

2015
**Anti- Corruption & Anti-Bribery
Legislation and Development in Oman**

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EXISTING LEGISLATION ON CORRUPTION AND MONEY LAUNDERING IN OMAN

PUBLIC FUND PROTECTION AND AVOIDING CONFLICT OF INTERESTS LAW (ROYAL DECREE 112/2011)

- ❑ Primarily aimed at protection and preservation of public property and funds, especially, against, corrupt and unethical practices.
- ❑ “Public Funds” defined as moveable or immovable property owned by the State or by companies in which the State is a stakeholder of more than 40%. Also extends to private funds under the control of the aforesaid entities such as endowment, charity funds etc.
- ❑ Government officials mandated to prevent misuse of Public Funds and to inform concerned authorities in case of violations becoming known to them.
- ❑ Government officials prohibited from exploiting their position to benefit themselves or others. Emphasis on any act or omission prejudicial to the public fund.
- ❑ Government officials prohibited from dealing with or acting as a mediator, dealer or sponsor of any entity in which he has an interest / whose activities are related to the department in which he works. This can only be done after obtaining prior permission from designated superiors.
- ❑ Government official prohibited from using Public Funds for personal purposes or holding shares in any entity whose activities are directly related to the department in which he works.

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OMANI PENAL CODE (ROYAL DECREE 7/1974)

- ❑ Relevant portion is Part II dealing with Crimes against Public Administration covering unethical / corrupt practices in the public sector.
- ❑ **Bribery** – Acceptance by a government official of benefit in cash or kind, to perform an act or abstain from doing so or postpone such performance, in relation to his official duties. Interestingly, liability fastened on the briber, agent (if any) as well as the government official.
- ❑ **Embezzlement** – Embezzlement of state or public funds that are entrusted to a government official (owing to the nature of his function) by such official.
- ❑ **Misuse of Functions** – Misuse of official position by a government official for benefiting or harming a third party, abstaining from prosecuting a crime within his jurisdiction or committing a personal crime.
- ❑ **Divulgence of Office Secrets** – Divulgence by a government official, of a secret which he is aware of owing to his function.

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LAW OF ANTI-MONEY LAUNDERING AND COMBATING THE FINANCING OF TERRORISM (ROYAL DECREE 79/2010)

- ❑ **Money Laundering** – Acquiring, receiving, owning, managing, investing, transferring funds or carrying out any transaction with the direct or indirect proceeds of a crime while being consciously aware of the source and nature of such proceeds. Also covers concealment of the nature, source, location and movement of such proceeds.
- ❑ **Terrorism Financing** – Collecting or providing funds directly or indirectly while being consciously aware that the same would be used in financing terrorism, or terroristic crime.
- ❑ **Financial Intelligence Unit:**
 - To be established by ROP under the supervision of the Assistant Inspector General of Police and Customs.
 - To be funded by the Ministry of Finance.
 - Unit to receive reports from financial institutions, non-profit associations and other competent bodies regarding transactions suspected to involve proceeds of any crime or related to money laundering or terrorism.

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- Unit to maintain database of information to be made available to / exchanged with judicial authorities, competent authorities and international organizations.
 - Unit to develop an annual report on its activities in the fields of money laundering and terrorism financing.
 - Unit to carry out analytical and investigative work re the information it receives.
- ❑ **Obligations on financial institutions, non-financial businesses and professions, non profit associations and bodies and competent regulatory entities** – To exercise due diligence to identify, update and verify actual clients and beneficiaries, monitor clients’ transactions on an ongoing basis, classify their clients according to risk of money laundering and terrorism financing, retain relevant information, records and data for at least a period of 10 years, provide the Unit directly with required information and reports.
- ❑ **National Committee** – Provides for formation of a National Committee to be formed under the supervision of the Minister and headed by the Central Bank of Oman to develop general policy and issue guidelines relating to money laundering and terrorism financing crimes.

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Thank you

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