

B. Libyan Arab Jamahiriya

Intervention of Dr. Mustapha Debara of Libya on Money-Laundering

In the preparation of a new law against money-laundering, the Libyan legislator has taken into account international developments and experiences in the field of countering money-laundering. The undertaking of such a task started with the enactment of law number 7 of 1990 on combating drug trafficking and psychotropic substances in pursuance of the United Nations Drug Convention against Illicit Trafficking of Drugs and Psychotropic Substances (1988). The law contains provisions criminalizing money-laundering resulting from drug trafficking and psychotropic substances related crimes.

Such efforts were crowned by the enactment of law number 2 of 2005 on money-laundering, which entered into force on 12 January 2005. The law contains criminalization of money-laundering operations resulting from any crime, as well criminalization of other related acts, such as releasing information on any person who may be accused of being involved in money-laundering operations, warning him or drawing his attention of possible arrest.

The law stipulates the establishment of a "financial information unit" within the Central Bank of Libya as well as sub-units in other commercial banks so as to monitor suspected operations with a view to verifying money-laundering attempts.

The law also stipulates the establishment of a National Committee on combating money-laundering under the presidency of the Governor of the Central Bank or his Deputy. Its membership comprises of representatives of the Bank, Foreign Affairs, Economic Affairs, Financial Affairs, Justice, Public Security, Customs and Tax Authorities. The main objective of the Committee is to elaborate strategies and implementation mechanisms required to deal with money-laundering operations and suggest the required actions to combat them. The Committee was expected to be fully operational at the beginning of May 2005.

The law contains measures that should be undertaken to combat money-laundering such as freezing, seizures and confiscation as well as measures for cooperation with other countries in the field of information exchange, investigation and implementation of orders and sentences in pursuance of international, regional and bi-lateral agreements as well as the application of the principal of reciprocity.