

An accomplice in an international offence shall be always be liable to punishment.

As regards the criminalization of the provisions and collection of funds for terrorist acts committed outside Ethiopia, articles 32 and 36 of the Penal Code apply to all criminal acts specified in the penal code or any other domestic legislation which criminalize certain acts, to the violations of international law, offences considered by national law as international crime and to violations of treaties ratified by Ethiopia. The most appropriate legal provision in this respect is article 17 of the Code which deals with offences committed in a foreign country against international law and universal order.

XXXV. FINLAND⁸⁴

1. ACT ON PREVENTING AND CLEARING MONEY LAUNDERING⁸⁵

Section 1: Purpose of the Act

The purpose of this Act is to prevent money laundering and financing of terrorism, promote the detection and investigation of money laundering and financing of terrorism, and to reinforce tracing and recovery of proceeds from crime.

The provisions of this Act on preventing and clearing money laundering also apply to preventing and clearing financing of terrorism referred to in Chapter 34a, section 5 of the Penal Code (39/1889).

Section 2: Definitions

For the purposes of this Act:

- 1) “money laundering” means activities referred to in Chapter 32, sections 6-10 of the Penal Code (39/1889);
- 2) “clearing money laundering” means receiving, recording, clearing and investigating reports on suspicious transactions referred to in sections 5 and 10; and

⁸⁴ Transmitted to the Secretariat by that Government on 25 February 2003 and 12 February 2004 (S/2003/279, enclosure).

⁸⁵ 68/1998. Amendments up to 365/2003 included.

- 3) “a party under obligation to report” means institutions and businesses and professions referred to in section 3.

Section 3: Parties under obligation to report

For the purposes of this Act, the following are parties under obligation to report:

- 1) credit institutions and financial institutions referred to in the Credit Institutions Act (1607/1993);
- 2) branches and representative offices of foreign credit institutions and financial institutions referred to in the Act on the Operation of a Foreign Credit Institution or Financial Institution in Finland (1608/1993);
- 3) investment firms referred to in the Investment Firms Act (579/1996) and institutions which are not investment firms but which are professionally engaged in activities referred to in section 16 of the Investment Firms Act;
- 4) branches and representative offices of foreign investment firms referred to in the Act on the Right of Foreign Investment Firms to Offer Investment Services in Finland (580/1996);
- 4a) management companies and depositories referred to in the Investment Funds Act (48/1999); (29.1.1999/54)
- 5) limited-liability companies or co-operatives engaged in restricted credit institution activities referred to in section 1a of the Credit Institutions Act;
- 6) insurance companies referred to in the Insurance Companies Act (1062/1979);
- 7) representative offices of foreign insurance companies referred to in the Act on Foreign Insurance Companies (398/1995);
- 8) insurance brokers referred to in the Insurance Brokers Act (251/1993);
- 9) pawnshops referred to in the Pawnshops Act (1353/1992);
- 10) institutions referred to in section 12(1) of the Lotteries Act (1047/2001) engaged in betting, totalizator betting or casino activity, and entrepreneurs and institutions acting as agents for participation coupons and fees related to pools, betting and totalizator betting referred to in the Lotteries Act. (23.11.2001/1052)

- 11) real estate businesses and apartment rental agencies referred to in the Act on Real Estate Businesses and Apartment Rental Agencies (1075/2000);
- 12) Central Securities Depository, account operators and service points of foreign institutions in Finland having the right to operate as account operators referred to in the Act on the Book-Entry System (826/1991);
- 13) businesses or professions practising other payments transfer than payment intermediation referred to in the Credit Institutions Act;
- 14) businesses or professions carrying out duties referred to in section 1(1) of the Auditing Act (936/1994).
- 15) businesses or professions practising external accounting;
- 16) businesses or professions selling or dealing precious stones or metals, works of art or vehicles;
- 17) businesses or professions holding auctions;
- 18) businesses or professions providing assistance in legal matters.

Businesses or professions providing assistance in legal matters referred to in subsection 1(18) above are under obligation to report when they participate on behalf of their client in planning or realising a purchase or a sale of real estates or business units, management of assets, securities or other funds of the client, opening or management of bank, savings or book-entry accounts, asset arrangements required to establish, manage or administer companies, or establishment or management of or responsibility for the activity of foundations, companies or similar institutions, as well as when acting on behalf of their client in business or real estate transactions. Carrying out duties of an attorney or a counsel is not subject to the obligation to report. For the purposes of this Act, duties of an attorney or a counsel include, in addition to actual duties related to legal proceedings, legal counselling concerning the legal status of a client in the pre-trial investigation of an offence or in other pre-trial handling of the case, and legal counselling concerning starting or avoiding legal proceedings.

Section 4: Money laundering clearing house

For carrying out duties relating to clearing money laundering, a Money Laundering Clearing House, hereafter the Clearing House, shall be established at the National Bureau of Investigation. The Clearing House shall also promote co-operation between different authorities in the prevention of money laundering, as well as co-operation and exchange of information with authorities in foreign States and international organisations responsible for clearing money laundering. The National Bureau of Investigation shall provide the Ministry responsible for police functions with annual reports on the activity of the Clearing House and on the progress of anti-money laundering activity in Finland in general.

Section 5: Obligation of the authorities and other supervisory bodies to oversee and to report

The authority supervising a party under obligation to report, the Savings Bank Inspectorate referred to in the Savings Banks Act (1270/1990), the Central Body for the Amalgamated Co-Operative Banks referred to in the Co-operative Banks Act (1271/1990) and auditors of the savings fund operations referred to in the Co-Operatives Act shall supervise the fulfilment of the obligations laid down by this Act or by provisions laid down under this Act.

If the authority referred to in subsection 1 or other supervisory body considers, on the basis of facts discovered in the context of its supervisory or other duties, that there are reasons to suspect the legal origin of the assets or other property included in a transaction or that these are used to commit an offence referred to in section 1(2) or a punishable attempt of such an offence, the authority shall report the case to the Clearing House.

Section 6: Obligation to identify

In addition to what is provided hereafter, a party under obligation to report shall always verify the identity of its customer if there are reasons to suspect the legal origin of the assets or other property included in a transaction or that these are used to commit an offence referred to in section 1(2) or a punishable attempt of such an offence.

A party under obligation to report referred to in section 3, paragraphs 1-8 and 11-18 above shall verify the identity of its regular customer. The same requirement also applies to other than regular customers when the total value of a single transaction or of several transactions that are connected with each other is EUR 15,000 at minimum.

A party under obligation to report referred to in section 3, paragraphs 6-8 above need not verify the identity of its customer, if

- 1) the commission agreement concerns such an insurance policy in which the premium for the insurance period is EUR 1,000 at maximum or the single premium is EUR 2,500 at maximum;
- 2) the commission agreement concerns such a statutory employment pension insurance policy or such a pension insurance policy of a self-employed person that does not include a repurchase clause and that cannot be used as a security for a loan; or
- 3) the premium for an insurance is paid from policy holder's account with a credit institution or financial institution authorised in a Member State of the European Economic Area, or from an account with a branch of a credit institution or financial institution authorised in a State outside the European Economic Area but operating in a Member State of the European Economic Area.

A party under obligation to report referred to in section 3(10) above shall verify the identity of its customer in the context of.

- 1) casino activities; and
- 2) pools, betting or totalizator betting when the value of the monetary stake placed by a player as a single transaction or as several transactions connected with each other is EUR 3,000 at minimum. (29.11.2001/1052).

The identity of a customer need not be verified if the customer is a credit institution, financial institution, investment firm or life insurance company authorised in a Member State of the European Economic Area or a branch of a credit institution, financial institution, investment firm or life insurance company authorised in a State outside the European Economic Area but operating in a Member State of the European Economic Area. Nor needs the identity of a customer be verified if the customer is a credit institution, financial institution, investment firm or life insurance company authorised in such other State whose system of preventing and clearing money laundering meets the international standards, or a branch of a credit institution, financial institution, investment firm or life insurance company authorised in another State but operating in such a State.

Section 7: Obligation to identify in case of acting on behalf of another person

If it is probable that a customer is acting on behalf of another person, the identity of this other person shall also be verified by all available means.

Section 8: Storing identification data

All customer identification data shall be stored in a secure manner for at least five years following the completion of a business transaction or termination of a customer relationship.

Section 9: Obligation to exercise due diligence

A party under obligation to report shall examine with due diligence the grounds for and the purpose of the use of its services, if it notices that such services are unusual in respect of composition or scale, or the size of a party under obligation to report or in respect of the facilities of such party, or if they have no apparent financial purpose, or if they are inconsistent with the financial situation or business transactions of a customer.

Section 10: Obligation to report

If, when fulfilling the obligation to exercise due diligence referred to in section 9, or on some other grounds, a party under obligation to report has a reason to suspect the legal origin of the assets or other property included in a transaction or that these are used to commit an offence referred to in section 1(2) or a

punishable attempt of such an offence, the party shall report the case to the Clearing House without delay and supply at request all information and documents that may have significance in clearing the suspicion.

A party under obligation to report referred to in section 3, paragraph 9 above shall submit a report referred to in subsection 1, if it is a question of a pledge of a significant financial value.

Submitting such report shall not be disclosed to the person subject to a suspicion or any other person.

Section 11: Suspension of a transaction and refusal to effect

If a party under obligation to report has a reason to suspect the legal origin of the assets or other property included in a transaction or that these are used to commit an offence referred to in section 1(2) or a punishable attempt of such an offence, the party shall suspend the transaction for the purposes of further inquiries or refuse to effect the transaction.

If it is not possible to refrain from a transaction, or if suspending or refusing to effect the transaction would be likely to hamper establishing the beneficiary of the transaction, the transaction may be completed, after which a report referred to in section 10 shall be submitted immediately.

After receiving a report on a suspicious transaction, a commanding police officer working at the Clearing House may give an order to refrain from effecting the transaction for five business days at maximum, if such refraining is necessary for clearing money laundering.

Section 11a: Reinforced obligation to identify, to exercise due diligence and to report

If a transaction is connected with a State whose system of preventing and clearing money laundering does not meet the international standards, the transaction shall be subject to a reinforced obligation to identify, to exercise due diligence and to report.

To fulfil a reinforced obligation to report, a party under obligation to report shall submit a report referred to in section 10 to the Clearing House if a client does not provide an account requested in order to fulfil the obligation to exercise due diligence, or if the party under obligation to report finds the given account unreliable. The same applies to a situation in which the account obtained by a party under obligation to report does not provide sufficient information on the grounds for the transaction and the origin of the assets. A party under obligation to report shall also submit a report to the Clearing House if a legal person cannot be identified, or if beneficiaries cannot be established reliably. The same also applies if a person on behalf of whom a customer is acting cannot be identified.

Section 12: Obtaining, recording, using and disclosing data

The Clearing House has the right to obtain free of charge any information and documents needed for clearing money laundering from authorities and institutions conducting public duties, notwithstanding provisions on the confidentiality of information on business or trade secrets, or the financial circumstances or a financial status of an individual, institution or foundation.

A decision on obtaining confidential information referred to in subsection 1 shall be made by a commanding police officer working at the Clearing House.

The Clearing House has the right to obtain any information needed for clearing money laundering from a private body or person, notwithstanding the secrecy obligation binding the members, auditors, auditors of the savings fund operations, board members or employees of the body on written request by a commanding police officer working at the Clearing House.

The Clearing House has the right to record information received on the basis of sections 5 and 10 and subsections 1 and 3. The information may be used or disclosed only for preventing and clearing money laundering.

Section 13: Reference to certain acts

In addition to this Act, the provisions of the Police Act (493/1995) on a police investigation apply to clearing money laundering, unless the Pre-Trial Investigation Act (449/1987) is applied to clearing the matter.

In addition to this Act, the provisions of the Police Personal Data File Act (509/1995) on police personal data files apply to handling of information on suspicious transactions.

Section 13a: Obligation to make a notification of payments transfer activity

A party practising payments transfer referred to in section 3(1)(13) above and a financial institution practising payments transfer shall make a notification of the activity to the State Provincial Office of Southern Finland, which act as the central administrative authority, prior to starting the business.

The notification shall include information about the practitioner and the activity referred to in the notification.

Section 14: Government decisions and further provisions

A list of States whose systems of preventing and clearing money laundering meet the international standards referred to in section 6(5), as well as a list of States whose systems of preventing and clearing money laundering,

correspondingly, do not meet the international standards referred to in section 11a(1), may be confirmed by a decision made in a Government plenary session.

Further provisions on fulfilling the obligations laid down in sections 6-11 and 11a and on the content of the notification referred to in section 13a(2) are given by decree of the Ministry of the Interior. Before issuing a decree, other competent Ministries, the Insurance Supervisory Authority and the Financial Supervision shall be heard.

Section 15: Liability for damages

A party under obligation to report is liable for the financial loss sustained by a customer due to giving an account of a transaction, reporting on a suspicious transaction or the suspension of or refusal to effect a transaction, only if the party under obligation to report has failed to exercise such due diligence as could have been expected from the party, considering the circumstances.

In other cases, the provisions of the Tort Liability Act (412/1974) apply to the liability for damages of a party under obligation to report.

Section 16: Content of the obligation to identify

A person who, deliberately or through negligence, fails to fulfill the obligation to identify a customer laid down in sections 6, 7 or 11a or the obligation concerning storing identification data referred to in section 8 shall be sentenced for *violation of obligation to identify* to a fine, unless a more severe penalty for the act is provided elsewhere in the law.

Section 16a: Violation of obligation to report money laundering

A person who, deliberately or through negligence, fails to make a report referred to in sections 10 or 11 a, against the prohibition laid down in section 10, discloses such reporting, or fails to fulfill the obligation to exercise due diligence referred to in section 9 and, therefore, does not notice the existence of the obligation to report referred to in section 10 shall be sentenced for *violation of obligation to report money laundering* to a fine.

Section 16b: Violation of obligation to make a notification of payments transfer activity

A person who, deliberately or through negligence, fails to make a notification of payments transfer activity referred to in section 13a shall be sentenced for *violation of obligation to make a notification of payments transfer activity* to a fine, unless a more severe penalty for the act is provided elsewhere in the law.

Section 17: Entry into force

This Act shall enter into force on 01 March 1998.

Measures required to enforce this Act may be implemented before the Act takes effect.

Section 18: Transitional provisions

At the time of the entry into force of this act, those matters pending in the Financial Supervision Authority and in the Ministry of Social Affairs and Health, which in accordance of this Act shall fall under the competence of the Clearing House, shall be transferred to the Clearing House for processing.

At the time of the entry into force of this act, data on suspicious transactions recorded by the Financial Supervision Authority and by the Ministry of Social Affairs and Health shall be transferred to the Clearing House. Regarding recording, using and disclosing data, the provisions of section 12(4) are in force.

Entry into force and application of the amendments:

- (34/1999) This Act enters into force on 01 February 1999.
- (92/1999) This Act enters into force on 01 April 1999.
- (799/2000) This Act enters into force on 16 October 2000.
- (1076/2000) This Act enters into force on 01 March 2001.
- (1052/2001) This Act enters into force on 01 January 2002.
- (63/2003) This Act enters into force on 01 April 2003.
- (365/2003) This Act enters into force on 01 June 2003.

Transitional provisions regarding amendment (365/2003):

This Act also applies to a customer of a party under obligation to report referred to in section 3(1), paragraphs 5 and 11-18, whose business relation with the party under obligation to report has started prior to the entry into force of this Act. A party under obligation to report shall identify such a customer as provided in sections 6 and 11a and, if it is probable that the customer is acting on behalf of another person, the party shall identify this other person as provided in section 7, prior to performing a new business transaction.

At the time of the entry into force of this Act, a party practising payments transfer referred to in section 3(1), paragraph 13 and a financial institution practising payments transfer shall make a notification of their business referred to in section 13a within six months from the entry into force of this Act.

2. PENAL CODE

CHAPTER 34a - TERRORIST OFFENCES

Section 1 - Offences committed with a terrorist intention

A person who, with a terrorist intention and so as to seriously damage a State or international organisation:

- 1) presents an unlawful threat or raises a false alarm, shall be sentenced to imprisonment for at least four months and at most three years,
- 2) deliberately commits an offence of endangerment, an explosives offence or a violation of the provisions of the Edged Weapons Act (108/1977), shall be sentenced to imprisonment for at least four months and at most four years,
- 3) commits an aggravated theft or unauthorized use of a motor vehicle designed for the transport of passengers or goods, criminal mischief or criminal traffic mischief, an offence of health endangerment or aggravated criminal damage, an aggravated firearms offence or an export offence referred to in the Act on the Export and Transit of Defence Materiel (242/1990), shall be sentenced to imprisonment for at least four months and at most six years,
- 4) violates the prohibition on chemical weapons or biological weapons, or intentionally commits aggravated impairment of the environment within the meaning of subsection 1, paragraph 1, of section 1 in Chapter 48, shall be sentenced to imprisonment for at least four months and at most eight years,
- 5) commits an aggravated assault, an offence of kidnapping or hostage taking, aggravated criminal mischief or an offence of aggravated health endangerment, a nuclear device offence or an offence of hijacking, shall be sentenced to imprisonment for at least two and at most twelve years,
- 6) kills a person, shall be sentenced to imprisonment for at least four and at most twelve years,
- 7) commits manslaughter, shall be sentenced to imprisonment for at least eight years or at most for life.

A person who, with a terrorist intention, commits murder, shall be sentenced to life imprisonment.

An attempt is punishable.

Section 2 - Preparation of an offence committed with a terrorist intention

A person who, with an intention to commit one of the offences referred to in subsection 1, paragraphs 2 to 7, or subsection 2 of section 1,

- 1) agrees with another person or prepares a plan to commit the offence,
- 2) manufactures, keeps in his/her possession, acquires, transports, supplies or uses an explosive, a chemical, biological or toxic weapon, a firearm or a dangerous object or substance, or
- 3) acquires instruments or substances that may be used for the production of nuclear devices or chemical, biological or toxic weapons, or acquires formulas or plans for their production, shall be sentenced for the preparation of an offence committed with a terrorist *intention* to a fine or to imprisonment for at most three years.

Section 3 - Directing a terrorist group

A person who directs a terrorist group, the activities of which include the commission of or a punishable attempt to commit an offence referred to in subsection 1, paragraphs 2 to 7, or subsection 2 of section 1, shall be sentenced, for *directing a terrorist group*, to imprisonment for at least two and at most twelve years.

A person who directs a terrorist group, in the activities of which only an offence referred to in subsection 1, paragraph 1, of section 1 has been committed, shall be sentenced, for directing a terrorist group, to imprisonment for at least four months and at most six years.

Anyone who is sentenced for directing a terrorist group shall also be sentenced for any commission of or any punishable attempt to commit an offence referred to in section 1 and for any commission of an offence referred to in section 2, either directly by him/herself or by the terrorist group under his/her direction.

Section 4 - Facilitation of the activities of a terrorist group

A person who, with the intention of facilitating or in the knowledge that his/her conduct will contribute to the criminal activities of a terrorist group as referred to in sections 1 and 2,

- 1) creates or organizes the group, or recruits or attempts to recruit members to the group,
- 2) supplies or attempts to supply explosives, weapons, ammunition or substances or materiel needed for their production, or other dangerous objects or substances, to the group,

- 3) implements or attempts to implement or provides training for the group in support of its criminal activities,
- 4) finds or attempts to find or provides office premises or other facilities, means of transport or other material resources for the group, which are of great relevance for its activities,
- 5) finds or attempts to find information which, when brought to the attention of the group, may seriously damage a state or international organisation, or transmits, supplies or discloses such information to the group,
- 6) is responsible for the management of the relevant finances of the group or provides financial or legal advice of great relevance for the group,
- 7) commits one of the offences referred to in subsection 2, paragraphs 1 and 2, of section 1 in Chapter 32,

and where the group's activities include the commission of or an attempt to commit an offence referred to in section 1 or the commission of an offence referred to in section 2, shall be sentenced, unless the act shall be punished under section 1 or 2 or unless the same or a more severe penalty for the act is provided by other provisions of law, for *promotion of a terrorist group* to imprisonment for at least four months and at most eight years.

The provisions in paragraph 6 above, concerning the provision of legal advice, do not apply to advice given in the performance of the duties of a legal counsel or attorney in the context of criminal investigations, court proceedings or enforcement of sentences.

Section 5 - Financing of terrorism

A person who directly or indirectly provides or collects funds with the intention that they should be used or in the knowledge that they are to be used in order to commit:

- 1) kidnapping or hostage taking,
- 2) such criminal mischief, aggravated criminal mischief or preparation of endangerment as shall be considered an offence referred to in the International Convention for the Suppression of Terrorist Bombings (FTS 60/2002)
- 3) such criminal mischief, criminal traffic mischief, aggravated criminal mischief or preparation of endangerment as shall be considered an offence referred to in the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation (FTS 56/1973), in the Protocol

for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation (FTS 43/1998), in the Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation (FTS 11/1999), or in the Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms located on the Continental Shelf (FTS 44/2000),

4) such a nuclear material offence, an offence of health endangerment or aggravated health endangerment, unlawful use of nuclear energy or other punishable act addressed at nuclear material or committed by means of using nuclear material, as shall be considered an offence referred to in the Convention on the Physical Protection of Nuclear Material (FTS 72/1989)

5) murder, manslaughter, killing, aggravated assault, deprivation of personal liberty, aggravated deprivation of personal liberty, kidnapping, hostage taking or aggravated breaking of peace, or threatening with such an act, where it is addressed at a person referred to in the Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents (FTS 63/1978)

shall be sentenced, for *financing of terrorism*, to imprisonment for at least four months and at most eight years.

A person who directly or indirectly provides or collects funds with the intention that they should be used or in the knowledge that they are to be used in order to commit any of the offences referred to in section 1, shall also be sentenced for financing of terrorism.

An attempt is punishable.

The above provisions of this section shall not apply to an act which is punishable as the commission of or an attempt to commit an offence referred to in paragraphs 1 to 5 of subsection 1, as participation in such an offence or under the provisions of section 1 or 2, or for which a more severe sentence is provided by other provisions of law.

Section 6 – Definitions

The perpetrator of an offence is considered to act with a terrorist intention where the offence is committed with the aim of:

- 1) seriously intimidating a population;
- 2) unduly compelling a Government or other authority or an international organisation to perform, tolerate or abstain from performing any act;

- 3) unlawfully repealing or amending the constitution of a State or seriously destabilizing the legal order of a State, or seriously damaging the economic or social structures of a State; or
- 4) seriously damaging the economic or other fundamental structures of an international organisation.

'Terrorist group' shall mean a structured group of more than two persons, established over a period of time and acting in concert to commit offences referred to in section 1 above.

'International organisation' shall mean an intergovernmental organisation or an organisation which, due to its role and internationally recognized status, is comparable with an intergovernmental organisation.

Section 7 - Right of prosecution

A decision on prosecution in respect of offences referred to in the provisions of this Chapter shall be made by the Prosecutor General. At the same time, the Prosecutor General shall designate the prosecutor in charge of the case.

Section 8 - Liability of legal persons

The provisions on the liability of legal persons shall apply to the offences specified in this Chapter.

The provisions on the liability of legal persons shall also apply to theft, aggravated theft, extortion and aggravated extortion perpetrated with a view to committing one of the offences specified in section 1 or subsection 1, paragraph 3, of section 1 in this Chapter, and to forgery and aggravated forgery perpetrated with a view to committing one of the offences specified in subsection 1, paragraphs 2 to 7, or subsection 2 of section 1, in subsection 1, paragraph 3, of section 2, or in section 4 or 5 in this Chapter.