the transactions made the previous working day.
- (5) The insurance companies that carry out activities related to life insurance shall submit the collected data about concluded life insurance policies to the Office, in electronic form, by the end of the day, in the following cases:
 - for concluded life insurance policies by paying premium per life insurance policy in the amount equal or bigger than EUR 15 000 and payment on grounds of purchase, loan or endurance in the amount equal or bigger than EUR 15 000 in Denar counter value according to the middle exchange rate of the National Bank of the Republic of North Macedonia on the day of conclusion of the insurance policy, that is, on the day of payment, except for the life insurance contracts in case of death - risk insurance and
 - for concluded life insurance policies of a holder of public office, no matter the value of the insurance.
- (6) The legal entities whose activity involves sale and purchase of vehicles shall submit the collected data about the concluded contracts for sale and purchase of new vehicles in the amount of EUR 15 000 or more in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day of conclusion of the contract to the Office, in electronic form, by the end of the day.
- (7) The organizers of games of change in a game shop(casino) shall submit to the Office, in electronic form, by the end of the day, the collected data on buying or cashing-in chips in the amount higher than EUR 1 000 in Denar counter value according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day of buying, that is, paying out regardless whether the transaction is made as one or several transactions that are obviously linked with each other.
- (8) The other organizers of games of change, except the organizers of games of chance in a game shop (casino), shall submit to the Office, in electronic form, by the end of the day, the collected data on payment of a prize, making a deposit or in both cases when the transaction is in the amount of EUR 1 000

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in Denar counter value or more according to the middle exchange rate of the National Bank of the Republic of Macedonia, regardless whether the transaction is made as one or several transactions that are obviously linked with each other.

(9) The minister of finance, on a proposal of the director of the Office, shall prescribe the contents and the type of the data referred to in paragraphs (1), (2), (3), (4), (5), (6), (7) and (8) of this Article and the manner of the electronic submission to the Office.

Article 54

(1) The entities shall be obliged to submit the collected data, information and documents to the Office if they suspect or have grounds to suspect that:

- money laundering and/or financing of terrorism has been or is committed or there has been or there is an attempt to launder money and/or to finance terrorism, regardless of the amount of the transaction,
- the property is proceeds of crime, and
- the property is related to financing of an act of terrorism, a terrorist organization or a terrorist, or a person who is funding terrorism.

(2) The entity shall be obliged to immediately notify the Office about the suspicions referred to in paragraph (1) of this Article and to keep on hold the transaction:

- 2 hours the most as of the notification to the Office, where it has learnt about the grounds of suspicion before making the transaction and
- 4 hours the most as of the notification to the Office, where it has learnt about the grounds of suspicion in the course of making the transaction.

(3) The entity shall be obliged to submit accurate data, information and documents to the Office about the suspicions referred to in paragraph (1) of this Article in a form of a report within a period of 24 hours as of learning about the grounds of suspicion at the latest.

(4) If the submitted data referred to in paragraphs (2) and (3) of this Article are not sufficient, the Office may request additional information, data and documentation from the entity.

(5) If the Office does not notify the entity about any further activities within the deadline set in paragraph (2) of this Article, the entity may make or reject the transaction.

(6) The entities shall be obliged to notify in writing the competent supervisory body referred to in Article 146 of this Law that they have submitted a report referred to in paragraph (3) of this Article to the Office, in a period of three working days as of the day of submission of the report.

(7) The minister of finance, on a proposal of the director of the Office, shall prescribe the form and the contents of the report referred to in paragraph (3) of this Article.

(8) The Office shall be obliged to notify the entity about the receipt and the completed checks of the report referred to in paragraph (3) of this Article.

Article 55

The entity shall establish the grounds for suspicion referred to in Article 54 paragraph (1) of this Law on the basis of:

- direct information;

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- the list of indicators for recognizing suspicious transactions determined by the Office, the entities and the supervisory bodies;
- the consolidated list that is kept in accordance with the regulations on restrictive measures;
- the risk assessment of money laundering and financing of terrorism; and
- other relevant information.

Article 56

- (1) The entities shall be obliged to submit the reports to the Office via protected electronic means. If such manner of submission is not possible because of technical reasons, the entities shall submit the reports in a written form.
- (2) The reports given to the Office by phone should be confirmed in accordance with paragraph (1) of this Article within 24 hours at the latest.
- (3) The Office must not reveal the identity of the employee in the entity who submits the report, except in the cases of suspicion that the employee or the entity has committed a crime of money laundering and/or financing of terrorism, on a written request of the competent court where it is necessary to confirm facts in the course of the criminal procedure.

Appointment of an authorized person and establishment of a department for prevention of money laundering and financing of terrorism

Article 57

- (1) The entities shall be obliged to appoint an authorized person and his/her deputy.
- (2) If the entity employs more than 50 persons, in addition to the obligation referred to in paragraph (1) of this Article, the entity, within the framework of its operation, shall be obliged to establish a special department for prevention of money laundering and financing of terrorism.
- (3) The department referred to in paragraph (2) of this Article should employ at least four persons if the entity employs between 50 and 300 persons, and the number of employees in the department should increase for one person per every additional 100 employees.
- (4) The entity may, on the basis of the results from the risk assessment, employ more persons than the number foreseen in accordance with paragraph (3) of this Article in the department referred to in paragraph (2) of this Article.
- (5) The authorized person shall manage the work of the department referred to in paragraph (2) of this Article.
- (6) The authorized person, his/her deputy, as well as the employees in the department should fulfill the following requirements:
 - a) not to be convicted of property crimes, crimes against public finances, payment operations and economy, official duty crimes, public order crimes, and crimes against humanity and international law, and other crimes;
 - b) to hold at least a secondary education diploma, have appropriate professional knowledge and experience in carrying out the duties in the field of prevention of money laundering and financing of terrorism; and
 - c) to have good knowledge of the business activity and the working processes of the entity.

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(7) The authorized person, his/her deputy, as well as all employees in the department referred to in paragraph (3) of this Article at the entities referred to in paragraph (2) of this Article, shall be subjected to security checks in accordance with the regulations on security of classified information and shall be obliged to hold a security clearance certificate.

(8) In order for the authorized person, his/her deputy and the employees in the department to work efficiently, the entity shall be obliged to ensure fulfillment of at least the following conditions:

- separation of the activities of the authorized person, that is, of the department from the other business activities of the entity which are not related to the activities for prevention of money laundering and financing of terrorism and control of the compliance of the work with the regulations,
- independence of the authorized person and the department in the implementation of the measures and activities for detection and prevention of money laundering and financing of terrorism in accordance with this Law,
- right to direct access to the electronic databases and timely access to all information necessary for unobstructed implementation of the program and the provisions of this Law, and
- establishment of direct communication with the governing bodies of the entity, etc.

(9) The banks and the providers of money remittances services (fast money transfer) shall be obliged to appoint an authorized on-duty person and his/her deputy who, in case of emergencies (an act of terrorism, threats of an act of terrorism) shall immediately, and within a period of three hours at the latest, be available for the Office. The authorized on-duty person and his/her deputy should meet the requirement referred to in paragraph (7) of this Article.

(10) The banks and the providers of money remittances services (fast money transfer) shall be obliged to provide the authorized on-duty person and his/her deputy the necessary conditions for work for the purpose of carrying out the obligations.

(11) The entity shall be obliged to adopt measures which shall ensure that the employees who carry out duties in the field of prevention and detection of money laundering and financing of terrorism in accordance with this Law are acquainted with the provisions of this Law, including also appropriate measures in relation to protection of the data. The measures must be proportional to the type and size of the entity and the assessed risk of money laundering and financing of terrorism.

(12) The entity shall be obliged to ensure regular professional training in the field of prevention and detection of money laundering and financing of terrorism in accordance with this Law for all employees.

(13) The entities shall be obliged to submit to the Office data on the persons (name, surname and contact) referred to in paragraphs (1) and

(9) of this Article, as well as to notify the Office about every change.

Obligation for internal control

Article 58

The entities shall be obliged to conduct an internal control of the implementation of the measures and activities for prevention of money laundering and financing of terrorism at least once a year in the current year for the previous year and to prepare documentation for the established findings from the conducted control.

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Implementation of software for automatic data processing

Article 59

- (1) The banks shall be obliged to implement and regularly upgrade software for automatic data processing in accordance with the features of the software for automatic data processing.
- (2) The minister of finance, on a proposal of the director of the Office, shall prescribe in details the features of the software for automatic data processing.

Use of the data obtained under this Law by the entities

Article 60

- (1) The data obtained based on this Law, including the personal data, shall be used only for detection and prevention of money laundering and financing of terrorism.
- (2) The submission of the data referred to in paragraph (1) of this Article to the Office and to the appropriate supervisory body referred to in Article 146 of this Law during conducting the supervision in accordance with this Law shall not be considered disclosure of a business secret or disclosure of classified data and information.
- (3) The employees in the entities and the persons that govern the entities that are obliged to take measures and activities for detection and prevention of money laundering and financing of terrorism, in accordance with this Law, must not use the personal data from the clients' files for purposes other than implementation of the measures and activities aimed at detecting and preventing money laundering and financing of terrorism in accordance with the purposes foreseen by this Law.

Prohibition on disclosing data and information

Article 61

- (1) The entity and its employees, including the members of the governing and supervisory board or other persons who have at disposal the data provided in accordance with this Law or the bylaws adopted on the basis of this Law in any manner, must not inform the client or a third party:
 1. that an analysis for determination of grounds of suspicion of money laundering or financing of terrorism by the Office is being carried out or is likely to be carried out;
 2. that data, information or documentation about the client or a third party or a transaction is submitted or is going to be submitted to the Office;
 3. that the Office has issued an order for monitoring the business relationship or a written order for temporary keeping the transaction on hold;
 4. that pre-investigation activities, an investigation or criminal proceedings for money laundering or financing of terrorism is initiated or is possible to be initiated against the client or a third party.
- (2) The data, information and documents referred to in paragraph (1) of this Article shall be classified data for which an appropriate level of classification is determined in accordance with the regulations on protection of classified information.
- (3) The entity shall be obliged to take technical, personnel and organizational measures for protection of the data obtained in accordance with the provisions of this Law that are necessary for their

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protection in case of accidental loss, destruction or unauthorized access, unauthorized use and any other abuse and to determine an obligation for the employees that process the data to sign a confidentiality statement.

(4) The prohibition on disclosing data and information referred to in paragraph (1) of this Article shall not apply, unless the Office decides otherwise, when:

a) data and information are exchanged among financial institutions that are part of the same group, provided that they implement the regulations that derive from the valid international regulations and standards for prevention of money laundering and financing of terrorism;

b) data and information are exchanged among the entities referred to in Article 5 point 2 of this Law from states in which the same provisions for detection and prevention of money laundering as the provisions of this Law are prescribed, and which carry out their professional activity as part of the same legal entity or as part of a larger ownership or governing structure to which the legal entity belongs.

(5) The prohibition on disclosing data and information referred to in paragraph (1) of this Article shall not apply on data and information referring to the same client or the same transaction where two or more entities participate, provided that they implement the measures for prevention of money laundering and financing of terrorism, carry out the same type of an activity and are subject to the obligations for protection of a business secret and personal data protection.

Exclusion from liability for reporting and keeping a transaction on hold

Article 62

(1) A procedure for determination of liability for disclosure of a business secret against the persons or the managerial body and the employees in the entities that have submitted information or reports in relation to suspicious transactions to the Office shall not be initiated.

(2) A procedure for civil or criminal liability against the official or responsible persons, the managerial body or the employees in the entities that have submitted data, information, documents or reports in accordance with the provisions of this Law, cannot be initiated even in the case where the procedure on the submitted information and reports has not led to determination of liability, that is, an effective judgment.

(3) A procedure for civil or criminal liability against the official or responsible persons, the managerial body and the employees in the entities for material or non-material damage caused as a consequence of keeping on hold transactions in accordance with the provisions of this Law cannot be initiated, except if such keeping on hold matches the features of a crime.

Business secret

Article 63

Invoking non-disclosure of a business secret cannot be accepted as a ground for rejecting the provision, submission and giving of data, information, documents in accordance with this Law.

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CHAPTER IV. FINANCIAL INTELLIGENCE OFFICE

Article 64

(1) The Office shall be a unit of financial intelligence of the Republic of Macedonia, established for the purpose of collecting and analyzing reports for suspicious transactions and other information of importance for the prevention and detection of money laundering and financing of terrorism and submitting the results of the analysis and other additional relevant information to the competent bodies in cases of grounds for suspicion of money laundering and financing of terrorism.

(2) The Office shall be a state administrative body within the Ministry of Finance, with the capacity of a legal entity.

(3) The Office shall have the following competencies:

- to collect, process, analyze, store, and submit data obtained on the basis of this Law,
- to obtain data, information and documents, necessary for the exercise of its competencies,
- to prepare and submit reports to the competent state bodies whenever there are grounds for suspicion that a crime of money laundering or financing of terrorism has been committed,
- to prepare and submit a notification to the competent state bodies about existence of grounds for suspicion that another crime has been committed,
- to issue a written order to the entity on the basis of which the transaction is temporarily kept on hold,
- to file a request for submission of a proposal for granting preliminary injunctions to the competent public prosecutor,
- to submit an order for monitoring the business relationship to the entity,
- to issue a misdemeanor payment order,
- to submit a motion for initiation of a misdemeanor procedure with the competent court,
- to prepare strategic analyses for determination of trends and typologies of money laundering and financing of terrorism,
- to cooperate with the entities referred to in Article 5 of this Law, the Ministry of Interior, the Ministry of Defense, the Ministry of Justice, the Ministry of Foreign Affairs, the Public Prosecution Office of the Republic of Macedonia, the Intelligence Agency, the Financial Police Administration, the Customs Administration, the Public Revenue Office, the State Foreign Exchange Inspectorate, the Securities and Exchange Commission of the Republic of Macedonia, the National Bank of the Republic of Macedonia, the Agency for Supervision of Fully Funded Pension Insurance, the Agency for Insurance Supervision, the State Commission for the Prevention of Corruption, the State Audit Office, the Central Register of the Republic of Macedonia, and other state bodies and institutions, as well as with other organizations, institutions and international bodies combating money laundering and financing of terrorism,
- to conclude cooperation agreements and to exchange data and information with the financial intelligence units of other states and international organizations, involved in the fight against money laundering and financing of terrorism,
- to supervise the entities regarding the application of the measures and activities determined by this Law independently or in cooperation with the supervisory bodies referred to in this Law,
- to participate in the implementation of the national risk assessment of money laundering and financing of terrorism and to conduct risk assessment of particular categories of entities,
- to raise initiatives or to give opinions on laws and bylaws referring to prevention of money laundering and financing of terrorism,

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- may assist in the professional development of authorized persons and the employees in the department for prevention of money laundering and financing of terrorism in the entities referred to in Article 5 of this Law,
 - to determine lists of indicators for identification of suspicious transactions in cooperation with the entities and the bodies supervising their work and to regularly update them,
 - to plan and deliver training courses for professional development and training of the employees in the Office,
 - to carry out activities aimed at raising the awareness of the non- governmental sector for the risks of their possible abuse for the purposes of financing terrorism,
 - to give clarifications regarding the application of the regulations on prevention of money laundering and financing of terrorism,
 - to keep records, as well as comprehensive statistics for the purposes of assessing the efficiency of the system for combating money laundering and financing of terrorism,
 - to act in accordance with the provisions of the Law on Restrictive Measures and the bylaws adopted on the basis of the referred law, and
 - to carry out other activities laid down by a law.
- (4) For the purpose of exercising its competencies, the Office shall have timely, direct or indirect electronic access to data, information and documentation which are at the disposal of the entities, the state bodies and institutions, and other legal entities or natural persons in accordance with the provisions of this Law.
- (5) The Office shall carry out the activities within its competence in accordance with the law and the ratified international agreements regulating the prevention of money laundering and financing of terrorism.
- (6) The personal data collected for the purposes of this Law shall be used in accordance with this Law and the regulation on personal data protection.
- (7) Once a year, the Office shall prepare a report for the activities within its competence and a work program for the following year and shall submit them to the minister of finance and to the Government of the Republic of Macedonia. The Office may also submit any other report on a request of the minister of finance or the Government of the Republic of Macedonia.

Article 65

- (1) The Office shall exercise its competencies on the whole territory of the Republic of Macedonia.
- (2) The head office of the Office shall be in Skopje.

Autonomy, operational independence and financing of the Office

Article 66

- (1) The Office shall be autonomous and operationally independent in the course of exercising the competencies prescribed by this Law and shall have an authorization to completely freely exercise its competencies, including the making of decisions with regard to analyzing, requesting, forwarding and submitting the results from its analyses and information, data and documentation to the competent bodies and financial intelligence units of any other state.

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(2) The necessary funds for financing the Office shall be provided from the Budget of the Republic of Macedonia.

Article 67

(1) The Office and its employees shall not be held liable for the damage caused to the entities, clients of the entities or third persons in cases where they act in accordance with the provisions of this Law or the bylaws adopted on the basis of this Law.

(2) The Republic of Macedonia shall not be held liable for the damages that may be caused by the application of the provisions of this Law or the bylaws adopted on the basis of this Law.

(3) As an exception, the provisions of paragraphs (1) and (2) of this Law shall not apply if the damage is caused intentionally.

Article 68

(1) The director of the Office shall be appointed and dismissed by the Government of the Republic of Macedonia on a proposal of the minister of finance upon conducted job announcement, published in three daily newspapers in circulation on the whole territory of the Republic of Macedonia, one of which is a newspaper published in the language spoken by at least 20% of the citizens who speak an official language other than the Macedonian.

(2) The director shall have a term of office of five years, with the possibility of reappointment.

(3) A person who meets the following requirements may be appointed as a director:

1) to be a citizen only of the Republic of Macedonia;

2) to have at least 240 credits under the ECTS or VII/1 degree of education;

3) to have at least five years of work experience in the field of prevention of money laundering and financing of terrorism;

4) not to be convicted of property crimes, crimes against public finances, payment operations and economy, official duty crimes, public order crimes, and crimes against humanity and international law, and other crimes; and

5) to hold an appropriate proof (certificate), which is not older than five years, of a passed English language:

- TOEFL IBT - at least 74 points
- IELTS - at least 6 points,
- ILEC (Cambridge English First) - at least B2 level,
- BULATS - at least 60 points, or
- APTIS - at least B2 level.

(4) The term of office of the director shall terminate:

- upon expiry of five years as of the day of appointment,
- in the case of death,
- in the case of resignation,
- in the case of dismissal,
- in the case of being convicted of a crime by an effective judgment to at least six months of imprisonment,

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- if the court imposes a measure prohibition on carrying out an activity of a managerial person in the institution, and
 - upon loss of the legal capacity.
- (5) The director may be dismissed due to:
- unlawful operation,
 - carrying out the duty of a director unprofessionally,
 - long-lasting serious illness that prevents him/her from fulfilling the obligations, and
 - personal request.
- (6) The director shall manage and represent the Office, shall organize and ensure lawful, efficient and professional performance of the activities of the Office, shall adopt decisions, orders and internal orders, instructions, plans and programs, warnings with recommendations, and other documents.
- (7) The director may authorize a financial intelligence officer from the A category referred to in Article 71 paragraph (1) of this Law to sign documents referred to in paragraph (6) of this Article in the cases of his/her absence or prevention.

Article 69

The director of the Office and its employees shall be subject to vetting in accordance with the regulations on security of classified information.

Article 70

The jobs of the employees in the Office shall be grouped in groups and sub-groups:

- authorized officers,
- administrative servants, and
- auxiliary and technical persons.

Classification of jobs of authorized officers in the Office

Article 71

- (1) The following categories of jobs shall be determined for the authorized officers in the Office:
- category A - managerial persons - financial intelligence officers and
 - category B - financial intelligence officers.
- (2) The following job levels shall be determined within the category A:
- level A1 - head of a sector - financial intelligence officer,
 - level A2 - assistant head of a sector - financial intelligence officer, and
 - level A3 - head of a department - financial intelligence officer.
- (3) The following job levels shall be determined within the category B:
- level B1 - independent financial intelligence officer,
 - level B2 - senior financial intelligence officer,
 - level B3 - financial intelligence officer, and
 - level B4 - junior financial intelligence officer.

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Article 72

- (1) The employees of the Office shall have an official identification card.
- (2) The form, contents and manner of issuance, revocation and use of the official identification card shall be prescribed by the minister of finance, on a proposal of the director.

Article 73

This Law, the Law on Labor Relations, the Law on Public Sector Employees, and the regulation in the field of health, pension and disability insurance, and the General Collective Agreement for the Public Sector in the Republic of Macedonia shall apply to the financial intelligence officers in the Office, unless otherwise regulated by this Law.

Employment of a financial intelligence officer

Article 74

- (1) A person who, in addition to the general requirements, meets the special requirements foreseen by this Law and the act on systematization of jobs in the Office may be employed as financial intelligence officer in the Office.
- (2) A person may be employed as a financial intelligence officer if he/she:
 - 1) is a citizen of the Republic of Macedonia,
 - 2) has completed an appropriate education prescribed by the act on systematization,
 - 3) meets also the special requirements prescribed by the act on systematization, and
 - 4) is fluent in one of the three most frequently used languages (English, French or German).

Employment procedure for a financial intelligence officer

Article 75

- (1) A financial intelligence officer shall be employed in the Office in accordance with the Annual Recruitment Plan.
- (2) The Annual Recruitment Plan shall be adopted by the director of the Office by 31 March at the latest for the following year, with a previous consent of the Ministry of Finance.
- (3) A financial intelligence officer shall be employed in the Office based on a job announcement, in a procedure and under conditions laid down by this Law.
- (4) The procedure for employment of a financial intelligence officer on the basis of a job announcement shall be conducted upon a previously obtained notification for provided funds from the Ministry of Finance.
- (5) The Office shall publish the job announcement referred to in paragraph (3) of this Article on its Internet page and in at least two daily newspapers one of which is a newspaper published in the language spoken by at least 20% of the citizens who speak an official language other than the Macedonian.
- (6) The deadline for application to the job announcement referred to in paragraph (3) of this Article cannot be shorter than five days as of the day of its publication.

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Article 76

- (1) The director of the Office shall form a Financial Intelligence Officer Employment Selection Commission (hereinafter: Selection Commission) which shall conduct the procedure referred to in Article 81 paragraph (1) of this Law.
- (2) The Selection Commission referred to in paragraph (1) of this Article shall be composed of financial intelligence officers employed in the Office, that is, a president and two members and their deputies.
- (3) The president of the Selection Commission referred to in paragraph (1) of this Article shall be the head of the sector, that is, the department where the financial intelligence officer is to be employed, and the other two members of the Selection Commission shall be financial intelligence officers employed in the Office.

Article 77

- (1) The procedure for selection for employment of a candidate for a financial intelligence officer shall consist of an administrative selection, a written examination and an interview.
- (2) The administrative selection shall consist of a check of the entered data in the application and the submitted documentation for employment against the requirements laid down in the job announcement.
- (3) The administrative selection referred to in paragraph (2) of this Article shall be conducted within a period of five days as of the end of the job announcement and shall end by publishing a list of candidates that have passed the administrative selection on the Internet page of the Office.
- (4) The candidates who have met the requirements after the administrative selection shall take a written examination.
- (5) The date and time of holding the written examination referred to in paragraph (1) of this Article cannot be shorter than ten days and longer than 30 days as of the end of the administrative selection.
- (6) The candidate for a financial intelligence officer shall be considered to have passed the written examination if he/she has correctly answered 70% of the questions at the written examination which lasts one hour. The Selection Commission shall prepare a list of candidates who have passed the written examination and shall publish it on the Internet page of the Office.
- (7) The Selection Commission, within a period of five days as of the end of the written examination, and on the basis of the results of the written examination, shall make an interview with the five most successful candidates who have passed the examination. As an exception, the interview shall be made with the candidates who have the same result as the fifth candidate from the list.
- (8) The interview should contain situation questions in the field of prevention of money laundering and financing of terrorism based on which the potential and integrity of the personality of the candidate for a financial intelligence officer are assessed.
- (9) The Selection Commission, within a period of three days as of the end of the interview, based on the results of the conducted written examination and the interview, shall prepare a ranking list of three most successful candidates and shall submit it to the director of the Office.
- (10) The director of the Office shall adopt a decision on selection of a candidate within a period of three days after the receipt of the ranking list referred to in paragraph (9) of this Article.
- (11) The Office shall inform the candidates about the selection made in writing within a period of three days as of the selection made.
- (12) If the director of the Office does not select a candidate within the deadline referred to in paragraph (10) of this Article, a new procedure for employment of a financial intelligence officer for the

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same job cannot be conducted before the expiry of six months as of the day of publishing the job announcement.

(13) The unsatisfied candidate shall have the right to file an appeal against the decision on selection referred to in paragraph (10) of this Article with the State Commission for Decision-making in Administrative Procedure and Labor Relations Procedure in Second Instance, within a period of eight days as of the day of receipt of the written notification about the selected candidate.

(14) The appeal shall postpone the execution of the decision.

(15) Upon completion of the procedure for selection, the director of the Office shall adopt a decision on employment of a financial intelligence officer without any delay.

Article 78

A person may be employed in the Office by transfer, without announcing the job, from one to another state body with his/her consent, to a job which corresponds to his/her professional training, that is, qualifications and the requirements prescribed by the act on systematization, where so required by the needs of the Office, upon a previously obtained consent of the minister of finance.

Termination of employment of a financial intelligence officer

Article 79

(1) The employment of the financial intelligence officer shall terminate if:

- a) he/she requests so;
- b) he/she permanently loses the health capacity for carrying out the duties in the Office as a consequence of illness or diminished physical or mental capacities;
- c) it is determined that he/she has not stated or has given false data in relation to the general and special requirements for employment, as of the

day of finality of the decision or upon the expiry of the deadline for decision-making on an appeal against the decision;

- d) he/she is imposed a disciplinary measure termination of employment, as of the day of handing over the final decision;
- e) due to serving a sentence of imprisonment, he/she must be absent from work more than six months - as of the day of sending him/her to serve the sentence;
- f) he/she meets the requirements for retirement; and
- g) he/she is assessed with the "unsatisfactory" mark for three consecutive times or at least three times during the last five years.

(2) The minister of finance shall decide on the termination of the employment.

Rights and obligations of the financial intelligence officer

Article 80

(1) The financial intelligence officers shall have the obligation:

- a) to perform the duties conscientiously, professionally, efficiently, orderly and timely in accordance with the Constitution, law and other regulations;

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- b) to execute the orders of the immediate superior manager and to act upon them in accordance with the Constitution, law and any other regulation;
 - c) to respect the prescribed working hours; and
 - d) to use the equipment entrusted to them for carrying out their duties with due attention and due care in accordance with its purpose and not to use it for personal purposes.
- (2) The financial intelligence officer, in addition to the obligations referred to in paragraph (1) of this Article, shall have the following obligations as well:
- a) to carry out his/her work impartially and without influence of political parties, not to be guided by his/her personal political beliefs, by personal financial interest, not to abuse the authorizations and the status, and to protect the reputation of the Office;
 - b) to professionally develop his/her knowledge for the purpose of improving the professional demands by constant respect and application of the regulations in the performance of his/her official duties;
 - c) to behave in accordance with the Code of Conduct of the employees in the Office;
 - d) to obey all security measures in order to avoid the threat to his/her life and health, as well as the life and health of the other employees in the Office; and
 - e) not to use privileges and reliefs, not to request or accept material or other benefit in the course of performance of his/her duties.
- (3) The financial intelligence officers shall be obliged to treat and keep the classified information in accordance with the regulations on classified information.
- (4) The financial intelligence officers shall be obliged to gather, process and keep the personal data in accordance with the provisions of this Law and the regulations on personal data protection.
- (5) The financial intelligence officers shall be held disciplinary liable, liable for misdemeanors and criminally liable in accordance with the law for non-compliance with the obligations prescribed in paragraphs (1), (2), (3) and (4) of this Article.

Article 81

- (1) The Office, shall plan, organize and deliver training courses for the employees.
- (2) The Office shall conclude an agreement, in a written form, that regulates the rights and obligations of the contracting parties with an employee who is sent to training, the value of which exceeds ten average salaries paid in the Republic of Macedonia for the last month before being sent to training.
- (3) The employee who does not meet the obligations under the concluded agreement referred to in paragraph (2) of this Article shall be obliged to compensate the costs incurred for his/her training increased by three times.

Article 82

- (1) The financial intelligence officers shall have the right to salaries, salary allowances and other supplements that are provided from the Budget of the Republic of Macedonia.
- (2) The financial intelligence officer, due to the specificity of the works he/she carries out, shall have the right to a salary that is increased for 20% from the basic salary determined by the act on payment of salary and allowances.

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(3) The financial intelligence officer, in the case of temporary inability to work caused in the course of carrying out or due to the carrying out the works and duties, shall be entitled to compensation in the amount of the current salary for the time of absence.

(4) In accordance with the regulations on pension and disability insurance, the length of insurance shall be accrued at an accelerated rate, so the age limit for acquiring the right to an old-age pension shall be reduced depending on the accrual rate of years of service, that is, by one year for each four years spent at jobs where 12 months spent effectively are calculated as 15 months in the length of insurance.

(5) The Office shall insure the financial intelligence officers against death, bodily injury or loss of working capacity in the course of carrying out the works within their competence.

Article 83

The financial intelligence officers, in the course of exercising their authorizations, shall have special rights to enter and to have free access to stations, airports, ports and public parking areas only by presenting the official identification card.

Article 84

(1) The financial intelligence officer may be promoted at a higher position by a decision of the director, and upon a previous consent of the minister of finance, depending on the achieved exceptional and above average results in the work, the professional knowledge and competences in the work, the commitment, creativity and conscientiousness in carrying out the official duties.

(2) The financial intelligence officer may be promoted if he/she meets the following requirements:

- the position to which he/she is promoted is vacant (not filled or has become vacant),
- meets fully the requirements determined in the act on systematization of jobs for the job to which he/she is promoted,
- he/she has completed the training courses determined for the position to which he/she is promoted,
- he/she has been assessed with the marks "satisfactory" or "outstanding" in the manner and under the conditions determined by this Law,
- at least one year has passed as of his/her last promotion, and
- he/she has not been punished for violation of the work order and discipline or non-fulfillment of the working obligations determined by law in the last 12 months.

Article 85

(1) The financial intelligence officers, in the course of their work, shall be assessed once a year by the immediate managerial financial intelligence officer. If there is no immediate managerial financial intelligence officer, the assessment shall be made by the senior managerial financial intelligence officer in accordance with the act on systematization. If there is no senior managerial financial intelligence officer in accordance with the act on systematization, the assessment shall be made by the director of the Office.

(2) The financial intelligence officers who have been justifiably absent from work for a period longer than six months during the year (sick leave, unpaid leave etc.) shall not be assessed.

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(3) The financial intelligence officers shall be assessed based on data referring to the following criteria:

- the professional knowledge and competences in the work,
- the commitment,
- the results achieved,
- the creativity, and
- the consciousness.

(4) The criteria referred to in paragraph (3) of this Article shall be assessed separately, with numerical marks from one to four and with the following descriptive marks “outstanding”, “satisfactory”, “not fully satisfactory” and “unsatisfactory”.

(5) The financial intelligence officer who is not satisfied with the mark may submit a request for review of the mark to the Commission for Review of the Mark, formed by the director, within a period of eight days as of the day of assessment.

(6) The financial intelligence officer who is not satisfied with the decision of the Commission for Review of the Mark shall have the right to file an appeal through the Office to the State Commission for Decision-making in Administrative Procedure and Labor Relations Procedure in Second Instance within a period of eight days as of the day of delivery of the decision.

(7) The manner of assessing the work of the financial intelligence officers, the types of reports, the form and contents of the assessment form, and the other forms shall be prescribed by the minister of finance on a proposal of the director.

Article 86

(1) The Code of Conduct shall describe the standards for conduct that should be obeyed by all employees and shall give directions and instructions for resolution of the ethical issues for those who work in the Office and those who cooperate and work with the employees in the Office.

(2) The Code of Conduct shall be prescribed by the minister of finance on a proposal of the director.

Article 87

(1) The financial intelligence officer shall be held disciplinary liable for violation of the work order and discipline or non-fulfillment of the duties.

(2) The liability for the committed crime shall not exclude the disciplinary liability of the financial intelligence officer.

Article 88

(1) The financial intelligence officer shall be disciplinary liable for a disciplinary irregularity and disciplinary offense.

(2) Disciplinary irregularity, in terms of paragraph (1) of this Article, shall be considered any minor violation of the work discipline, the working duties, the reputation of the Office and of the employees.

(3) Disciplinary offense, in terms of paragraph (1) of this Article, shall be considered any major violation of the work discipline, the working duties, the reputation of the Office and of the employees.

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Article 89

(1) The financial intelligence officer shall make a disciplinary irregularity, that is, a minor violation of the work discipline, the working duties, the reputation of the Office and of the employees if he/she:

- 1) does not comply with the work order and discipline;
- 2) does not fulfill or unduly and untimely fulfills the working obligations;
- 3) does not abide by the regulations valid for carrying out the works at the job;
- 4) does not comply with the determined working hours, schedule and use of the working hours;
- 5) does not ask for an absence or does not notify in writing the director, that is, the immediate managerial officer or any other responsible employee about absence from work on time;
- 6) due to illness or justified reasons, is absent from work, but he/she does not, immediately or within 24 hours at the latest, inform the director, that is, the immediate managerial officer or any other responsible employee thereof;
- 7) does not use the means for work conscientiously or in accordance with the technical instructions for work;
- 8) does not inform immediately the director, that is, the immediate head of the organizational unit or any other responsible employee about the cases where damage, error in the work or loss is caused;
- 9) does not maintain the means for work and the equipment for safety at work in accordance with the regulations on safety at work;
- 10) causes disorder and behaves violently at work;
- 11) uses the assets of the Office unlawfully or without authorization; and
- 12) avoids training.

Article 90

The financial intelligence officer shall commit a disciplinary offense, that is, a major violation of the work discipline, the working duties, the reputation of the Office and of the employees if he/she:

- 1) without any justification, is absent from work three working days consecutively or five working days during one year;
- 2) abuses the sick leave;
- 3) does not comply with the regulations on health protection, safety at work, fire, explosion, harmful impact of poisons and other dangerous materials, and violates the regulations on environmental protection;
- 4) takes in, uses or is under the influence of alcohol and narcotics;
- 5) steals or, related to the work, intentionally or due to utmost negligence, causes damage to the Office;
- 6) does not comply with the provisions of the Law on Classified Information;
- 7) abuses personal data;
- 8) abuses or exceeds the statutory obligations and authorizations;
- 9) avoids medical checks for determination of the work capacity;
- 10) unlawfully gains personal benefit related to carrying out the works and duties;
- 11) uses or enables another to use money or other valuable items which have been entrusted to the financial intelligence officer for carrying out the works and duties; and

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12) establishes, manages, represents, presents a political party, is a member of party's bodies determined by its statute, expresses and advocates party positions and beliefs during carrying out the works and duties, wears or displays party symbols in the premises or the official vehicles of the Office, and organizes or acts in favor of a party in the Office.

Article 91

(1) In the case of disciplinary irregularity, one of the following disciplinary measures may be imposed on the financial intelligence officer by a decision:

- 1) a written reprimand or
- 2) a fine in the amount of 15% of the last monthly net salary paid to the financial intelligence officer, in duration of one to three months.

(2) In the case of disciplinary offense, one of the following disciplinary measures may be imposed on the financial intelligence officer by a decision:

- 1) a fine in the amount of 15% of the last monthly net salary paid to the financial intelligence officer, in duration of one to six months;
- 2) reassignment to a job which, in accordance with the hierarchy of jobs determined in the act on systematization of jobs in the Office, is one level lower than the job wherefrom the financial intelligence officer is reassigned; or
- 3) termination of the employment contract.

(3) The level of responsibility, the circumstances under which the violation of the work discipline, the working duties, the reputation of the Office and of the employees has been committed, the previous work and behavior of the employee, the seriousness of the violation and its consequences, the circumstances under which the violation has been committed, and other mitigating and aggravating circumstances shall be taken into account when imposing the disciplinary measures referred to in paragraphs (1) and (2) of this Article.

Article 92

The sum of the fines imposed on the financial intelligence officer in one month for violation of the work discipline, the working duties, the reputation of the Office and of the employees cannot exceed 20% of the amount of his/her total net salary for the respective month.

Article 93

(1) The disciplinary measures against the financial intelligence officer for the disciplinary irregularity shall be imposed on a proposal of the immediate managerial financial intelligence officer, the senior managerial financial intelligence officer or managerial financial intelligence officer at the same level, which shall at the same time be submitted to the director and the financial intelligence officer against whom the proposal is submitted.

(2) The financial intelligence officer against whom the proposal is submitted shall have the right to give a statement regarding the proposal, that is, to give his/her reaction in a written form within a period of three days as of the day of receipt of the proposal referred to in paragraph (1) of this Article.

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(3) The disciplinary measures against the financial intelligence officer for disciplinary irregularity shall be imposed by the director within a period of eight days as of the day of receipt of the written reaction referred to in paragraph (2) of this Article.

(4) The unsatisfied financial intelligence officer shall have the right to file an appeal against the decision referred to in paragraph (3) of this Article to the State Commission for Decision-making in Administrative Procedure and Labor Relations Procedure in Second Instance within a period of eight days as of the receipt of the decision.

Article 94

A proposal for initiation of a procedure for determination of a disciplinary liability of the financial intelligence officer for a disciplinary offense may be filed by the immediate managerial financial intelligence officer, the senior managerial financial intelligence officer or the managerial financial intelligence officer at the same level. The proposal must be elaborated and supported by facts and proofs.

Article 95

(1) The director shall establish a commission for determination of a disciplinary liability to conduct the procedure for determination of a disciplinary liability for a disciplinary offense of the financial intelligence officer in the cases determined by this Law within eight days as of the day of submission of the proposal for initiation of a disciplinary procedure.

(2) The commission referred to in paragraph (1) of this Article shall be composed of financial intelligence officers, that is, a president from among the managerial financial intelligence officers and two members one of whom, if possible, shall be a financial intelligence officer holding the same position as the financial intelligence officer against whom the disciplinary procedure is conducted. The president and the members shall have their deputies.

(3) The commission referred to in paragraph (1) of this Article shall conduct the procedure for determination of a disciplinary liability in accordance with this Law.

(4) The commission referred to in paragraph (1) of this Article shall propose to the director to adopt an adequate disciplinary measure after completion of the disciplinary procedure, provided that it determines that the financial intelligence officer is liable.

(5) If the commission referred to in paragraph (1) of this Article establishes that the financial intelligence officer is not liable, it shall propose to the director to reject the proposal or to terminate the procedure.

(6) The director, based on the proposal of the commission, shall adopt a decision on imposition of a disciplinary measure, on rejection of the proposal, or on termination of the procedure within a period of three days as of the day of receipt of the proposal referred to in paragraph (5) of this Article. The decision on imposition of a disciplinary measure shall also contain an explanation about the ground and the reasons for imposing a disciplinary measure.

(7) The decision on imposition of a disciplinary measure shall be delivered to the financial intelligence officer personally, as a rule, in the working premises of the Office, that is, at the address of his/her permanent, that is, temporary residence.

(8) If the financial intelligence officer refuses the delivery, the decision shall be made public at the notice board in the Office. It shall be deemed that the delivery is done upon expiry of three working days as of the day of publication at the notice board.

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(9) The financial intelligence officer shall have the right to file an appeal against the decision on imposition of a disciplinary measure or rejection of the proposal, that is, termination of the procedure through the Office to the State Commission for Decision-making in Administrative Procedure and Labor Relations Procedure in Second Instance, within a period of eight days as of the day of delivery of the decision.

(10) The appeal shall postpone the execution of the decision until the adoption of a final decision or expiry of the deadline within which the State Commission for Decision-making in Administrative Procedure and Labor Relations Procedure in Second Instance should make a decision. The Office shall be obliged to submit the appeal, together with the accompanying documents, to the State Commission for Decision-making in Administrative Procedure and Labor Relations Procedure in Second Instance, within a period of eight days as of the day of receipt of the appeal.

(11) The disciplinary procedure shall be completed within 60 days as of the day of adoption of the decision on establishment of the commission referred to in paragraph (1) of this Article.

Article 96

(1) Until adoption of a decision in a disciplinary procedure that is conducted against a financial intelligence officer, the financial intelligence officer, by way of a written decision – an individual administrative decision, shall be suspended from the job and from the Office in the cases determined by the regulations on labor relations, provided that one of the following situations occur:

- the life or health of the employees or other persons are under a direct threat or the means of higher value are damaged,
- his/her presence at the work place and his/her further work has harmful effect on the operation of the Office, and
- in the cases where a criminal procedure is initiated against the financial intelligence officer for a criminal offense committed at work or related to the work.

(2) In the period during the suspension from the job and from the Office, the financial intelligence officer shall be determined and paid compensation in the amount of 60% of the amount of the net salary that the financial intelligence officer has had in the month before the suspension from the job.

(3) The decision referred to in paragraph (1) of this Article shall be adopted by the director.

(4) The decision referred to in paragraph (1) of this Article shall be delivered to the financial intelligence officer personally, as a rule, in the working premises of the Office, that is, at the address of his/her permanent, that is, temporary residence.

(5) If the financial intelligence officer refuses the delivery, the decision shall be made public at the notice board in the Office. It shall be deemed that the delivery is done upon expiry of three working days as of the day of publication at the notice board.

(6) The financial intelligence officer shall have the right to file an appeal against the decision referred to in paragraph (1) of this Article with the State Commission for Decision-making in Administrative Procedure and Labor Relations Procedure in Second Instance, within eight days as of the day of delivery of the decision.

(7) The appeal against the decision referred to in paragraph (1) of this Article shall not postpone the enforcement of the decision.

(8) In the case of return to the job and provided that no disciplinary liability is established, the financial intelligence officer shall be entitled to retroactive compensation of up to 100% of the net salary.

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Article 97

If the measure of termination of the employment contract due to a disciplinary offence is imposed on the financial intelligence officer, the financial intelligence officer shall have the right to a notice period of 30 days as of the day of delivery of the decision on termination of the employment contract.

Article 98

During the notice period, the Office shall be obliged to enable the financial intelligence officer to take an absence from work for the purpose of seeking a new job, six hours during the work week.

Article 99

During the notice period and the absence from work for seeking a new job, the financial intelligence officer shall be determined and paid compensation in the amount of the salary that the financial intelligence officer has had in the month before the adoption of the decision on termination of the employment contract.

Article 100

- (1) The disciplinary procedure against the financial officer cannot be initiated if one month has passed as of the day when the immediate or the senior managerial financial intelligence officer or the director has learnt about the committed disciplinary offense.
- (2) The disciplinary procedure against the financial officer cannot be initiated if three months have passed as of the day when the disciplinary offense has been committed.
- (3) In the case where a criminal procedure against the financial intelligence officer is also initiated for a committed disciplinary offense, the decision on imposition of a disciplinary measure shall be adopted until the expiry of the time-barring period for criminal prosecution for the respective crime at the latest.

Article 101

- (1) The financial intelligence officer shall be liable for any damage to the Office caused by him/her at work or in relation to the work, intentionally or due to utmost negligence.
- (2) The director shall form a commission for establishment of a material liability of the financial intelligence officer composed of financial intelligence officers employed in the Office, that is, a president from among the managerial financial intelligence officers and two members, one of whom, if possible, shall be a financial intelligence officer holding the same position as the financial intelligence officer against whom the disciplinary procedure is conducted. The president and the members shall have their deputies.
- (3) The commission referred to in paragraph (2) of this Article shall establish the material liability for existence of inflicted material damage, its amount and the manner in which it has been inflicted, who has caused the damage and who shall compensate for it.
- (4) The commission referred to in paragraph (2) of this Article shall submit a report on the established actual situation, based on which the director shall adopt a decision on compensation of the damage.

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Article 102

A proposal for initiation of a procedure for establishment of a material liability against a financial intelligence officer shall be submitted by the immediate managerial financial intelligence officer, the senior managerial financial intelligence officer or a managerial financial intelligence officer at the same level.

Article 103

The procedure for establishment of a material liability cannot be initiated if 60 days have expired from the day the immediate managerial financial intelligence officer or the senior managerial financial intelligence officer has found out about it.

Article 104

The procedure for establishment of a material liability cannot be initiated if one year has expired from the day of inflicting the material damage.

Article 105

The procedure for establishment of a material liability cannot be conducted for more than 60 days as of the day of adoption of the decision on forming the commission for establishment of a material liability.

Article 106

(1) The financial intelligence officer shall have the right to file an appeal against the decision on damage compensation to the State Commission for Decision-making in Administrative Procedure and Labor Relations Procedure in Second Instance through the Office, within eight days as of the day of delivery of the decision.

(2) The appeal shall postpone the enforcement of the decision until the adoption of a final decision or expiry of the deadline within which the State Commission for Decision-making in Administrative Procedure and Labor Relations Procedure in Second Instance should decide.

Article 107

The procedure for establishment of a material liability of the financial intelligence officer shall be regulated by a decision adopted by the director.

Article 108

If the financial intelligence officer does not compensate the damage within three months as of the day the decision on damage compensation becomes final, the Office shall initiate a procedure before the competent court.

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Article 109

The director may completely or partially release the financial intelligence officer from compensating the damage, provided that it has not been inflicted intentionally or if the payment of the compensation for the damage may jeopardize the existence of the financial intelligence officer and his/her family.

Article 110

- (1) The financial intelligence officers shall be awarded recognitions for the years of professional work, organizational improvements, success in the performance of the duties, improvement of the reputation of the service.
- (2) The financial intelligence officers may be given a one-time monetary award for the achieved outstanding, exceptional results in the work.
- (3) The recognitions and the awards referred to in paragraphs (1) and (2) of this Article, as a rule, shall be awarded on the Office Day.
- (4) The minister of finance shall decide on the award of the recognitions and monetary awards on a proposal of the director.
- (5) The 1st of March shall be the Office Day.

Article 111

- (1) The employees in the Office who carry out activities of administrative nature shall have the status of administrative servants.
- (2) The categories, levels and positions of the employees referred to in paragraph (1) of this Article shall be determined in accordance with the Law on Administrative Servants.
- (3) The provisions of the Law on Administrative Servants shall apply to the issues referring to the classification, records, employment, promotion, professional development and training, performance assessment, and any other issues related to the employment of the administrative servants.
- (4) The employees in the Office who carry out auxiliary and technical activities shall have the status of auxiliary and technical personnel.
- (5) The provisions of this Law, the Law on Public Sector Employees and the general labor regulations shall apply to the issues referring to the classification, records, employment, and any other issues related to the employment of the employees referred to in paragraph (4) of this Article.

Analysis of data, information and documentation

Article 112

The Office shall be responsible to gather and to make an analysis on the basis of the following types of data, information and documentation:

1. related to suspicion of money laundering and financing of terrorism submitted by the entities on the basis of Article 54 of this Law;
2. submitted by the entities on the basis of Articles 52 and 53 of this Law;
3. initiative of the competent bodies in accordance with Article 117 of this Law;
4. submitted through the Customs Administration on the basis of Article 126 of this Law;
5. obtained in the course of conducting supervision in accordance with this Law; and

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6. obtained by the financial intelligence units from other countries.

Analysis and processing of data, information and documentation

Article 113

The data, information and documentation that are gathered by the Office in accordance with this Law shall be analyzed within the framework of:

- a) operational analysis referring to persons, transactions, activities, property mentioned in the data, information and documentation referred to in Article 115 of this Law;
- b) strategic analysis referring to determining trends and typologies of money laundering or financing of terrorism.

Article 114

- (1) The data, information and documentation that the Office gathers, analyzes, processes and submits in accordance with this Law shall be classified, for which an appropriate level of classification is determined in accordance with the regulations on classified data.
- (2) The data, information and documentation that the Office gathers, analyzes, processes and submits shall be used in accordance with this Law.

Request for data, information and documentation by the Office

Article 115

- (1) For the purpose of exercising its competencies, the Office may request data, information and documentation from state bodies, the entities or other legal entities or natural persons in accordance with the provisions of this Law.
- (2) The state bodies, the entities or the other legal entities or natural persons shall be obliged, in a period of ten working days as of the day of receipt of the request referred to in paragraph (1) of this Article, to submit to the Office the requested data via protected electronic means. If such manner of submission is not possible because of technical reasons, the requested data shall be submitted in a written form.
- (3) If the Office requires data urgently, the state bodies, the entities or other legal entities or natural persons shall be obliged to submit the requested data via protected electronic means within a period of four hours at the latest. If such manner of submission is not possible because of technical reasons, the requested data shall be submitted in a written form.

Electronic access to data, information and documentation by the Office

Article 116

- (1) For the purpose of exercising the competencies determined by this Law, the Office shall have electronic access and shall use, free of charge, data from the databases of:
 1. the Ministry of Interior:
 - data from the records of personal identification number,
 - data from the register of citizens of the Republic of Macedonia,

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- data from the records of citizens of the Republic of Macedonia who have acquired the right to citizenship of the Republic of Macedonia, that is, whose citizenship of the Republic of Macedonia has terminated,
 - data from the register of issued personal identification cards,
 - data from the register of passports of citizens of the Republic of Macedonia,
 - data from the register, card index and alphabetical index of citizens who have reported moving abroad,
 - data from the register of missing, lost and faulty travel documents,
 - data from the records of personal identification number of a foreigner,
 - data from the records of issued personal identification cards for foreigners,
 - data from the records for entry and exit from the country,
 - data from the criminal records,
 - data from the records of issued weapons licenses,
 - data from the records of issued weapons carry licenses,
 - data from the records of approvals for procurement of collectible weapons,
 - data of the records of submitted requests for registration of collectible weapons,
 - data from the records of licenses for collectible weapons,
 - data from the collectors records,
 - data from the records of seized, found, handed over weapons and ammunition,
 - data from the records of issued approvals for trade in weapons/ammunition and weapons parts,
 - data from the records of detectives who are issued licenses for carrying out a detective activity,
 - data from the records of registered motor vehicles (a list of vehicles owned by a natural person and legal entity, a list of owners of motor vehicles),
 - data from the records of registered vessels,
 - data from the register of households etc.;
2. the Ministry of Justice
- data from the records on monitoring corruption cases,
 - data from the records (from the system for electronic management of cases for international legal assistance) of cases for international legal assistance;
3. the Pension and Disability Insurance Fund:
- data from the records of persons insured in accordance with the regulations on pension and disability insurance and status,
 - data from the records of length of service,
 - data from the records of a retired person and status of a retired person;
4. the Health Insurance Fund:
- data from the records of persons insured in accordance with the regulations on mandatory health insurance;
5. the Public Revenue Office:
- data from the records of PINE and TIN,
 - data from the records of the tax register,
 - data from the records of incomes from annual tax returns for natural persons for personal income tax,
 - data from the records of monthly tax returns on the grounds of VAT,
 - data from the records for return of tax paid in a higher amount or by mistake,

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- data from the records of VAT return,
- data from the records of conducted tax controls and investigations,
- data from the records of registered activities for cash payments,
- data from the records of authorized accountants of legal entities;
- 6. the Employment Service Agency:
 - data from the records of employed persons (historically M1/M2 form, employed in a particular company),
 - data from the records of unemployed persons and other persons seeking a job,
 - data from the records foreign citizens and persons without citizenship employed in the Republic of Macedonia;
- 7. the Real Estate Cadastre:
 - data from the register of spatial units,
 - data from the records of property certificates,
 - data from the register of prices and leases,
 - data on movement of the ownership of property;
- 8. the Central Securities Depository:
 - data from the register of securities;
 - data from the register of owners of securities;
 - data from the register of settlement of trade transactions;
 - data from the register of non-trading transfer of securities;
 - data from the register of borrowed securities;
- 9. Data from the single register of transaction accounts – Clearing House “KIBS” AD Skopje:
 - data from the registers of transaction accounts;
- 10. Data from a credit bureau:
 - data from the portal MOJ.MKB.MK.
- 11. the Central Register:
 - data from the trade register and the register of other legal entities,
 - data from the register of annual accounts,
 - data from the pledge register,
 - data from the leasing register,
 - data from the register of investments in immovable property,
 - data from the register of rights over immovable property,
 - data from the register of direct investments of residents abroad,
 - data from the register of direct investments of non-residents in the Republic of Macedonia,
 - data from the register of natural persons and legal entities which are imposed sanction prohibition on practicing profession, business or office and temporary prohibition on performing a particular activity,
 - data from the register of secondary sentences for committed crimes by legal entities,
 - data from the register of securing claims by transfer of ownership of objects and transfer of rights (fiduciary register),
 - data from the register of sale of movable property by retaining the right of ownership;
- 12. the Customs Administration of the Republic of Macedonia:
 - data from the records of customs declarations of a natural person,
 - data from the records of customs declarations of a legal entity,

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- data from the records of finished import and of finished export,
 - data from the register of excise taxpayers,
 - data from the records of a single customs document,
 - data from the records of foreign money and securities that were taken into or out of the country,
 - data from the records of submitted criminal reports and misdemeanor procedures;
13. the Financial Police Administration:
- data from the records of submitted criminal reports;
14. the courts:
- data from the records of conducting criminal proceedings against a particular person,
 - data from the sentence records,
 - data from the records of imposed prohibition on practicing a business activity for a particular person,
 - data from the records of persons with deprived or limited business capacity;
15. the Ministry of Justice - Directorate for Keeping Records of Births, Deaths and Marriages:
- data from the records of births,
 - data from the records of marriages,
 - data from the records of deaths,
 - data from the records of parents/guardians of a particular person,
 - data from the records of kinship among persons;
16. the Ministry of Labor and Social Policy:
- data from the records of social security beneficiaries;
17. the State Audit Office:
- data from the records of completed audits,
 - data from the electronic system for audit management;
18. the Macedonian Securities Exchange:
- data from the records contained in MB NET,
 - data from the records of concluded transactions, including also block transactions;
19. the Public Prosecution Office of the Republic of Macedonia:
- data from the records of received criminal reports,
 - data from the records of filed charges,
 - data from the records of measures for securing property during the procedure,
 - data from the records of cooperation among prosecution offices;
20. the Ministry of Economy:
- data from the register of concluded concession contracts;
21. the State Statistical Office:
- statistical data according to areas general and regional statistics, population and social statistics, incomes, consumption and prices, economy and finances, industry, civil engineering and energy, foreign trade, transport, tourism, trade and other services, and multidimensional statistics.
22. Ministry of Information Society and Administration:
- data from the Central Register of Population.
- (2) The type, access and manner of using the data from the databases of the bodies referred to in paragraph (1) of this Article shall be regulated by memorandums of cooperation concluded between the Office and the competent body referred to in paragraph (1) of this Article.

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Submission of an initiative to the Office

Article 117

- (1) The Public Prosecution Office of the Republic of Macedonia, the Ministry of Interior, the Ministry of Finance – Financial Police Administration, the Ministry of Finance – Customs Administration, the Intelligence Agency, the Ministry of Defense – Military Intelligence, the National Security Agency, the State Commission for the Prevention of Corruption, the bodies for conducting supervision referred to in Article 146 of this Law, may submit an initiative to the Office, provided that there are grounds to suspect money laundering and financing of terrorism.
- (2) The initiative for making an analysis referred to in paragraph (1) of this Article, in a written form, submitted in a safe manner, should contain:
 1. data on the entity to which the initiative refers, that is:
 - natural person name, surname, data of birth, number of identification document, permanent, that is, temporary residence, PINC and
 - legal entity name, address, head office, PINE and TIN, and other data;
 2. reasons for suspicion of money laundering and/or financing of terrorism, as well as the type and the manner in which a former crime has been committed, which are determined during the execution of the competencies.
- (3) If the initiative referred to in paragraph (1) of this Article is not elaborated and does not contain the data referred to in paragraph (2) of this Article, the Office shall return the initiative to the body which has submitted it to be supplemented.
- (4) If the initiative referred to in paragraph (1) of this Article is not supplemented in accordance with paragraph (2) of this Article within a period of 10 days, the Office shall inform the body which has submitted it in writing that it cannot act upon the initiative submitted in such a manner.
- (5) Where the Office acts upon the initiative referred to in paragraph (1) of this Article and it establishes that there are grounds to suspect a committed crime of money laundering and/or financing of terrorism or another crime, the Office shall act in accordance with Article 118 of this Law.
- (6) The Office shall inform the body referred to in paragraph (1) of this Article about the outcome of the actions taken upon the initiative.
- (7) For the purposes of this Law, the Office may exchange data it has at its disposal in the databases with the bodies referred to in paragraph (1) of this Article on their elaborated, written request or on its own initiative.

Submission of data to competent bodies

Article 118

- (1) Whenever there are grounds to suspect commission of a crime of money laundering and/or financing of terrorism, the Office shall immediately prepare and submit a report to the competent state bodies that are to decide on further actions.
- (2) The report referred to in paragraph (1) of this Article shall contain data, information and documents about the person and the actions that are suspected to be related to money laundering and/or financing of terrorism.
- (3) The data, information and documents referred to in paragraph (2) of this Article may be used as evidence in a court procedure for a crime of money laundering and/or financing of terrorism.

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(4) Where there are grounds to suspect commission of another crime in addition to money laundering and financing of terrorism, the Office shall prepare and submit a notification to the competent state bodies.

(5) With regard to the report referred to in paragraph (1) of this Article and the notification referred to in paragraph (4) of this Article received from the Office, the competent bodies shall be obliged to inform the Office about the result and the outcome regularly and at least every six months.

Order to monitor a business relationship

Article 119

(1) In case of suspicion of money laundering and/or financing of terrorism, the Office may submit a written order for monitoring the business relationship of the client to the entity.

(2) The entity shall notify the Office of the transactions that are or should be made under the business relationship in accordance with the instructions given in the order.

(3) The Office shall set deadlines in the order referred to in paragraph (1) of this Article within which the entity shall be obliged to submit the data on the transactions referred to in paragraph (2) of this Article.

(4) If the entity, due to objective reasons, cannot notify the Office within the deadlines referred to in paragraph (3) of this Article, it shall be obliged, as soon as the reasons are eliminated, to notify the Office and to explain the reason why it has not submitted the notification in the set deadline.

(5) The monitoring of the business relationship referred to in paragraph (1) of this Article may last three months at the most, and in justified cases, the duration of the measure may be extended for one additional month, but the monitoring of the business relationship may last six months at the most.

(6) As an exception to paragraph (5) of this Article, for the purposes of preventing the financing of terrorism, the duration of the measure may be extended as long as the measure is necessary depending on the purpose of its implementation.

Preliminary injunctions

Article 120

(1) In the cases of suspicion of a crime of money laundering and/or financing of terrorism, the Office may submit a written order to the entity for temporary holding up and/or ban on making transactions.

(2) Upon the submission of the order referred to in paragraph (1) of this Article, the Office shall submit a request for filling a proposal for granting a preliminary injunction to the competent public prosecutor.

(3) The holding up and/or the ban on making transactions shall last until the adoption of a court decision upon the proposal, and 72 hours as of the submission of the written order for temporary holding up and/or ban on making transactions at the longest.

(4) If the deadline referred to in paragraph (3) of this Article covers Sundays, holidays or other non-working days, the Office may submit to the entity an order for temporary holding up and/or ban on making transactions for 120 hours as of the issuance of the order at the longest.

(5) Where a written order is not possible to be issued to the entity due to the nature or the manner of making the suspicious transactions, that is, the circumstances surrounding the suspicious transaction,

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as well as in other urgent cases, the Office may issue an oral order for temporary holding up and/or ban on making transactions to the entity.

(6) The Office must confirm the oral order referred to in paragraph (5) of this Article by a written order the first working day following the issuance of the oral order at the latest.

(7) The authorized person shall be obliged to prepare minutes of the received oral order referred to in paragraph (5) of this Article which it keeps in its records in accordance with Article 51 of this Law.

Article 121

The request for submission of a proposal for granting a preliminary injunction referred to in Article 120 of this Law shall contain data on the crime for which the injunction is requested, the facts and circumstances that justify the need of the injunction, data on the natural person or the legal entity for which application of the injunction is requested, and the amount of the money or the type of property.

Article 122

(1) The competent public prosecutor shall review the request for submission of a proposal for granting a preliminary injunction referred to in Article 120 of this Law and if he/she establishes that it is grounded, without any delay, and within 24 hours as of the receipt of the request at the latest, he/she shall submit a proposal for granting a preliminary injunction to the judge of the competent basic court.

(2) If the competent public prosecutor establishes that the request for submission of a proposal for granting a preliminary injunction referred to in Article 120 of this Law is not grounded, he/she shall be obliged to notify the Office that the request is rejected without any delay. Upon receipt of the notification from the public prosecutor, the Office shall submit a written notification to the entity of the rejection of the request without any delay.

Article 123

(1) The judge of the competent basic court shall be obliged, in a period of 24 hours as of the receipt of the proposal referred to in Article 122 paragraph (1) of this Law, to adopt a decision granting a preliminary injunction or rejecting the proposal of the public prosecutor.

(2) If the decision grants the preliminary injunction, the judge shall be obliged to submit the decision to the public prosecutor, the entity and the client within the same deadline.

(3) If a decision on rejection of the proposal of the public prosecutor is adopted, the judge shall be obliged to submit the decision to the public prosecutor within the same deadline.

(4) The competent public prosecutor shall be obliged to forthwith notify the Office about the decision adopted by the judge referred to in paragraph (1) of this Article.

(5) The competent public prosecutor and the client shall have the right to appeal the decision of the judge referred to in paragraph (1) of this Article with the criminal council of the competent basic court in a period of three days as of the day of receipt of the decision, which shall not postpone the execution of the decision.

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Statistical data

Article 124

(1) For the purposes of preparing a national risk assessment, evaluation of the efficiency of the system for combating money laundering and financing of terrorism, as well as of making strategic analyses, the Office shall collect and keep the following statistical data on:

- number, size, type and importance of particular groups of entities,
- number of received reports of suspicious transactions in accordance with Article 54 of this Law, as well as number of received completions of reports of suspicious transactions,
- number of received reports in accordance with Articles 52 and 53 of this Law,
- number of received initiatives and requests by competent bodies in accordance with Article 117 of this Law,
- number of reports and notifications submitted to the competent bodies, as well as number of received completions of reports of suspicious transactions,
- number of reports submitted by the Office acted upon by the competent bodies,
- number of received and submitted spontaneous information by/to financial intelligence units of other states,
- number of submitted, received, rejected and responded requests of financial intelligence units of other states and other data,
- number of conducted supervisions, delivered education, issued misdemeanor payment orders and initiated misdemeanor procedures,
- number of submitted orders for monitoring a business relation, and
- number of cases and value of the property covered by the injunctions in accordance with Articles from 120, 121, 122 and 123 of this Law.

(2) The Office shall publish information on current techniques, methods and trends of money laundering and financing of terrorism, examples of discovered cases of money laundering and financing of terrorism, an annual review of conducted supervisions and of delivered education, and other acts deriving from this Law or the membership in international bodies and organizations on its official website.

(3) For the purposes of evaluating the efficiency of the system for combating money laundering and financing of terrorism, the courts, the Public Prosecution Office of the Republic of Macedonia, the Ministry of Justice, the Ministry of Interior, the Financial Police Administration, the Customs Administration, the Agency for Management of Seized Property, and other competent bodies shall collect and keep statistical data on:

- number of criminal reports and number of persons for whom a criminal report of money laundering and/or financing of terrorism is filed,
- number of indictments and number of persons for whom an indictment of money laundering and/or financing of terrorism is filed,
- number of cases and number of persons covered by the requests for international legal assistance for money laundering and/or financing of terrorism,
- number of cases where, during the criminal proceedings, a requalification of the criminal offense of money laundering and/or financing of terrorism is made and vice versa ,
- number of judgments and number of persons for whom a judgment for money laundering and/or financing of terrorism is made,
- number and type of connected previous criminal offenses, and

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- number of cases and value of the property that is frozen, seized and confiscated in the cases of money laundering and/or financing of terrorism in the Republic of Macedonia and other states and other data.

(4) The courts, the Public Prosecution Office of the Republic of Macedonia, the Ministry of Justice, the Ministry of Interior, the Financial Police Administration, the Customs Administration, the Agency for Management of Seized Property, and other competent bodies shall be obliged to submit the data referred to in paragraph (3) of this Article to the Office at least once a year by 30 January in the current year for the previous year or on a request of the Office.

Inter-institutional cooperation

Article 125

(1) For the purposes of more detailed regulation of the inter-institutional cooperation, the Office may sign Cooperation Memorandums or Protocols with the competent state bodies in order to achieve the purposes foreseen by this Law.

(2) In order to promote the inter-institutional cooperation, in accordance with the purposes of this Law, the Government of the Republic of Macedonia, on a proposal of the minister of finance, shall form a Council for Combating Money Laundering and Financing of Terrorism (hereinafter: the Council) for the purpose of coordinating the activities for implementation of the national risk assessment referred to in Articles 3 and 4 of this Law and of developing the system for combating money laundering and financing of terrorism.

(3) The work of the Council referred to in paragraph (2) of this Article shall be managed by the director of the Office, and its members shall be managerial and responsible persons from the Ministry of Interior, the Ministry of Justice, the Ministry of Finance, the Basic Public Prosecution Office for Prosecution of Organized Crime and Corruption, the Financial Police Administration, the Customs Administration, the Public Revenue Office, the National Bank of the Republic of Macedonia, the Securities and Exchange Commission, the Agency for Insurance Supervision, the Agency for Supervision of Fully Funded Pension Insurance, the Postal Agency, as well as representatives of the Lawyers Chamber, the Notary Chamber, the Institute of Certified Auditors, and the Institute of Accountants and Certified Accountants.

(4) The members of the Council shall have deputies appointed from among the employees in the bodies and institutions referred to in paragraph (3) of this Article who have adequate knowledge in the field of detecting and preventing money laundering and financing of terrorism.

(5) The Council referred to in paragraph (2) of this Article shall adopt Rules of Procedure for the manner of its operation.

(6) The Office shall carry out the professional and administrative activities for the Council.

Customs Administration

Article 126

(1) The Customs Administration shall mandatorily record each taking in and taking out of cash and physically transferable means of payment over the customs line of the Republic of Macedonia, provided that the amount exceeds the maximum allowed under a law or another regulation.

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(2) In the course of making the records referred to in paragraph (1) of this Article, the Customs Administration shall mandatorily collect data on:

- the identity of the person who takes in or out cash and physically transferable means of payment for personal purposes or for another person data about the name and surname, date and place of birth, passport number and citizenship,
- the identity of the owner of the cash and the physically transferable means of payment,
- the identity of the beneficial owner,
- the amount and the currency of the cash and the physically transferable means of payment that is taken in or out over the customs line,
- the statement regarding the origin of the cash and the physically transferable means of payment, signed by the person who takes them in or out,
- the purpose of taking in or out the cash and the physically transferable means of payment, and
- the time and place of crossing the customs line.

(3) The Customs Administration shall mandatorily, via protected electronic means, and if that is not possible, in a written form, report to the Office the taking in or the taking out of cash and physically transferable means of payment in the amount higher than EUR 10 000 in Denar counter value, in a period of three working days as of the recording at the latest.

(4) The Customs Administration shall mandatorily report to the Office in writing the taking in or the taking out of cash and physically transferable means of payment regardless of the amount, whenever there are grounds to suspect money laundering or financing of terrorism, in a period of 24 hours as of finding out about the suspicious taking in or taking out of cash and physically transferable means of payment at the latest.

(5) The Customs Administration shall be obliged to keep all the data on taking in or taking out of money and physically transferable means of payment over the customs line ten years as of the day the transfer has been made.

International cooperation

Article 127

(1) The Office shall cooperate internationally with financial intelligence units from other states through exchange of relevant data, information and documentation for the purposes of prevention and detection of money laundering and financing of terrorism in accordance with the provisions of this Law.

(2) The international exchange of relevant data, information and documentation referred to in paragraph (1) of this Article shall be made on the basis of:

- a request for exchange of data, information and documentation which the Office submits to the financial intelligence unit of another state,
- a request for exchange of data, information and documentation which the Office receives by the financial intelligence unit of another state,
- submission of data, information and documentation of the Office to the financial intelligence unit of another state, and
- submission of data, information and documentation of a financial intelligence unit of another state to the Office.

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(3) The Office shall cooperate internationally with financial intelligence units of other states regardless of their organizational form.

(4) The Office may conclude agreements for cooperation with financial intelligence units of other states, as well as with international organizations involved in the fight against money laundering and financing of terrorism for the purpose of preventing and detecting money laundering and financing of terrorism. The signing of agreements for cooperation shall not be a precondition for the Office to cooperate internationally with financial intelligence units of other states.

Request for exchange of data submitted to a financial intelligence unit of another state by the Office **Article 128**

(1) For the purpose of exercising its competencies, the Office may submit a request for exchange of data, information and documentation to a financial intelligence unit of another state in accordance with the provisions of this Law.

(2) The appropriate known facts that point out to money laundering and/or financing of terrorism and the purpose for which the requested data and information are to be used should be elaborated in the request for exchange of data, information and documentation referred to in paragraph (1) of this Law.

(3) The Office shall be obliged to use the data, information and documentation provided in accordance with paragraph (1) of this Article for exercising its competencies in accordance with this Law, in accordance with the limitations and the conditions set out by the financial intelligence unit of the state which has provided them.

(4) The Office may exchange the data, information and documentation provided in accordance with paragraph (1) of this Article with competent bodies after it obtains a previous consent by the financial intelligence unit of the state which has provided them.

(5) The data, information and documentation provided in accordance with paragraph (1) of this Article shall be classified and shall be marked at least with the same level of classification determined by the financial intelligence unit of the state which has provided them.

Request for exchange of data, information and documentation which the Office receives from a financial intelligence unit of another state **Article 129**

(1) The Office shall submit data, information and documentation which it obtains in accordance with the competencies set out by this Law on a request for exchange of data, information and documentation by a financial intelligence unit of another state submitted in a written form.

(2) The appropriate known facts that point out to money laundering and/or financing of terrorism and the purpose for which the requested data and information are to be used should be elaborated in the request for exchange of data, information and documentation referred to in paragraph (1) of this Law.

(3) The Office may reject the request for exchange of data referred to in paragraph (1) of this Article, provided that it is contrary to this Law or it obstructs the investigation of another competent state body or the criminal procedure against the person for whom data are requested. The Office shall be obliged to elaborate the reasons due to which it rejects the request.

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(4) The data, information and documentation provided in accordance with paragraph (1) of this Article shall be classified and shall be marked at least with the same level of classification determined by the financial intelligence unit of the state which has provided them.

(5) On a request of a financial intelligence unit of another state referred to in paragraph (1) of this Article, the Office shall, without any delay, submit a consent for forwarding the data, information and documentation obtained in accordance with paragraph (1) of this Article to competent bodies of the state.

(6) The Office may refuse to give a consent for forwarding the data, information and documentation by way of a written explanation to the financial intelligence unit referred to in paragraph (1) of this Article, provided that the request for the consent is contrary to this Law or obstructs the investigation in a criminal procedure.

Submission of data, information and documentation to a financial intelligence unit of another state by the Office
Article 130

(1) The Office may submit the data, information and documentation that it obtains in accordance with the competencies determined by this Law to a financial intelligence unit of another state in case of suspicion of money laundering or financing of terrorism even without a request of the financial intelligence unit of the other state.

(2) The provisions of this Law shall apply to the data, information and documentation that the Office submits in accordance with paragraph 1 of this Article.

Interim measures and order for monitoring the business relationships within the international cooperation
Article 131

(1) The provisions of Articles 119, 120, 121, 122 and 123 of this Law shall apply to cases where a financial intelligence unit of another state requests the transaction to be rejected or delayed.

(2) The request referred to in paragraph (1) of this Article should be elaborated and should refer to a transaction related to money laundering and/or financing of terrorism and the rejection or the delay would be made if the transaction is the subject of a domestic report concerning a suspicious transaction.

(3) The Office may submit a request to a financial intelligence unit of another state for monitoring of a business relationship and for rejection or delay of a transaction in case of suspicion of money laundering and/or financing of terrorism.

Feedback information
Article 132

(1) The Office, on a request of a financial intelligence unit of another state, shall provide feedback information about the use of the submitted data, information and documentation.

(2) The Office may require from a financial intelligence unit of another state feedback information about the use of the submitted data, information and documentation.

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Secure ways of international cooperation

Article 133

The exchange of data, information and documentation between the Office and the financial intelligence units of other states in accordance with this Law shall be made through secure electronic international communications systems.

Article 134

(1) The Office may indirectly exchange data, information and documentation with bodies in charge of detecting and preventing money laundering and financing of terrorism of other states, but such exchange must be done through the financial intelligence unit of the state through secure electronic international communications systems.

(2) The provisions of this Law regulating the international cooperation shall apply to the exchange of data, information and documentation in accordance with paragraph (1) of this Article.

Keeping of data, information and documentation by the Office

Article 135

The Office shall be obliged to keep the data, information and documentation obtained in accordance with this Law for ten years as of their receipt and it may destroy them upon the expiry of such period.

CHAPTER V.

COLLECTION, PROCESSING, ANALYSIS, ESTIMATION, ASSESSMENT, USE, TRANSFER, STORAGE AND DELETION OF DATA AND PERSONAL DATA PROCESSING

Article 136

(1) The Office shall collect, process, analyze, estimate, assess, use, transfer, store and delete data, shall process personal data under the conditions and in the manner determined by this and a special law and shall keep records of the personal and other data it is authorized to collect under this Law, for the purpose of preventing money laundering and/or financing of terrorism.

(2) The Office shall process personal data where the person is under suspicion of money laundering and/or financing of terrorism.

(3) The data on the legal entity shall be collected where there are grounds to suspect money laundering and/or financing of terrorism.

Article 137

Personal data, in terms of this Law, shall be a personal name, birth data (day, month, year and place), a permanent or temporary residence, a personal identification number, a place of residence and citizenship, as well as other data on the basis of which, directly or indirectly, a particular person can be identified.

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Article 138

The Office shall collect personal and other necessary data from entities, competent state bodies, public institutions, institutions, international organizations, and other legal entities and natural persons.

Article 139

(1) The Office shall keep records of:

- 1) persons for whom a report of a suspicious activity is submitted;
- 2) persons for whom a report of a cash transaction in the amount of EUR 15 000 in Denar counter value or more is submitted no matter whether it is a single transaction or several obviously linked transactions;
- 3) persons for whom a report by a notary of a prepared notary act, confirmed personal document and verified signature on an agreement is submitted;
- 4) persons for whom a report of a paid credit is submitted;
- 5) persons for whom a report of a given and/or received loans is submitted;
- 6) persons for whom a report of a transaction made through fast money transfer is submitted;
- 7) persons for whom a report of a conclusion of a life insurance policy is submitted;
- 8) persons for whom a report of sale and purchase of vehicles is submitted;
- 9) persons for whom a report about buying or cashing-in chips in a game shop (casino) is submitted;
- 10) persons for whom a report about withdrawal of a prize, payment of deposit or cancellation of deposit or/and in all cases of other organizers of games of chance is submitted;
- 11) persons for whom a report of a suspicion of money laundering and financing of terrorism is submitted to the competent bodies;
- 12) persons for whom information about a suspicion of another crime is submitted to the competent bodies;
- 13) persons for whom an order for monitoring a business relationship is issued;
- 14) persons for whom an order for application of interim measures is issued;
- 15) persons for whom an initiative and a request by the competent bodies in the Republic of Macedonia is submitted;
- 16) persons for whom data are exchanged with financial intelligence units of other states;
- 17) persons who have transferred money or physically transferable means of payment over the customs line of the Republic of Macedonia;
- 18) persons for whom misdemeanor payment orders are issued;
- 19) persons to whom education is delivered; and
- 20) persons for whom data are exchanged among supervisory bodies.

(2) The records referred to in paragraph (1) of this Article shall contain personal data in accordance with this Law and other data and information about the personal data subject and about a third person.

Article 140

The records referred to in Article 139 of this Law may be structured and kept as:

- 1) records of a submitted report of a suspicious activity;
- 2) records of a submitted report of a cash transactions in the amount of EUR 15 000 in Denar counter value or more no matter whether it is a single transaction or several obviously linked transactions;

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- 3) records of a submitted report by a notary of a prepared notary act, confirmed personal document and verified signature on an agreement;
- 4) records of a submitted report of a paid credit;
- 5) records of a submitted report of a given and/or received loan;
- 6) records of a submitted report of a transaction made through fast money transfer;
- 7) records of a submitted report of a conclusion of a life insurance policy;
- 8) records of a submitted report of sale and purchase of vehicles;
- 9) records of a submitted report about buying or cashing-in chips in a game shop (casino);
- 10) records of a submitted report about withdrawal of a prize, payment of deposit or cancellation of deposit or/and in all cases of other organizers of games of chance;
- 11) records of a submitted report of a suspicion of money laundering and financing of terrorism to the competent bodies;
- 12) records of a submitted information about a suspicion of another crime to the competent bodies;
- 13) records of an issued order for monitoring a business relationship;
- 14) records of an issued order for application of interim measures;
- 15) records of a submitted initiative and request by the competent bodies in the Republic of Macedonia;
- 16) records of exchanged data with financial intelligence units of other states;
- 17) records of submitted reports for transferred money or physically transferable means of payment over the customs line of the Republic of Macedonia;
- 18) records of conducted supervision over the entities referred to in Article 5 of this Law;
- 19) records of conducted supervision over the legal entities referred to in Article 25 of this Law;
- 20) records of issued misdemeanor payment orders;
- 21) records of delivered education; and
- 22) records of exchanged data among supervisory bodies.

Article 141

- (1) The data for which the Office keeps records in accordance with Articles 139 and 140 of this Law shall be used for statistical and analytical purposes of the Office, as well as for the purposes of conducting the national risk assessment and evaluation of the efficiency of the system for prevention of money laundering and financing of terrorism.
- (2) The personal data may be submitted to entities, competent state bodies, public institutions, institutions, financial intelligence units of other states, and other legal entities and natural persons in accordance with the law and the ratified international agreements.

Article 142

The personal data may be used in accordance with the purposes prescribed by this Law and in accordance with the regulations on personal data protection.

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Article 143

The personal data entered in the records referred to in Articles 139 and 140 of this Law shall be immediately deleted in the cases where it is determined that they are not correct or the reasons, that is, the conditions for which the personal data has been entered in the records have ceased.

Article 144

The data contained in the records referred to in Articles 139 and 140 of this Law, as from their entry until their deletion, can be exchanged under the conditions and in the manner foreseen by this Law.

Article 145

The data in the records referred to in Articles 139 and 140 of this Law shall be kept within a period of ten years as of the day of their receipt.

CHAPTER VI. SUPERVISION

Article 146

(1) The supervision of the application of the measures and the activities determined by this Law shall be conducted by the supervisory bodies in terms of this Law, that is:

- the National Bank of the Republic of Macedonia in the banks, savings houses, exchange offices, and providers of money remittances (fast money transfer) and other financial institutions that provide payment services,
- the Insurance Supervision Agency in the insurance companies, insurance brokerage companies, companies for insurance representation, insurance brokers, and insurance agents,
- the Securities and Exchange Commission of the Republic of Macedonia in the brokerage companies, banks that hold a license to work with securities, persons rendering investment advisory services, companies for management of open, closed and private investment funds, and in open, closed and private investment funds,
- the Agency for Supervision of Fully Funded Pension Insurance in the companies that manage voluntary pension funds,
- the Public Revenue Office regarding the organizers of games of chance, the legal entities and natural persons that provide the following services: intermediation in trade with immovables, tax advising, and legal entities that accept movable and immovable items as a pledge,
- the Postal Agency in the Macedonian Post AD,
- the Notary Commission within the Notary Chamber of the Republic of Macedonia in the notaries, and
- the Lawyers Commission within the Lawyers Chamber of the Republic of Macedonia in the lawyers and law companies.

(2) The Office shall supervise the application of the measures and activities determined by this Law in the entities that are not covered by paragraph (1) of this Article.

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- (3) The Office shall, independently or in cooperation with the bodies referred to in paragraph (1) of this Article, supervise the application of the measures and the activities determined by this Law in the entities.
- (4) The Office, upon a received notification by the register's administrator, shall conduct supervision in accordance with this Law in the legal entities referred to in Article 30 paragraph (2) of this Law.
- (5) The Office shall supervise the legal entities referred to in Article 25 paragraph (1) of this Law and shall determine whether they possess, keep and have entered in the register adequate, correct and complete data on the beneficial owner.
- (6) When conducting the supervision in the entities referred to in Article 5 of this Law, the Office and the bodies referred to in paragraph (1) of this Article shall be obliged to coordinate the activities among each other.
- (7) The Office and the bodies referred to in paragraph (1) of this Article shall be obliged to prepare an annual program or plan for supervision of the application of the measures and the activities determined by this Law and to harmonize them among each other.
- (8) The Office and the bodies referred to in paragraph (1) of this Article may prescribe a manner for proper application of the measures for prevention of money laundering and financing of terrorism for the entities they are in charge to supervise.
- (9) If the bodies referred to in paragraph (1) of this Article determine suspicion of money laundering and/or financing of terrorism in the course of supervision, they shall submit a written report to the Office thereof.
- (10) The financial intelligence officers who conduct supervision in accordance with the provisions of this Law, provided that they determine suspicion of money laundering and/or financing of terrorism, shall submit a written report to the director of the Office and to the organizational unit of the Office in charge of performing operational analysis.
- (11) The Office and the bodies referred to in paragraph (1) of this Article shall cooperate in the performance of their duties and authorizations while conducting supervision in order to ensure efficiency of the measures and the supervision in the fight against money laundering and financing of terrorism.
- (12) The Office may submit a proposal to the bodies referred to in paragraph (1) of this Article to conduct supervision over a particular entity on the basis of the findings deriving from the data and information it has at its disposal, as well as on the basis of the conducted strategic and operational analyses.
- (13) The Office and the bodies referred to in paragraph (1) of this Article shall take activities in order to harmonize the methodological approach in conducting supervision.
- (14) The Public Revenue Office shall conduct supervision over legal entities and natural persons with regard to the application of the prohibition on cash payments in the amount of EUR 2 000 or more in Denar counter value referred to in Article 48 of this Law in accordance with its competencies.

Article 147

- (1) The supervision conducted by the Office may last 45 working days at the most, with the possibility to be extended, but not more than 60 working days.
- (2) The minister of finance shall prescribe the form and contents of the order for conducting supervision by the Office.

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(3) The director of the Office shall adopt an annual supervision program by 31st of January for the current year at the latest.

Article 148

(1) The supervision that is independently conducted by the Office may be on-site and off-site, regular, exceptional and control supervision.

(2) The supervision referred to in paragraph (1) of this Article shall be conducted by financial intelligence officers, employed in the Office, who meet the general requirements set out in the Law on Public Sector Employees and the requirements set out in the act on systematization of jobs of the Office.

(3) On the basis of the supervision referred to in paragraph (1) of this Article, the Office may:

- issue a misdemeanor payment order and
- submit a motion for initiation of a misdemeanor procedure.

Article 149

(1) In the course of the supervision conducted by the Office, the financial intelligence officer shall be obliged to:

- 1) act upon the order for supervision;
- 2) take preparatory activities for conducting supervision;
- 3) notify the responsible and the authorized person in the entity of the beginning of the supervision, the legal ground, the purpose and the scope of the supervision, except in the case of exceptional and control supervision;
- 4) identify him/herself to the entity, that is, to the authorized person of the entity;
- 5) keep the secrecy of the data;
- 6) act lawfully, in a timely manner and in accordance with the Code of Ethics of the Office;
- 7) prepare minutes of the completed supervision;
- 8) propose a settlement procedure and issue a misdemeanor payment order;
- 9) adopt a decision in accordance with Article 155 of this Law;
- 10) submit a motion for initiation of a misdemeanor procedure; and
- 11) collect, process and keep the personal data in accordance with the provisions of this Law and the regulations on personal data protection.

(2) In addition to the obligations referred to in paragraph (1) of this Article, the financial intelligence officer shall be obliged to file the prepared documentation of the completed supervision in the following order:

- 1) documents collected during the preparation of supervision;
- 2) a request by the departments in the Office, another body or institution, provided that the supervision is completed upon their request;
- 3) an order for supervision;
- 4) minutes of the completed supervision;
- 5) a decision;
- 6) minutes of the settlement made;
- 7) a misdemeanor payment order;
- 8) a motion for initiation of a misdemeanor procedure; and

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- 9) effective and enforceable decisions of a court procedure.

Article 150

(1) In the course of supervision conducted by the Office, the financial intelligence officer shall be authorized to:

- 1) inspect and collect general and individual acts, files, documents, proofs and information to the extent that corresponds to the subject of the supervision, as well as to request preparation of necessary copies and documents;
 - 2) request from the entity to provide him/her with office work conditions within the business premises of the entity and a person who is to be present during the supervision in order to provide documentation and information related to the subject of the supervision in a timely manner;
 - 3) enter and inspect the business premises of the entity and its business units;
 - 4) ask for assistance by a competent body of the state administration to remove a person who obstructs the supervision under the conditions and in the procedure determined by a law;
 - 5) control identification documents of persons for the purpose of verifying their identity in accordance with the law;
 - 6) request from the entity or its employees written or oral explanation for matters within the scope of the supervision;
 - 7) request a professional opinion from experts if necessary for the supervision;
 - 8) make an inventory of documents found in the business premises; and
 - 9) provide other necessary proofs.
- (2) The entity shall confirm the copy with the original of the files, documents, proofs and information referred to in paragraph (1) of this Article by the signature of the authorized person.
- (3) The financial intelligence officer shall be authorized to initiate a procedure for issuance of a misdemeanor payment order and a misdemeanor procedure in accordance with the law.

Article 151

(1) In the course of supervision conducted by the Office, the financial intelligence officer, for the purpose of eliminating the established misdemeanors, shall have the right and obligation towards the entity to:

- 1) issue a misdemeanor payment order or
- 2) file a motion for initiation of a misdemeanor procedure or initiate another appropriate procedure.

Article 152

A special, three-member commission appointed by the minister of finance, where the president of the commission is appointed from among the managerial persons in the Office that are not involved in the supervision, shall decide upon an appeal against the decision of the financial intelligence officer of the Office.

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Article 153

- (1) The lawyers chambers and the notary chambers, within the framework of their competencies, shall form commissions for supervision of the application of the provisions of this Law in the work of their members.
- (2) The members of the commissions referred to in paragraph (1) of this Article shall be appointed for a four-year term of office.
- (3) The Office shall be notified of the appointment and the composition of the commissions referred to in paragraph (1) of this Article within a period of seven days.

Article 154

- (1) The supervision bodies referred to in Article 146 of this Law shall be obliged to notify the Office of:
 - the findings of the conducted supervision over the implementation of the measures and activities determined by this Law,
 - the issued and paid misdemeanor payment orders,
 - the filed motion for initiation of a misdemeanor procedure for a committed misdemeanor by the entities under supervision and of the outcome of such procedures,
 - the misdemeanant, that is: name and head office of the legal entity, name and surname of the responsible person in the legal entity, name and surname of the natural person, the person exercising public powers, and the authorized officer,
 - the misdemeanor: description of the action that constitutes a misdemeanor, and
 - the misdemeanor sanction imposed.
- (2) The supervisory bodies referred to in Article 146 of this Law shall be obliged, twice a year at the least, to inform the Office about the data in relation to the completed supervision referred to in paragraph (1) of this Article.
- (3) The Office shall, twice a year, inform the appropriate supervisory body referred to in Article 146 of this Law about the conducted supervision over the entities and about the findings of the conducted supervision.

Article 155

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Supervision in accordance with the risk assessment

Article 156

- (1) In the course of conducting supervision over the entities, the supervisory bodies referred to in Article 146 of this Law shall be obliged to apply the approach based on the risk assessment of money laundering and financing of terrorism.
- (2) In the process of preparation and implementation of the program or the plan for supervision, the supervisory bodies referred to in Article 146 of this Law shall be obliged to at least take into account:
 - the data on identified risks of money laundering or financing of terrorism in accordance with the findings of the report for the national risk assessment referred to in Article 4 of this Law,

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- the data on the specific national or international risks related to clients, products and services,
- the data on the risk of particular categories of entities, particular entities and other available data on the entities, and
- the important events or changes related to the management of the entity and each change of its business activities.

Procedure for reporting a committed misdemeanor **Article 157**

- (1) The entity shall be obliged to establish a procedure for reporting a committed misdemeanor through an independent and anonymous reporting channel that shall enable the employees to report a violation of the provisions of this Law.
- (2) The procedure for reporting a committed misdemeanor referred to in paragraph (1) of this Article should contain clear rules for receipt and processing of the reports for a committed misdemeanor, proportional to the nature and size of the entity.
- (3) The entity must not reveal the identity of the person who has submitted a report for a committed misdemeanor without providing its previous consent, except in the cases where it is necessary for the purposes of conducting a pre-investigation or criminal procedure.

Article 158

- (1) The supervisory bodies referred to in Article 146 of this Law shall be obliged to establish efficient procedures for reporting a committed misdemeanor which shall enable the employees in the entities to report a violation of the provisions of this Law, that shall provide:
 - simple and easily accessible method of submitting reports of a committed misdemeanor,
 - internal rules for receipt and processing of the reports for a committed misdemeanor, and
 - protection of the personal data of the person who has submitted a report for a committed misdemeanor in accordance with the regulations on personal data protection.
- (2) The supervisory bodies referred to in Article 146 of this Law must not reveal the identity of the person who has submitted a report for a committed misdemeanor without providing its previous consent.

Publication of information in relation to the supervision **Article 159**

- (1) In order to prevent and discourage the activities which are considered misdemeanors in accordance with this Law, the Office shall be obliged, on the basis of the data received in accordance with Article 154 of this Law, to publish the information about imposed fines on the basis of an effective judgment publicly, unless the publication of the information may impede the conduct of the pre-investigation or criminal procedure.
- (2) The information referred to in paragraph (1) of this Article shall contain data on:
 - the misdemeanant, that is: the name and head office of the legal entity, name and surname of the responsible person in the legal entity, name and surname of the natural person, the person who exercises public powers and the authorized officer,
 - the misdemeanor: description of the action that constitutes a misdemeanor, and

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- the fine imposed.

(3) The information referred to in paragraph (2) of this Article shall be published on the Internet site of the Office and it shall be available during a period of three years as of the day of publication.

CHAPTER VII. MISDEMEANOR PROVISIONS

Article 160

(1) Fine in the amount of EUR 60 000 to 80 000 in Denar counter value shall be imposed for a misdemeanor on the legal entity, (large trader) if:

- it does not conduct a client due diligence procedure in accordance with Article 12 of this Law,
- it does not conduct enhanced due diligence in the course of establishing a correspondent relationship in accordance with Article 34 of this Law,
- it does not refuse to establish a business relationship or make a transaction or it does not terminate the business relationship with the client in accordance with Article 39 paragraphs (1) and (2) of this Law,
- it enters in, or continue, a business relationship with a shell bank and establishes or continues a correspondent business relationship with a bank for which they know that allows opening and operating accounts of shell banks contrary to Article 49 paragraph (1) of this Law,
- it carries out financial activities of a shell bank contrary to Article 49 paragraph (2) of this Law,
- it opens or maintains anonymous accounts or accounts in fictitious names contrary to Article 50 of this Law,
- it does not submit to the Office data, information and documents in accordance with Article 54 paragraph (1) of this Law,
- the bank does not put in use or upgrade the software for automatic processing of data in accordance with Article 59 of this Law,
- it invokes business secret contrary to Article 63 of this Law,
- it does not submit the requested data, gives incomplete or incorrect data or does not submit them within the deadline set in Article 115 of this Law,
- it does not act in accordance with the order for monitoring a business relationship referred to in Article 119 of this Law,
- it does not hold up the transaction on the basis of the issued order in accordance with Article 120 of this Law.

(2) Fine in the amount of EUR 50 000 to 60 000 in Denar counter value shall be imposed for the actions referred to in paragraph (1) of this Article on a legal entity (middle-size trader).

(3) Fine in the amount of EUR 30 000 to 50 000 in Denar counter value shall be imposed for the actions referred to in paragraph (1) of this Article on a legal entity (small trader).

(4) Fine in the amount of EUR 20 000 to 40 000 in Denar counter value shall be imposed for the actions referred to in paragraph (1) of this Article on a legal entity (micro trader).

(5) The legal entities referred to in paragraphs (1), (2), (3) and (4) of this Article may be imposed a misdemeanor sanction of temporary prohibition on carrying out a particular activity in accordance with the law. The Office may submit an elaborated proposal for temporary or permanent revocation of the license, that is, the permit for work of the legal entity to the bodies in charge of their issuance in accordance with the law.

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(6) Fine in the amount of EUR 6 000 to 12 000 in Denar counter value shall be also imposed on the responsible person in the legal entity referred to in paragraphs (1), (2), (3) and (4) of this Article for a misdemeanor for the actions referred to in paragraph (1) of this Article.

(7) In addition to the fine for the actions referred to in paragraph (1) of this Article, the responsible person in the legal entity referred to in paragraphs (1), (2), (3) and (4) of this Article may be also imposed a misdemeanor sanction of prohibition on carrying out a profession, business or duty in accordance with the law.

(8) The legal entity shall be imposed a fine for the actions referred to in paragraph (1) of this Article which are committed intentionally, in an organized manner, which are repeated, which cause a significant damage or significant property benefit is acquired in amount of 10% of the income

of the legal entity generated in the previous fiscal year and shall be imposed a misdemeanor sanction of prohibition on carrying out a particular activity in accordance with the law.

Article 161

(1) Fine in the amount of EUR 20 000 to 30 000 in Denar counter value shall be imposed for a misdemeanor on a legal entity (large trader) if:

- it does not prepare a risk assessment in accordance with Article 10 of this Law,
- it does not prepare and apply a program in accordance with Article 11 paragraph (1) of this Law,
- it does not adopt the program, regularly monitor and assess its adequacy, harmonization and efficiency in accordance with Article 11 paragraph (2) of this Law,
- it acts contrary to the exceptions for client due diligence in relation to electronic money referred to in Article 13 of this Law,
- it does not undertake the measures for client due diligence referred to in Article 14 of this Law,
- it does not identify and verify the identity of the client, the principal of the power of attorney or the beneficial owner in accordance with Article 15 of this Law,
- it does not identify and verify the identity of the client in accordance with Article 16 of this Law,
- it does not identify and verify the identity of the principal of the power of attorney in accordance with Article 17 of this Law,
- it does not identify and verify the identity of the beneficial owner in accordance with Article 18 of this Law,
- it does not monitor the business relationship in accordance with Article 31 of this Law,
- it does not conduct an enhanced client due diligence in accordance with Article 33 of this Law,
- it does not conduct an enhanced due diligence for a client who is not physically present in accordance with Article 35 of this Law,
- it does not conduct an enhanced due diligence for a client - holder of a public office in accordance with Article 36 of this Law,
- it does not conduct an enhanced due diligence for a client from high-risk countries in accordance with Article 37 of this Law,
- it does not conduct an enhanced analysis for complex and unusual transactions in accordance with Article 38 of this Law,
- it does not keep the data, information or documents in accordance with Article 51 of this Law,

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- it does not notify the Office and does not keep on hold the transaction in accordance with Article 54 paragraph (2) of this Law,
 - it does not submit to the Office data, information and documents in a form of a report in accordance with Article 54 paragraph (3) of this Law,
 - it does not ensure application of the measures and activities for prevention of money laundering and financing of terrorism in accordance with Article 41 of this Law,
 - it entrust the obligations for client due diligence to third parties contrary to Article 42 of this Law,
 - it does not obtain and forward information in case of transfer of funds in accordance with Article 43 of this Law,
 - it does not verify the identity of a client in accordance with Article 44 paragraph (1) of this Law,
 - it does not verify the identity of a client in accordance with Article 46 of this Law,
 - it does not verify the identity of a client in accordance with Article 47 paragraph (1) of this Law,
 - it accepts cash contrary to Article 48 of this Law,
 - it registers securities, any other property or legal matters, or for the purpose of reporting or transferring money, securities or any other property, may complete such registration or transfer contrary to Article 48 paragraph (2) of this Law,
 - it does not submit to the Office the collected data, information and documents in case of cash transaction in the amount of EUR 15 000 in Denar counter value or more regardless of whether it is a single transaction or several obviously linked transactions in accordance with Article 52 of this Law,
 - it does not submit data to the Office in accordance with Article 53 of this Law,
 - it does not submit reports to the Office in accordance with Article 56 of this Law,
 - it does not appoint an authorized person and his/her deputy in accordance with Article 57 paragraph (1) of this Law,
 - it does not establish a special department for prevention of money laundering and financing of terrorism in accordance with Article 57 paragraph (2) of this Law,
 - it does not establish a special department for prevention of money laundering and financing of terrorism in accordance with Article 57 paragraph (3) of this Law,
 - it does not ensure fulfillment of conditions in accordance with Article 57 paragraph (8) of this Law,
 - it does not conduct internal control in accordance with Article 58 of this Law,
 - it uses the data obtained by this Law contrary to Article 60 of this Law,
 - it notify the client or a third person in accordance with Article 61 paragraph (1) of this Law,
 - it does not undertake the necessary measures for protection of data in accordance with Article 61 paragraph (3) of this Law.
- (2) Fine in the amount of EUR 10 000 to 20 000 in Denar counter value shall be imposed for the actions referred to in paragraph (1) of this Article on a legal entity (middle-size trader).
- (3) Fine in the amount of EUR 5 000 to 10 000 in Denar counter value shall be imposed for the actions referred to in paragraph (1) of this Article on a legal entity (small trader).
- (4) Fine in the amount of EUR 3 000 to 8 000 in Denar counter value shall be imposed for the actions referred to in paragraph (1) of this Article on a legal entity (micro trader).
- (5) The legal entities referred to in paragraphs (1), (2), (3) and (4) of this Article may be imposed a misdemeanor sanction of temporary prohibition on carrying out a particular activity in accordance with the law.

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(6) Fine in the amount of EUR 3 000 to 6 000 in Denar counter value shall be also imposed on the responsible person in the legal entity referred to in paragraphs (1), (2), (3) and (4) of this Article for a misdemeanor for the actions referred to in paragraph (1) of this Article.

(7) In addition to the fine for the actions referred to in paragraph (1) of this Article, the responsible person in the legal entity referred to in paragraphs (1), (2), (3) and (4) of this Article may be also imposed a misdemeanor sanction of prohibition on carrying out a profession, business or duty in accordance with the law.

Article 162

(1) Fine in the amount of EUR 5 000 to 10 000 in Denar counter value shall be imposed for a misdemeanor on the legal entity (large trader) if:

- it does not notify the Office in accordance with Article 7 paragraph (2) of this Law,
- it does not submit the program on a request of competent supervisory bodies referred to in Article 146 of this Law in accordance with Article 11 paragraph (3) of this Law,
- it does not conduct a simplified client due diligence in accordance with Article 32 of this Law,
- it does not enter the data chronologically in the numbered register in case of currency exchange activities in accordance with Article 45 of this Law,
- it does not keep a numbered register for trade in securities, the total amount of which is higher than EUR 15 000 in Denar counter value in accordance with Article 47 paragraph (2) of this Law,
- they do not notify the competent supervisory body referred to in Article 146 of this Law that they have submitted a report to the Office in accordance with Article 54 paragraph (6) of this Law,
- it employs in the department persons that do not meet the requirements referred to in Article 57 paragraphs (6), (7) and (11) of this Law,
- it does not ensure regular professional training in accordance with Article 57 paragraph (12) of this Law,
- it does not submit data to the Office in accordance with Article 57 paragraph (13) of this Law.

(2) Fine in the amount of EUR 3 000 to 5 000 in Denar counter value shall be imposed for the actions referred to in paragraph (1) of this Article on a legal entity (middle-size trader).

(3) Fine in the amount of EUR 1 000 to 3 000 in Denar counter value shall be imposed for the actions referred to in paragraph (1) of this Article on a legal entity (small trader).

(4) Fine in the amount of EUR 800 to 2 000 in Denar counter value shall be imposed for the actions referred to in paragraph (1) of this Article on a legal entity (micro trader).

(5) Fine in the amount of EUR 1 000 to 2 000 in Denar counter value shall be also imposed on the responsible person in the legal entity referred to in paragraphs (1), (2), (3) and (4) of this Article for a misdemeanor for the actions referred to in paragraph (1) of this Article.

Article 163

Deleted

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Article 164

(1) Fine in the amount of EUR 30 000 to 40 000 in Denar counter value shall be imposed for a misdemeanor on a person exercising public powers or a natural person if:

- it does not conduct a client due diligence procedure in accordance with Article 12 of this Law,
- it does not reject the establishment of a business relationship or carries out the transaction or does not terminate the business relationship with the client in accordance with Article 39 paragraphs (1) and (2) of this Law,
- it does not keep the data, information or documents in accordance with Article 51 of this Law,
- they do not submit to the Office data, information and documents in accordance with Article 54 paragraph (1) of this Law,
- it does not conduct internal control in accordance with Article 58 of this Law,
- it invokes business secret in the submission of information contrary to Article 63 of this Law,
- it does not submit the requested data, gives incorrect answers to the requested data or does not respond within the deadline set in Article 115 paragraphs (2) and (3) of this Law,
- it does not act in accordance with the order for monitoring a business relationship referred to in Article 119 of this Law,
- it does not hold up the transaction on the basis of the issued order in accordance with Article 120 of this Law.

(2) In addition to the fine for the actions referred to in paragraph (1) of this Article, the person exercising public powers or the natural person shall be also imposed a misdemeanor sanction of prohibition on carrying out a profession, business or activity in accordance with the law.

Article 165

(1) Fine in the amount of EUR 12 000 to 15 000 in Denar counter value shall be imposed for a misdemeanor on a person exercising public powers or a natural person if:

- the lawyers and the law companies do not submit a written explanation on a request of the Office in accordance with Article 7 paragraph (2) of this Law,
- it does not conduct a risk assessment in accordance with Article 10 of this Law,
- it does not prepare and implement a program in accordance with Article 11 paragraph (1) of this Law,
- it does not adopt the program, it does not regularly monitor and evaluate its adequacy, harmonization and efficiency in accordance with Article 11 paragraph (2) of this Law,
- it does not implement the client due diligence measures referred to in Article 14 of this Law,
- it does not identify and verify the identity of the client, the principal of the power of attorney or the beneficial owner in accordance with Article 15 of this Law,
- it does not identify and verify the identity of the client in accordance with Article 16 of this Law,
- it does not identify and verify the identity of the principal of the power of attorney in accordance with Article 17 of this Law,
- it does not identify and verify the identity of the beneficial owner in accordance with Article 18 of this Law,
- it does not monitor the business relationship in accordance with Article 31 of this Law,
- it does not conduct simplified client due diligence in accordance with Article 32 of this Law,

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- it does not conduct enhanced client due diligence in accordance with Article 33 of this Law,
- it does not conduct enhanced client due diligence in the cases of physical absence of the client in accordance with Article 35 of this Law,
- it does not conduct enhanced due diligence of a client - holder of a public office in accordance with Article 36 of this Law,
- it does not conduct enhanced due diligence of a client from high-risk countries in accordance with Article 37 of this Law,
- it does not conduct enhanced due diligence of complex and unusual transactions in accordance with Article 38 of this Law,
- it does not ensure the implementation of the measures and activities for prevention of money laundering and financing of terrorism in accordance with Article 41 of this Law,
- it entrust the obligations for client due diligence to third parties contrary to Article 42 of this Law,
- it does not determine the identity of the client in accordance with Article 43 paragraph (1) of this Law,
- it does not determine the identity of the client in accordance with Article 45 of this Law,
- it does not determine the identity of the client in accordance with Article 46 of this Law,
- it does not determine the identity of the client in accordance with Article 47 paragraph (1) of this Law,
- it receives cash contrary to Article 48 of this Law,
- they register securities, any other property or legal matters, or for reporting or making transfer of money, securities or any other property, may make such registration or transfer contrary to Article 48 paragraph (2) of this Law,
- it does not submit data to the Office in accordance with Article 53 of this Law,
- it does not notify the Office and does not hold up the transaction in accordance with Article 54 paragraph (2) of this Law,
- they do not submit to the Office data, information and documents in a form of a report in accordance with Article 54 paragraph (3) of this Law,
- it does not submit the reports to the Office in accordance with Article 56 of this Law,
- they do not appoint an authorized person and his/her deputy in accordance with Article 57 paragraph (1) of this Law,
- use of data obtained under this Law contrary to Article 60 of this Law,
- they notify the client or a third person in accordance with Article 61 paragraph (1) of this Law,
- it does not take the necessary measures for data protection in accordance with Article 61 paragraph (3) of this Law.

(2) In addition to the fine for the actions referred to in paragraph (1) of this Article, the person exercising public powers or the natural person shall be also imposed a misdemeanor sanction of prohibition on carrying out a profession, business or activity in accordance with the law.

Article 166

(1) Fine in the amount of EUR 2 000 to 2 500 in Denar counter value shall be imposed for a misdemeanor on a person exercising public powers or a natural person if:

- it does not notify the Office in accordance with Article 7 paragraph (2) of this Law,

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- it does not submit the program on a request of competent supervisory bodies referred to in Article 146 of this Law in accordance with Article 11 paragraph (3) of this Law,
- they do not notify the competent supervisory body referred to in Article 146 of this Law that they have submitted a report to the Office in accordance with Article 54 paragraph (6) of this Law,
- it does not ensure regular professional training in accordance with Article 57 paragraph (12) of this Law,
- it does not submit data to the Office in accordance with Article 57 paragraph (13) of this Law.

Article 167

(1) Fine in the amount of EUR 5 000 to 10 000 in Denar counter value shall be imposed for a misdemeanor on the legal entity referred to in Article 25 paragraph (1) of this Law if:

- it does not possess and does not keep adequate, accurate and updated data on the beneficial owner in accordance with Article 25 paragraph (2) and
- it does not enter the data on the beneficial owner/s, as well as the data on the changes in the beneficial owner/s, in the register in accordance with Article 26 paragraph (3) and Article 27.

(2) Fine in the amount of 30% of the determined fine for the legal entity referred to in Article 25 paragraph (1) of this Law shall be also imposed for a misdemeanor for the actions referred to in paragraph (1) of this Article on the responsible person in the legal entity referred to in Article 25 paragraph (1) of this Law.

Article 168

Fine in the amount of EUR 500 to 1 000 in Denar counter value shall be imposed for a misdemeanor on the bankruptcy manager or the liquidator if he/she fails to take measures and activities in the cases where the entity undergoes bankruptcy and liquidation procedure in accordance with Article 9 of this Law.

Article 169

Fine in the amount of EUR 500 to 1 000 in Denar counter value shall be imposed for a misdemeanor on the authorized officer if:

- they do not submit the requested data in accordance with Article 115 paragraph (2) of this Law,
- they do not inform the Office about the result and the outcome of the submitted reports or notifications in accordance with Article 118 paragraph (5) of this Law,
- they do not submit statistical data to the Office in accordance with Article 124 paragraph (4) of this Law,
- they do not record each taking in and taking out of cash or physically transferable means of payment over the customs line of the Republic of Macedonia in accordance with Article 126 paragraph (1) of this Law,
- they do not collect the data in accordance with Article 126 paragraph (2) of this Law,

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- they do not report to the Office the taking in or the taking out of cash or physically transferable means of payment in the amount higher than EUR 10 000 in Denar counter value in accordance with Article 126 paragraph (3) of this Law,
- they do not report to the Office the suspicion of money laundering and/or financing of terrorism in accordance with Article 126 paragraph (4) of this Law,
- they do not keep all the data for taking in or taking out of cash or physically transferable means of payment over the customs line, at least five years as of the day of the completed transfer in accordance with Article 126 paragraph (5) of this Law,
- they do not prepare annual programs or plans for supervision of the application of the measures and activities in accordance with Article 146 paragraph (7) of this Law,
- they do not notify the Office in cases where they determine suspicion of money laundering and/or financing of terrorism, as well as infringement of the provisions of this Law, in accordance with Article 146 paragraph (9) of this Law,
- they do not form commissions for supervision in accordance with Article 153 paragraph (1) of this Law,
- they do not notify the Office in accordance with Article 153 paragraph (3) of this Law,
- they do not notify the Office of the filed motion for initiation of a misdemeanor procedure in accordance with Article 154 of this Law.

Article 170

The amount of the fine for a legal entity and a sole proprietor shall be determined in accordance with the Law on Misdemeanors.

Procedure for issuance of a misdemeanor payment order

Article 171

- (1) With regard to the misdemeanors of this Law, the supervisory bodies referred to in Article 146 of this Law shall be obliged, in case of establishing a misdemeanor, to propose a settlement procedure to the misdemeanant by issuing a misdemeanor payment order, before filing the motion for initiation of a misdemeanor procedure.
- (2) If the supervisory bodies referred to in Article 146 of this Law establish a misdemeanor of Articles 164, 165, 166 and 167 of this Law, they shall prepare minutes to note the essential elements of the action that generate the legal characteristics of the misdemeanor, the personal name, address and personal identification number of the citizen, and in case of a foreigner, number of the travel document and state, and in case of a legal entity, the name, head office and tax number, the time, the place and the manner of committing the misdemeanor, the description of the misdemeanor action, the legal qualification of the misdemeanor and the persons found at the place, and shall give a proposal for settlement by issuing a misdemeanor payment order. The minutes shall be signed by the supervisory body, the authorized official and the misdemeanant.
- (3) In the settlement procedure, the fine noted in the misdemeanor payment order shall be imposed in a fixed amount prescribed by law, and if the fine is prescribed in a scale, the minimum prescribed amount for the misdemeanor shall be imposed.

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(4) The misdemeanant shall be obliged to pay the misdemeanor payment order issued in accordance with paragraph (3) of this Article within eight days as of the receipt of the order, at the account noted in the payment order.

(5) The misdemeanant who pays the fine within the deadline referred to in paragraph (4) of this Article shall pay half of the imposed fine being instructed so in the legal instruction.

(6) Costs for the procedure shall not be paid in the procedure which ends with payment of the misdemeanor payment order.

(7) The misdemeanant who may avoid the payment of the fine because of going abroad, shall be obliged to immediately pay the fine imposed by the misdemeanor payment order.

(8) If the misdemeanant does not pay the misdemeanor payment order within the deadline referred to in paragraph (4) of this Article, the supervisory bodies referred to in Article 146 of this Law shall file a motion for initiation of a misdemeanor procedure to the competent court.

(9) The supervisory bodies referred to in Article 146 of this Law shall be obliged to keep records of the issued misdemeanor payment orders referred to in paragraph (1) of this Article and of the outcome of the initiated procedures.

(10) The following data shall be collected, processed and kept in the records referred to in paragraph (7) of this Article name and surname, that is, name of the entity misdemeanant, permanent, that is, temporary residence, head office, type of the misdemeanor, number of the misdemeanor payment order which is issued, and the outcome of the procedure.

(11) The personal data referred to in paragraph (8) of this Article shall be kept for ten years as of the day of entry in the records.

(12) The minister of finance shall prescribe the form and the contents of the misdemeanor payment order.

Article 172

The misdemeanor procedure for a committed misdemeanor of this Law cannot be initiated or conducted if more than four years have passed as of the day of commission of the misdemeanor.

Article 173

The competent court shall decide in a procedure prescribed by a law on the misdemeanors prescribed by this Law.

CHAPTER VIII.

TRANSITIONAL AND FINAL PROVISIONS

Article 174

(1) The bylaws deriving from the Law on Prevention of Money Laundering and financing of terrorism ("Official Gazette of the Republic of Macedonia" nos. 130/14, 192/15, 27/16 and 83/18) shall continue to apply until adoption of the bylaws determined by this Law.

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(2) The bylaws determined by this Law shall be adopted within a period of six months as of the day of entry into force of this Law, except the bylaw referred to in Article 28 paragraph (4) of this Law which shall be adopted within a period of three months as of the day of entry into force of this Law.

Article 175

(1) The supervisory bodies referred to in Article 146 of this Law shall be obliged to prepare guidelines referred to in Article 10 paragraph (7) of this Law within a period of nine months as of the day of entry into force of this Law.

(2) The entities referred to in Article 5 of this Law shall be obliged to prepare a risk assessment referred to in Article 10 of this Law within a period of 12 months as of the day of entry into force of this Law.

(3) The entities referred to in Article 5 of this Law shall be obliged to adopt a Program referred to in Article 11 of this Law within a period of six months as of the day of entry into force of this Law.

(4) The entities referred to in Article 5 of this Law shall be obliged to form the department for prevention of money laundering and financing of terrorism referred to in Article 57 of this Law within a period of six months as of the day of entry into force of this Law at the latest.

Article 176

The register referred to in Article 26 of this Law shall be established within a period of one year as of the day of entry into force of the bylaw referred to in Article 28 paragraph (4) of this Law.

Article 177

(1) The legal entities referred to in Article 25 paragraph (1) of this Law shall be obliged to meet the obligation referred to in Article 25 paragraph

(3) of this Law within a period of three months as of the day of entry into force of this Law.

(2) The legal entities referred to in Article 25 paragraph (1) of this Law shall be obliged to enter the data referred to in Article 25 paragraph (3) of this Law in the register within a period of three months as of the day of establishment of the register referred to in Article 26 of this Law.

Article 178

The lawyers chambers and the notary chambers shall be obliged to form the commissions referred to in Article 153 of this Law within a period of 30 days as of the day of entry into force of this Law.

Article 179

The director of the Office appointed by the day of entry into force of this Law shall continue to hold the office until the expiry of the term of office for which he/she has been appointed.

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Article 180

As of the day of entry into force of this Law, the Financial Intelligence Office shall continue to work as a Financial Intelligence Office in accordance with the competencies determined by this Law.

Article 181

The Council for Combating Money Laundering and Financing of Terrorism formed by the day of entry into force of this Law shall continue its operation in accordance with the competencies determined by this Law.

Article 182

- (1) As of 1 January 2019, the prohibition on paying cash for goods and services referred to in Article 48 of this Law shall apply to cash payments in the amount of EUR 1 000 or more in Denar counter value in a form of a single or several obviously linked transactions, which is not made through a bank, a saving house or an account in another institution providing payment services.
- (2) As of 1 June 2019, the prohibition on paying cash for goods and services referred to in Article 48 of this Law shall apply to cash payments in the amount of EUR 500 or more in Denar counter value in a form of a single or several obviously linked transactions, which is not made through a bank, a saving house or an account in another institution providing payment services.
- (3) As of the entry into force of this Law, the prohibition on paying cash for goods and services referred to in Article 48 of this Law shall apply to cash payments in the amount of EUR 3 000 or more in Denar counter value in a form of a single or several obviously linked transactions, which is not made through a bank, a saving house or an account in another institution providing payment services.

Article 183

As of the day of entry into force of this Law, the Law on Prevention of Money Laundering and Financing of Terrorism ("Official Gazette of the Republic of Macedonia" nos. 130/14, 192/15, 27/16 and 83/18) shall cease to be valid.

Article 184

This Law shall enter into force on the eight day as of the day of its publication in the "Official Gazette of the Republic of Macedonia".

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PROVISIONS OF OTHER LAWS

Law Amending the Law on the Prevention of Money Laundering and Financing of Terrorism ("Official Gazette of the Republic of North Macedonia" no. 275/2019):

Article 2

This Law shall enter into force on the day of its publication in the "Official Gazette of the Republic of North Macedonia".

Law Amending the Law on the Prevention of Money Laundering and Financing of Terrorism ("Official Gazette of the Republic of North Macedonia" no. 317/2020):

Article 43

The provision of Article 1 which amends Article 14 paragraph (1) point a) and b), the provision of Article 3 which amends Article 16 paragraphs (1) and (2), the provision of Article 12 which amends Article 51 paragraph

(1) of this Law shall start to apply as of the day of beginning of application of the Law on Electronic Documents, Electronic Identification and Confidential Services ("Official Gazette of the Republic of North Macedonia" no. 101/19 and 275/19).

Law Amending the Law on the Prevention of Money Laundering and Financing of Terrorism ("Official Gazette of the Republic of North Macedonia" no. 317/2020):

Article 44

The misdemeanor procedures initiated by the day of entry into force of this Law shall end in accordance with the provisions of the Law on the Prevention of Money Laundering and Financing of Terrorism ("Official Gazette of the Republic of Macedonia" no. 120/2018 and "Official Gazette of the Republic of North Macedonia" no. 275/19).