

## **Money Laundering and Terrorist Financing: Evidence from Sri Lanka**

**Mr. Manoj Sivaguru<sup>1</sup>**

*<sup>1</sup>MMBL Money Transfer (Pvt) Ltd*

*<sup>1</sup>mmtlcustomer@aitkenspence.lk*

### **Abstract**

This study investigates the effectiveness of the procedures have been taken by domestic financial institutions to combat money laundering and terrorist financing. It examines the domestic legislation acts against money laundering and regulations pertaining to inwards remittances. This research consist with mixed methods approach for data collecting, analysis and to evaluate interviewed data from respective individuals. The population of the study consist with 25 selected licensed banks, 20 financial institutions and 100 retailers who have been engaged with money transfer businesses. The expected conclusion out of the findings in this study is that the financial institutions are complying with rules and regulations assigned by regulators, still there are limitations from both regulatory bodies and financial institutions to combat money laundering and terrorist financing in Sri Lanka.

**Keywords:** Money Laundering, Terrorists Financing, Financial Institutions, Regulatory Bodies

### **1. Introduction**

A financial crime is a regulatory, reputational, or monetary act or attempt against financial services institutions, corporations, governments, or individuals by internal or external agents to steal, defraud, manipulate, or circumvent established rules (Nice Actimize, 2016). There is no a single broadly accepted understanding of the meaning for the term 'financial crime.'