



ANNUAL REPORTS
2020/2021/2022
FINANCIAL INTELLIGENCE UNIT
CURAÇAO

“The COVID-19 pandemic will deepen inequalities unless we strengthen the global anti-money laundering system’s front-line defenses. (..) Evidence suggests that illicit financial flows cause greater inequality both within countries and between developing and advanced economies. (..) Within countries, illicit financial flows mean that people are deprived of high-quality public services and social protection. State capacity also suffers, which makes it difficult for governments to take meaningful action against corruption and financial crimes. Through this vicious cycle, illicit financial flows serve to reinforce and exacerbate pre-existing economic and social inequalities, leaving the most vulnerable further behind.”

(Transparency International, October 2020)

ABBREVIATIONS

AML	Anti Money Laundering
CFT	Countering the Financing of Terrorism
MOT	Meldpunt Ongebruikelijke Transacties; the name of the FIU of Curaçao up to December 2015.
FIU	Financial Intelligence Unit
CIWG	“Commissie inzake Witwassen van Geld”, the national Commission responsible for coordination of Curaçao’s efforts regarding AML and CFT. Since 2022 called: the Committee AML/CFT/CFP.
NOIS	National Ordinance on Identification when delivering Services; Dutch name: LID (Landsverordening Identificatie bij Dienstverlening).
NORUT	National Ordinance on Reporting of Unusual Transactions; Dutch name: Landsverordening Melding Ongebruikelijke Transacties (LvMOT)
LEA	Law Enforcement Agency
RST	Recherche Samenwerkings Team, a special LEA
DURADERO	A special LEA of the RST, focusing on corruption and subversive organized crime
KPC	Korps Politie Curaçao, the Curaçao police force
PPO	Public Prosecutors’ Office (in Dutch: Openbaar Ministerie, OM)
VDC	Veiligheidsdienst Curaçao (the Curaçao National Security and Intelligence organization).
FATF	Financial Action Task Force
FSRB	FATF-style regional body
CFATF	Caribbean Financial Action Task Force, the FSRB of which Curaçao is a member
NRA	National Risk Assessment, the assessment of its AML/CFT risks and mitigating factors a country makes, as a result of FATF Immediate Outcome 1 (IO 1, a part of the standard requirements for effectiveness of FATF).
MEVAL	Mutual Evaluation, the peer evaluation of a country against FATF norms and standards.
MER	Mutual Evaluation Report, the report resulting from a countries’ MEVAL.

CONTENTS

1. Preface and general remarks	3
2. General Introduction to the Work of the FIU Curaçao.....	6
3. Organization of the FIU	11
4. Explanation on the statistics in this report	12
5. Summary of tasks and achievements	13
6. Cases, Typologies, Emerging Threats and Future Trends	30
Case 1: Private Foundation, banking or building?	30
Case 2: Do I look trustworthy or what?.....	31
Case 3: Not who you think it is.....	31
Case 4 : Invisible company.....	32
Case 5: Donations, SPF's and Offshore leaks	32
Case 6 : Laundering of money through lingerie business in Troya, Cymbal and Breton. 33	
Case 7: Cooperation leads to success	34
Emerging threats and future trends	35
7. ANNEXES: STATISTICS 2020 – 2021 - 2022	37
ANNEX 1 : YEAR 2020 STATISTICS.....	38
ANNEX 2 : YEAR 2021 STATISTICS.....	58
ANNEX 3 : YEAR 2022 STATISTICS.....	75

1. Preface and general remarks

This report details the activities and contributions of the Financial Intelligence Unit Curaçao, formerly known as the “Meldpunt Ongebruikelijke Transacties” or “MOT” in the fight of Curaçao against money laundering and terrorism financing during the period of January 1st, 2020 through December 31st, 2022. Every covered years’ statistics can be found in the attachments.

While the whole world came to a standstill as a result of the COVID pandemic, the years 2020-2022 were marked for the FIU Curaçao by a second most challenging endeavor: the implementation of a new all-encompassing IT reporting, analysis and communication system, the goAML project. Phase 1 of this project, a new reporting system at the reporting entities end, had to be finished on 1 January 2021, because of international technical developments that would affect the workings of the old reporting system CORSYS, and there was considerable time pressure. This while onsite support for the establishment of the new system, as is normally required in these projects, was not available to the FIU due to the COVID pandemic, and online support was only very limited. The FIU project- and training team however did a tremendous job. During and in the aftermath of the challenging time of COVID restrictions and COVID shutdowns, hundreds of reporting entities were supported in the transitioning to the new reporting system, through sectoral training and one-on-one assistance.

In addition, the ‘normal’ work of the FIU was challenging during COVID-shutdowns and Covid-restricted periods. The FIU was not on the list of ‘critical’ or ‘essential’ governmental services, which meant that during periods of Covid-shutdowns and –restrictive periods, very limited analysis of incoming transactions and dissemination could take place. The same was the case with the supervisory tasks of the FIU: in COVID times limited offsite supervisory tasks could be performed, provided supervised entities could be reached.

Next to this, the years 2020-2022 were marked by the continuous effort to restaff the FIU as well as by the co-steering and execution of the National Risk Assessment on money laundering of Curaçao, that requested considerable resources from the FIU. A large part of the capacity of the FIU, both from the analysis and supervision department as well as from management, was taken up by the execution of the National Risk Assessment (NRA) of Curaçao. Most FIU employees have been involved in the many meetings and activities that they have been leading or attending and in the data gathering, together with several government and private entities, and often online due to COVID restrictions. These tasks had their effect on the day to day activities of the FIU.

The necessity to continuously restaff and grow the formation of the FIU stems not only from the growing amount of tasks, unusual transaction reports received, and FIU-supervised entities, but also from the 2011 evaluation of Curaçao by the Caribbean Financial Action Task Force (CFATF), that showed critical comments on our limited staffing. Indeed, a challenge for Curaçao, since there has been a moratorium in place on hiring new public servants. When carrying out our activities, the FIU is constantly tackling capacity challenges. At the beginning

of 2020, the FIU had a staff of 18 people to carry out both of its main tasks (analysis and supervision) as well as the other tasks of the FIU as designated by law, topped by additional tasks regarding the first NRA of Curaçao. This instead of the official formation of 21 FTE. At the end of 2022, the staff had minimized to 14 people. The official formation of the FIU was set by government in 2009 at 21 was increased with 1 FTE at the end of 2022 to 22. The FIU has send a request to government to further increase the formation to 31 FTEs, in line with professional advise on our desired formation, carried out in 2018 on request of the Ministry of Finance.

At the FIU Supervisory department, 4 supervisors were employed at the FIU at the beginning of 2020. The department exhibited a proactive and forward-thinking approach by embracing a risk-based methodology to effectively deploy its limited resources. This approach involves strategically directing resources and efforts towards areas deemed most susceptible to financial crimes, with a notable focus on sectors that are inherently more vulnerable, such as the notary sector. The emphasis on this sector, among others, underscores the FIUs commitment to tailor its efforts based on perceived levels of risk, implementing targeted measures to enhance vigilance against money laundering, terrorist financing and other financial crimes.

Until mid 2022, the Supervisory department faced the challenge that no fines could be imposed yet regarding the NOIS, due to delays in the entry into force of the relevant Decree. The FIU however mitigated this risk by entering into a partnership with the Public Prosecution Office. This was first tested in the so-called 'non-reporter project' and the 'non-registration project' that were carried out together during the years 2018-2019. These projects lead to an improvement in reporting behavior to the FIU as well as to an improvement in the registration of reporting institutions with FIU Supervisory.

Though some sectors report very consistently to the FIU, non-reporting (as well as low-quality reporting) still is present in other sectors. The reporting behavior of several entities, even though they registered for reporting, needs to be improved. During the years 2020-2022, the FIU continued its efforts to reach out to obliged entities, representative organizations and AML-Supervisory Authorities in order to enhance reporting.

Finally, the years 2020-2022 were marked by a continuous effort of the FIU to enhance its international capabilities, especially within the Egmont Group of Financial Intelligence Units. As a longstanding member of "Egmont", we as an FIU have a good track record of involvement in the technical work of its working groups, and we find it important to support capacity building of fellow FIUs worldwide, to contribute to training and to developing technical knowledge, all to further strengthen the Group as a whole. In July 2019, I was chosen by the Americas Region, the region with the largest FIU member base within Egmont, as one of its Regional Representatives within Egmont.

An important goal was to give voice to the many smaller FIUs in the region in the Egmont Committee, the central coordinating body of Egmont. Building on this experience, in July 2021, I was chosen by the membership of Egmont as vice-chair of Egmont, for a 2-year period. The gracious support of the Minister of Finance of Curaçao to acquire this prestigious

and responsible position, showed the commitment of the government of Curaçao to contribute to the strengthening of the international community fighting against money laundering and terrorist financing. This did not go unnoticed by the Egmont Group, leading in April 2023 to an unprecedented 'thank you' letter sent to the Minister of Finance by the Chair of the Egmont Group, for the work done and the many contributions of the FIU Curaçao.

A.M.Ch. Kemna LL.M. MBA CAMS
Head of the FIU Curaçao

2. General Introduction to the Work of the FIU Curaçao

Background

Money laundering is a serious crime. It is detrimental to the economy of a country, attracting criminals, and it is inevitably closely associated with other serious forms of crime, such as drug trafficking, human trafficking and people smuggling. Fighting money laundering and following the money are key to fighting organized crime. In addition, the combatting of terrorism via the detection and deterring of money flows is essential to keep a country and the world safer.

It is essential that all public sector entities and also the private sector fulfill their perspective roles in the fight against money laundering (AML) and the countering of terrorist financing (CFT). We learn this also from the international framework as set up by the Financial Action Task Force (FATF). Their 40 Recommendations and 11 Immediate Outcomes together form the rulers within which countries devise their AML and CFTF laws and policies on a national level. They describe on which aspects countries should be technically compliant with the FATF-rules, and on which aspects they need to be able to proof their effectiveness in applying rules and policies, when it comes to AML and CFT. Against these FATF recommendations and immediate outcomes, countries are periodically peer-reviewed by the FATF community, or - when a country is a member of a regional FATF-style body (FRSB)-, by their regional community. Curaçao will be peer-reviewed by the Caribbean Financial Action Task Force, our regional FRSB, on its technical compliance and effectiveness in the combatting of ML and TF in 2024.

One of the key AML/CFT players within a countries' public sector is its Financial Intelligence Unit. It is a FATF requirement (FATF Recommendation 29) to establish an operationally independent and autonomous FIU as the central entity to receive transaction reports possibly connected to ML / TF from the private sector. These reports are to be analyzed by the FIU and only relevant transactions are to be disclosed by it, as *intelligence*, to law enforcement and the public prosecutor, for possible criminal investigations and prosecution. This is indeed also one of the main tasks of FIU Curaçao.

In this chapter we will further explain how this task of FIU Curaçao works.

Furthermore we will go into the other main task of FIU Curaçao: supervising the compliance with AML/CFT laws of entities and professionals in nine non-financial private sectors.

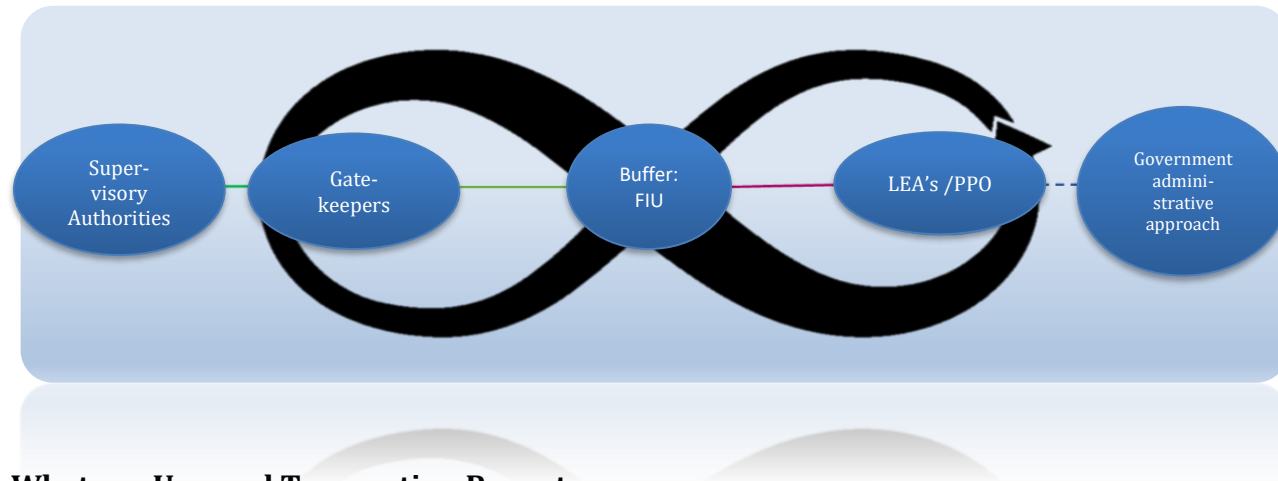
This is a task that is not natural to FIUs, though many FIUs in the world have been assigned this task. The supervisory task of FIU Curaçao is limited to compliance with AML/CFT laws; thus FIU Curaçao is not a general supervisor, like for instance the CBCS (The Central Bank of Curaçao and St Maarten). This means that the supervisory capabilities of the FIU are limited to the tools and powers assigned to it in our AML/CFT laws.

FIU Curaçao

As stated in art 2 of the NORUT, FIU Curaçao is the (only) authority to collect, analyze and disseminate financial intelligence reports in Curaçao. Curaçao uses the 'Unusual Transaction

Reporting’ system for reporting entities, implying that the FIU receives *unusual* reports rather than *suspicious* reports from the private sector. This requires special attention regarding the protection and use of the information, especially in case of information on private persons.¹ FIU Curaçao fulfills a buffer function between on the one hand the LEA’s and on the other hand the private sector.

The PPO serves as the central point for formal requests to FIU Curaçao from the LEA’s, such as the National Internal Investigation Department (‘Landsrecherche’), before 2022 the Asset Recovery Team (“Afpakteam”), the Curaçao Police Force (“Korps Politie Curaçao” or “KPC”), the Investigation Cooperation Team (“Recherche Samenwerkingsteam” or “RST”), and the special criminal investigators at the Tax Accounting Office (“SBAB” and “TIO”) and at Customs. Other stakeholders that form part of the spectrum with respect to the collection, dissemination and the exchange of financial intelligence are the AML/CFT Supervisory Authorities (CBCS, FIU and GCB) and information and collaboration platforms like the ACOC, the ‘Actie Centrum Ondermijning Curaçao’ (in English: the Action Centre on Subversive Crime Curaçao), that in some cases also explore the effective combatting of ML/TF through administrative actions rather than or in addition to the criminal law approach. Each competent authority has the provisions in their respective legislation regarding their legal powers to collaborate in the combatting and prevention of ML/TF. The following picture depicts the so called Lemniscate-principle of the FIU: the strategic place of FIU Curaçao in this spectrum of information gathering and dissemination as a continuous flow of information between all stakeholders.



What are Unusual Transaction Reports

Contrary to other jurisdictions, where *suspicious* transactions or Suspicious Activity Reports (SARs) and/or Suspicious Transaction Reports (STRs) are to be sent to their respective FIUs, the FIU Curaçao (as do all four FIUs of the four countries that are a part of the Kingdom of the Netherlands) receives *Unusual* Transaction Reports (or UTRs) from the reporting entities. This legal choice, that the countries within the Kingdom of the Netherlands have made, has important implications for reporting entities and the work of the FIU.

¹ This is the same for all Dutch speaking countries: The Netherlands, Aruba, Sint Maarten, Curacao and Suriname.

Our law indicates when a transaction can or should be considered *unusual* and should be reported by making use of indicators, that are either *objective* or *subjective*.

An objective indicator states explicitly when a transaction *must* be considered as unusual by a reporting entity, irrespective of who is executing the transaction, and without respect to the circumstances. Subjective indicators on the other hand leave it to the assessment of the reporting entity to report a transaction as unusual, based among other things on its knowledge of the client and its risk, the business of the client, the transaction profile of the client, whether a politically exposed person is involved, what the particular circumstances are, etcetera.

The UTR-reporting system was chosen by all countries within the Kingdom of the Netherlands over the SAR/STR-reporting system, for reason that the required research into whether a transaction is *suspicious*, is seen as the work of the FIUs and subsequent the LEAs, not of reporting entities. The UTR-reporting system thus is believed to be beneficial to reporting entities. This is because for deeming a transaction to be *unusual*, less work by reporting entities is required, even when a transaction is reportable under a subjective indicator. Even though this system implies a potential high level of false-positives, especially with regard to transactions reportable under objective indicators, it is also envisaged that the advantage of this system is that FIUs will receive more useful information they can use for their work.

AML Compliance (and AML Supervision) is key

Reports of unusual transactions have to be send to the FIU in a timely and correct manner. The quality of reports determines greatly the quality of the data of the FIU. The same goes for AML-compliance of reporting entities in general: the less entities comply with reporting, the less effective an FIU will be. Substantial efforts of Supervisory Authorities in supervising AML-compliance form therefor one of the substantial conditions for the FIUs' possibility to be effective.

From unusual to suspicious

After receiving reported unusual transactions, the analysts of the FIU can select transactions and start an analysis on them to see whether a suspicion of money laundering (ML) or terrorist financing (TF) can be established. Our law allows them to make use of other public databases and information of public authorities, additional information from reporting entities, as well as of information of other FIUs worldwide. If a suspicion is established, such transactions can be declared suspicious by the Head of the FIU and will then be disseminated as intelligence to the Public Prosecutor's Office (PPO). The PPO decides whether these suspicious transactions will be further investigated, in order to collect further evidence for the intelligence received. Not all reports received will be analyzed in a given year. This has to do with the fact that reports received, especially reports reported under a objective indicator, are not necessarily immediately relevant for declaring suspicious transactions. This is a significant difference with the work of FIUs that receive SARs or STRs, which are by definition all to be seen and handled as suspicious. However, (objective as well as subjective) unusual transactions reported can become very relevant in the due course of different

investigations by the FIU over the years to come. They may also become very relevant as a result of requests by other FIUs and by our law enforcement agencies over the years to come.

FIU as a buffer

The law states that the FIU receives the information from reporting entities solely for certain purposes. The information in the register may only be disseminated under certain conditions and only to the entities and for the purposes as stated in the NORUT. The information in the FIU's register may furthermore only be accessed by persons designated by the Head of the FIU. In this way, the FIU acts as a buffer between the private sector that has reporting obligations, and the public sector that has interest in the information. An FIU's security and confidentiality are therefore of utmost importance. The FIU gives ample attention to this. In this sense it is noteworthy, that the FIU is one of the two organizations in Curaçao for which a formal 3-yearly screening is required by law for all of its personnel (the other organization being the VDC, Curaçao's national intelligence and security office).

FIU is an intelligence organization

It is important to emphasize that an administrative Financial Intelligence Unit such as the FIU Curaçao, disseminates its information as classified intelligence. This is based on the formal rules of the Egmont Group of Financial Intelligence Units, of which Group the FIU is a long-standing member. The FIU Curaçao is therefore an intelligence organization (comparable to other intelligence organizations, like the Curaçao VDC), not an evidence-producing organization like law enforcement agencies.

Requests of the FIU for additional information from the Reporting Entities

Pursuant to article 12 of the NORUT, the FIU is entitled to ask further data or information from the party that reported a transaction, as well as from the financial institution facilitating the transaction. Such entity is obliged by law to furnish the FIU with additionally requested data or information, in writing and in urgent cases also orally, within the term as stated by the FIU. Further data or information may for instance be needed when there are omissions in the reports received from the reporting entities or when additional information is needed for ongoing investigations.

Reporting time period for reporting institutions

The average reporting time period is the difference between the transaction date and the date the report was received by the FIU, the incoming date.

Pursuant to the NORUT, unusual transactions should be reported without delay to the FIU. All reporting entities, with the exception of banks, should send their unusual transaction reports based on an objective indicator within 48 hours after the transaction has been executed or after there has been an intention for a transaction. For banks, the reporting period for unusual transactions based on an objective indicator is 5 working days, from the moment the transaction is executed or from the moment of an intention to execute a transaction. The time period for banks to report unusual transactions based on an objective indicator can be extended (due to organizational or unforeseen reasons) to a maximum of 10 workdays.

For reports based on the subjective indicator, the reporting period for all reporting entities (including banks) is as follows. The time period between the execution of the transaction (or the intention to execute a transaction) and the moment the compliance officer receives the report, should not exceed 24 hours. As of the moment the compliance officer receives the transaction report, the compliance officer will have 10 working days to complete the relevant research with regard to possible a money laundering/terrorism financing situation. If after the research period (maximum 10 working days), there is reason to believe the transaction might have to do with money laundering or terrorist financing, the compliance officer must report the transaction within 48 hours to the FIU.

An overview of the guidelines for the reporting period is given on the website of the FIU, under Section: Reporting.

FIU is a supervisory authority

In addition to being a financial intelligence unit, the FIU has important tasks in the supervision of designated non-financial businesses and professions (DNFBPs) regarding their compliance with the NOIS, NORUT and the Provisions and Guidelines (P&G) of the FIU. The following are the business sectors that are under the AML-supervision of the FIU, amounting to an estimated 800 supervised entities:

- Real estate agents;
- Dealers in vehicles;
- Dealers in precious stones, precious metals, and jewelry;
- Dealers in building materials;
- Attorneys*;
- Notaries and candidate notaries*;
- Accountants*;
- Tax advisers*;
- Administrative offices*;
- Other experts in the legal, tax or administrative field*;

* = each insofar as they provide services as described in the aforementioned sub 15 of article 1 under b of the LID and sub 15 of article 1 under a of the NORUT.

Other business sectors are under the AML-supervision of the Central Bank CBCS (financial institutions and the trust sector) or the Gaming Control Board GCB (land based and online gambling institutions). It is worth mentioning that the supervisory tasks of the FIU do not include general supervision and the issuance of licenses. Our powers are limited to AML-supervision.

The supervisors of the FIU have legal powers to administratively sanction supervised entities in case of non-compliance. They also have the legal power to review the books and administration of businesses and professions that deliver services under our supervision, enter their businesses and request cooperation with our audits, if and when required in the execution of our tasks.

3. Organization of the FIU

3.1 Operations and staffing

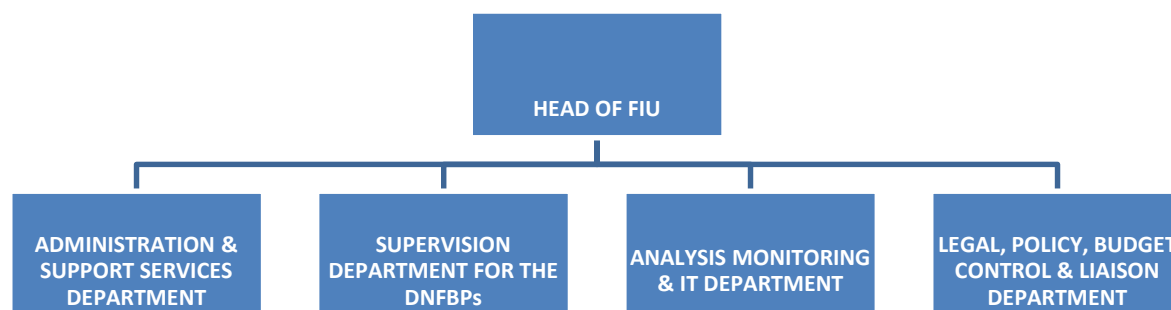


Figure 1. Organizational Chart of the FIU

In line with the required operational independence and autonomy of an FIU, the Head of the FIU is operationally in charge of the FIU. Administrative responsibility has been placed by the Curaçao government with the Minister of Finance, who is also responsible for providing the yearly required budget to the FIU.

In view of the required operational independence and autonomy of an FIU², the revised NORUT attributes as of 2016 the administration of the FIU database to the Head of the FIU³.

The formal staffing number or formation of the FIU was decided by the Council of Ministers in 2009 to be 21 persons; in 2023 this was changed to 22. In 2018, on the request of the Ministry of Finance, an external bureau independently assessed the current and required formation of the FIU, in view of its growing amount of legal tasks and the steadily growing amount of UTRs received and entities supervised. This resulted in an advise and formal request to the Minister of Finance for revision of the formation to 31 FTEs. This request is still under review.

3.2 Chinese wall

In accordance with FATF requirements as well as Egmont Group requirements, the operational tasks and the databases of the Supervisory Department of the FIU and the tasks of the Analysis Department of the FIU are organized and kept separately, logically as well as physically. Both departments are for instance housed on separate floors, and have their own information servers. Data access and usage is strictly depending on function. In accordance with the law, only those coworkers of the FIU that have an operational task in the analysis department, may be authorized by the Head to access the database of transaction reports and related intelligence and information of the FIU.

² Recommendation 29 of the FATF

³ Art. 4 NORUT; formerly this was the Minister.

4. Explanation on the statistics in this report

This report contains several statistics regarding the work of the FIU and the reports received by it from reporting sectors. For the correct understanding of these statistics, please note the following.

Amount of transactions

The amount of accepted reports is not necessarily equal to the real amount of unusual transactions as executed in or from Curaçao in a year. The incoming date/year of reported (intended) transactions with the FIU is in certain cases not the date/year the transaction was executed (or was intended to be executed). This can for instance be due to a backlog at a reporting entity. Furthermore, it may well be the case that not all reportable unusual transactions are indeed being reported by entities that are required by law to report.

Finally, accepted reports may contain more than one unusual transaction. This may especially be the case with so called '211' reports, or reports based on the subjective indicator ("Reason to believe their might be a connection with money laundering or terrorist financing"). Thus, the amount of unusual transactions received into the database will be larger than the amount of reports indicated in the statistics.

Quality of reports

The effectiveness of the work of an FIU depends highly on the quality of reporting by reporting entities in the private sector. Thus, effective AML-supervision by the three AML-Supervisory Authorities in Curaçao is of utmost importance to the work of the FIU. As stated above, one of those three AML-Supervisory Entities is a separate department within the FIU, whose activities are also covered by this document.

Incoming date

When processing unusual transactions, the FIU takes the Incoming Date of reports as its starting point. In our old Corsys system, this was the date a report was sent in by a reporting entity to the FIU. In our newly implemented goAML system however, we have the possibility to send reports back to the sender, when they do not satisfy certain pre-defined quality requirements. The reports first are received in a buffer, after which they may be accepted in the actual database of the FIU. In the new goAML system, the Incoming Date is therefore the date these reports are accepted into the database of the FIU.

Dissemination date

With regard to the dissemination of unusual transactions that are declared suspicious to law enforcement agencies and the Public Prosecutors Office (PPO), as well as regarding the furnishing of transactions to other FIUs in the world, the date these transactions were provided to such entities will be taken into account in this report.

5. Summary of tasks and achievements

Following the relevant articles in the National Ordinance on Reporting Unusual Transactions (NORUT) and the National Ordinance on Identification when rendering Services (NOIS) as a guideline, a summary of the work and achievements of the FIU and the efforts of the reporting entities is given in this chapter. Though challenging due to its limited resources and due to the effects of the COVID-period and the ongoing goAML-implementation IT project, the years 2020-2022 were all in all reasonably productive in a broader sense for the committed and dedicated team of the FIU.

Article 3 of the NORUT indicates most of the legal tasks of the FIU, however there is more, for instance the task in art. 11 NOIS entrusted to the FIU as AML-Supervisory Entity for Designated Non-Financial Businesses and Professions or DNFBPs (excluding the trust and gambling sectors).

In this paragraph a short statistical impression of the work and achievements of the FIU in the period 2020-2022 is given, following the relevant articles of the NORUT and NOIS. For more detailed statistics on a given year, we refer to the annexes to this document.

Pursuant to article 3, letter “a” and letter “c” NORUT; receiving and analyzing data and notification of the reporting entities

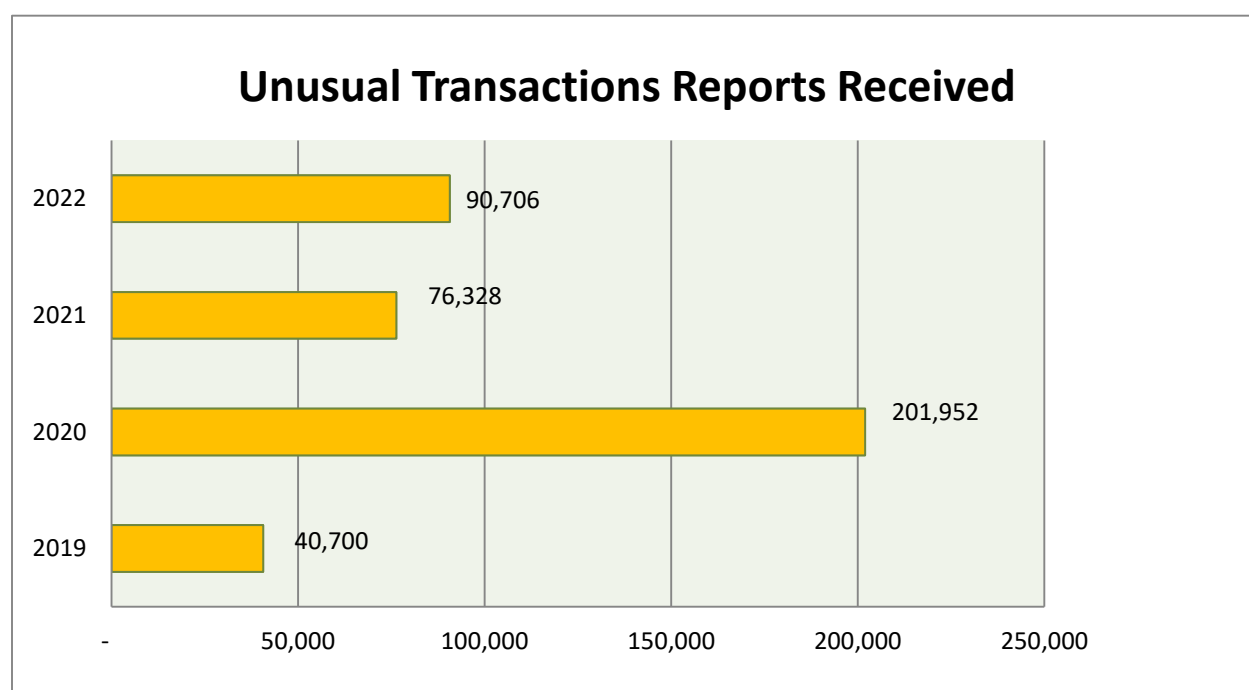


Figure 1: Unusual Transactions received over the years 2019-2022

Growth in reports continues, however not for all sectors

Compared to the year 2019 (which year was covered in our previous annual report), the growth in numbers of UTRs received already seen in previous years, continues through 2022, with an outlier in 2020 of 201,952 reports received. If we compare 2019 (40,700 reports) with 2022 (90,706 reports), the number of reports received has, again, more than doubled in a few years' time.

As may be seen in the yearly statistics attached regarding the respective years 2020, 2021 and 2022, this growth is mainly due to a growth in reports received from the banking (national and international), money remitters and the (online and land-based) gambling sector. The last sector is also responsible for the outlier in 2020, in which year a backlog of (mainly objective) reports were sent in by online gambling reporting entities.

It is by the way interesting to see that though the amount of reports from this sector has grown over the years, the amount of reporting entities in this sector has remained fairly low. It is further observed that the number of reports received from certain DNFBPs remain fairly low over the years. For the individual yearly statistics, please view the Annexes to this report.

Objective versus subjective reporting and the new indicators

Back in 2016, the reporting indicators for all sectors were simplified and only one subjective indicator remained, the so-called '211'. This subjective indicator reads the same for all reporting sectors: "A transaction where there is reason to believe that it may be related to money laundering or terrorist financing." All other 'subjective indicators' that were in use before were removed from the list of indicators. Note that a level of '*suspicion*' is not required for the subjective indicator to apply; instead the '*reason to believe*' amounts to a substantial lower threshold for reporting, implying a lower analysis burden for reporting entities in order to determine whether to report or not.

The following table shows the development of reports received under objective versus subjective indicator(s) in percentages. As can be seen, the percentage of subjective "211" reports received in the COVID-year 2020 hit an all time low (0,42%), and the percentage remained low in subsequent years.

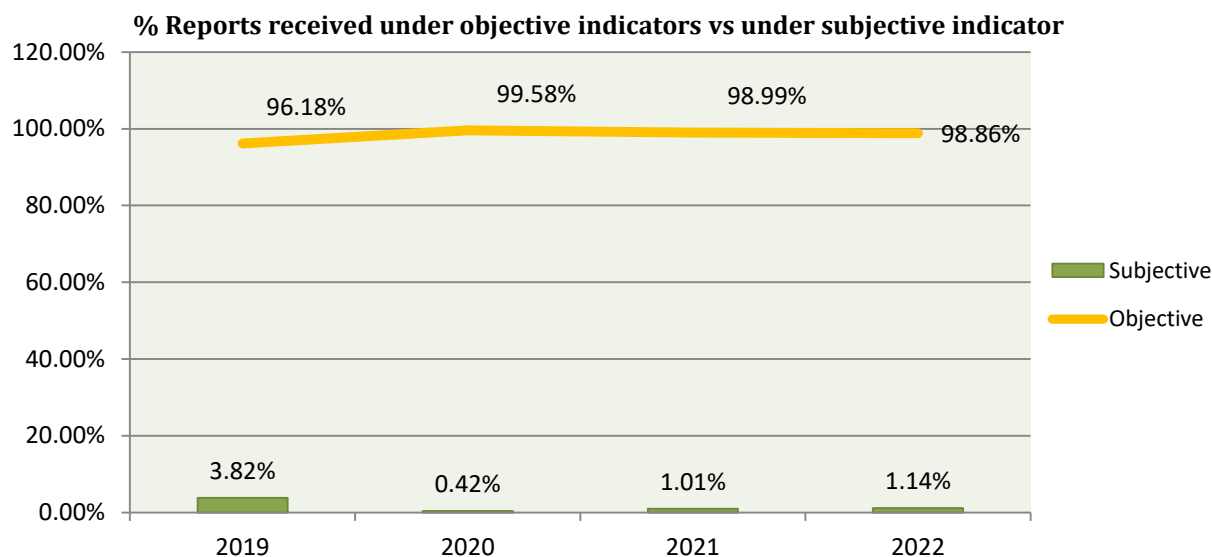


Figure 2: Percentages objective vs subjective unusual transaction reports received.

A more limited amount of UTRs sent in under the subjective indicator was expected as a result of changes to the (subjective) indicators in 2016, however the COVID years had their double effect. Of the reports sent to the FIU in a jurisdiction that uses the system of 'unusual transaction reporting' instead of 'suspicious transaction reporting', the majority of the UTRs is indeed normally based on an objective indicator. A smaller portion of reports are sent in under the subjective indicator. For some sectors, like the gambling sector, and for some international banks, objective threshold reporting will lead to many objective reports. However, in certain sectors, especially the gambling sector, more subjective reporting was expected. The local and international banks remain the sectors from which the most reports of unusual transactions are received. However, reports received from online gambling companies are on the rise. It must be noted though that only a few online gambling companies of the many registered entities are reporting, and that it is anticipated that many entities in this sector have also not yet registered for reporting. Substantial improvements to AML/CFT compliance would be desirable for this sector in general.

'Subjective' transactions are normally detected by reporting entities that have a firm basis in compliance, enabling them to estimate the risk profile of their clients, products and processes effectively, to mitigate the risks effectively and to report in line with their legal obligations. Only through effective risk management and compliance with AML/CFT laws, transactions that may possibly be linked to money laundering or terrorist financing can be effectively detected and reported. This is also the case for jurisdictions like Curaçao, in which the substantial lower analysis burden is applied, through the requirement of reporting of 'unusual transactions' (UTRs) instead of 'suspicious transactions' (STRs) or 'suspicious activity reports' (SARs).

From compliance incidents and supervisory interventions worldwide, we learn that compliance is still a challenging topic for many companies and professions. This was also shown from the experiences and results of our own supervisory interventions like the

projects executed by the FIU together with the PPO in previous years, mainly in the automotive and real estate sectors, on 'non-reporting' and 'non-registration'.

Subjective reports are normally the most important reports for an FIU. The FIU will continue its efforts to stress to reporting entities the importance of reporting subjectively, as well as to ask AML supervisors to be alert on this topic.

Pursuant to article 3, letter "b" NORUT; data furnished to the Public Prosecutor

	2019	2020	2021	2022	2023ytd
Total UTRs deemed suspicious by FIU per year	4,053	939	514	703	839

Table 1: Amount of Unusual Transaction Reports deemed suspicious by FIU per year

The above table shows a comparison of the amount of unusual transaction reports that were declared suspicious by the Head of the FIU through analyses, and were furnished to the PPO over the years. From the figures it may be seen that in 2019, mostly as a result of two investigations initiated/executed by the FIU and disseminated to the PPO, a fairly large amount of (objective) reports was declared suspicious. This was due to the nature of the investigations in that year, that comprised activities that produced a relatively large amount of objective reports received.

It should be noted, that reports received may not or even need not be analyzed in a given year. This has to do with the fact that reports received, especially reports reported under a objective indicator, are not necessarily immediately relevant for declaring transactions suspicious. This is a significant difference with the work of FIUs that receive SARs or STRs, which are by definition all to be seen and handled as suspicious. However, (objective as well as subjective) unusual transactions reported can become very relevant in the due course of different investigations by the FIU over the years to come. They may also become very relevant as a result of requests by other FIUs and by law enforcement agencies over the years to come.

Despite the challenges of COVID and the major transition to a new reporting and analysis system, major investigations on the basis of tactical analyses with regard to money laundering and terrorism financing were initiated by the FIU over the years and furnished to the PPO.

	2019	2020	2021	2022
Self-initiated investigations	11	6	3	5

Table 2 : Amount of self-initiated investigations ML/TF 2019-2022

Pursuant to the amended NORUT, the FIU has the authority to consult the registers of authorities and officials, whether or not charged with investigation and prosecution, for the

purpose of performing its duties, and these authorities and officials are obliged to allow consultation. Currently, information requests to other authorities are often still paper-based. Consultations were continued by the FIU with various investigative and non-investigative authorities about the realization of a digital viewing function for the FIU in their databases. Dump files are now regularly received from some authorities, so that the information position of the FIU has become more efficient and effective. It is a challenge that not all public services have been digitalized up to the point that they are able to share information digitally. An online digital viewing function for the FIU has not yet been realized during the reported years, in databases held by public services.

Pursuant to article 3, letter “b” NORUT: data furnished to the Supervisory Authorities

Next to the use of operational and strategic intelligence of the FIU for the purpose of investigation and criminal prosecution by the LEA's, in the context of this core issue, the three AML/CFT supervisory authorities also request and receive information from the FIU. This concerns the due registration at and the reporting behavior of their supervised service providers to the FIU. AML/CFT supervisory authorities use this for the purpose of conducting off-site and on-site investigations and also for their risk assessment of the various sectors and/or service providers, in order to prioritize their on-site planning. The information about the reporting behavior obtained from the FIU can also be used to check whether indeed reports were filed by the service provider.

YEAR / REQUESTING AUTHORITY	2019	2020	2021	2022	2023ytd
FIU Curaçao (AML/CFT/CFP Supervisory Authority for DNFBPs)	3	3	4	3	13
CBCS (AML/CFT/CFP Supervisory Authority for financial institutions)	2	1		5	3
GCB (AML/CFT/CFP Supervisory Authority for most gambling providers)	1	1	1	2	2

Table 3 : number of reports regarding reporting behavior provided to AML/CFT/CFP Supervisory Authorities

Pursuant to article 3, letter “d” NORUT; AML/TF Developments

Over the reported years, the FIU participated in several seminars and trainings to obtain and maintain the necessary knowledge, which is imperative to keep its employees informed of the newest developments in the ever so fast-changing field of money laundering and terrorism financing Modus Operandi and into the improvements of the methods to prevent and detect money laundering and terrorism financing. The FIU determines its investigation priorities partly in regular consultation with its chain partners. In return, the FIU initiates, participates in and presents contents and outreach to its chain partners on relevant topics, including law enforcement agencies, supervisory authorities and reporting entities. Below is an overview of such contents issued and outreach done by the FIU over the years.

YEAR	Contents/Outreach by FIU	Parties involved
2019	Strategic analysis to help determine the vulnerabilities and threats for Curaçao regarding ML/TF, on the basis of FIU data, for the NRA conducted by several Curaçao authorities.	FIU Curaçao.
	"Un sueño traicionero", research into the financial flows in relation to human smuggling and human trafficking in Curaçao.	FIU Curaçao in cooperation with FIU the Netherlands
	Various meetings of the GOFO (the Structural Consultation between Financial Investigation and Intelligence Institutions) were organized, discussing upcoming trends and various criminal topics that are of interest to LEAs and the FIU.	FIU Curaçao, Law Enforcement Agencies (LEA's), Customs, tax office.
	The FIU also engaged in a project called "Non-Registration" with the Public Prosecution Office, aimed at raising visibility and registration of entities under the supervision of the FIU and/or obliged to report to the FIU Analysis department. FIU Analysis provided intelligence regarding reporting behavior of several sectors under the supervision of the FIU.	FIU Curaçao, Public Prosecution Office (PPO), FIU Supervision.
2020	Presentation of signals, reporting behavior and typologies to a large trust organization on Curaçao.	FIU Curaçao, compliance officers and staff of trust office
2021	"Signal" document, presentation strategic analysis document of the FIU regarding ML and the automotive branch, for the ACOC (Action Centre Subversive Crime Curaçao), initiating the "automotive collaboration table" of the ACOC. Discussion of intervention possibilities (criminal, civil, awareness, administrative). As a result, several interventions were undertaken by ACOC.	FIU, all LEAs, PPO, Customs, MEO, as well as FIU Supervision.
	"Signal" document, presentation of strategically relevant risks for Curaçao and the region, for supervisory authorities (Koninkrijksoverleg, October 2021).	FIU Curaçao, FIU NL/BES, Aruba and St Maarten, ML/TF supervisors of NL/BES, Aruba, Curaçao and St Maarten.
2022	"Ken ta gana?" ("Who wins?"), presentation of strategic analysis of information regarding online gambling sector of Curaçao. Initiating cooperation regarding possible ML/TF threats resulting from online gambling. Setting up of a JAT (Joint Analysis Team) to strategically study the topic further (ongoing collaboration between the four FIUs within the Dutch Kingdom).	FIU Curaçao, FIU NL/BES, FIU Aruba, FIU St Maarten.
	FIU and LEA's cooperation regarding strategic overview of the online gambling sector, vulnerabilities, MOs and typologies.	FIU Curaçao, Investigations Cooperation Team (RST), PPO
	"Not above the law?", presentations to attorneys offices and lawyers regarding 10 years of reporting by these sectors, trends, red flags, reporting behavior.	FIU Curaçao, Compliance officers of attorneys offices, lawyers.

2023ytd	Presentation regarding trends and typologies in TBML for Curaçao, initiating the 'ML collaboration table' of the ACOC, discussion on possible interventions.	FIU Curaçao , FIU Supervision, all LEAs, PPO, Customs, FTAC.
	In consultation with the Association of Notaries, a document was produced and presented, providing guidance on the notarial investigation and reporting obligations in relation to financial transactions and source of funds.	FIU Supervision, FIU Curaçao, Association of Notaries.

Table 4 : Strategic reports/presentations by the FIU with targeted partners

Pursuant to article 3, letter “e” NORUT; contacts with (other) AML Supervisory Authorities : Centrale Bank van Curaçao en Sint Maarten (CBCS) and Gaming Control Board (GCB)

During the reported years, the efforts of the FIU, in cooperation with the Supervisory Authorities, were directed at addressing the reporting behavior and reporting quality of their respective supervised entities.

The FIU continued to actively participate in the Committee AML/CFT/CFP, the coordination structure on AML/CFT/CFP for Curaçao, in cooperation with all operational competent authorities such as Supervisory Authorities, the PPO and other law enforcement agencies. The main goals were to better facilitate competent authorities to work together, to advise on policy and required legislative changes for the continuous improvement of the AML/CFT regime of Curaçao, to further execute and implement findings of the National Risk Assessment of Curaçao, and to prepare for the 2024 CFATF evaluation of Curaçao against FATF standards.

Ongoing through 2020 and 2021, a substantial part of the resources of the FIU were directed at executing the National Risk Assessment of Curaçao and implementing the findings thereof, in close cooperation with the Committee AML/CFT/CFP and in accordance with the NRA tool of the World Bank. This NRA project required the inclusion of many public and private sector parties, in order to establish the risks and mitigations thereof for Curaçao in general and for public and private sectors in particular with regards to money laundering and terrorist financing.

Since 2016 and continuing through 2020 and 2021, the FIU, together with the three other FIUs of the countries that make up the Kingdom of the Netherlands, has been invited to be a part of the yearly consultations by the joined financial supervisory authorities within the Kingdom, the so-called ‘WGHIT’ (working group on harmonisation of integrity supervision). The FIUs have been actively contributing to this consultation with presentations and

discussions on trends and topics in money laundering and terrorism financing, that the financial supervisory authorities should be aware of.

Pursuant to article 3, letter “f” NORUT; supplying information

The FIU continued to organize many presentations, meetings and training sessions for reporting entities and other stakeholders over the reported years regarding aspects of NORUT and NOIS and on how to report to the FIU.

From Corsys to goAML

Reporting to the FIU has been done digitally since 2011, via our custom-build reporting- and analysis system Corsys. However, this system became technically obsolete and the FIU introduced the goAML reporting and analysis system, as of January 1st, 2021. The goAML application is developed by the Information Technology Service (ITS) of the United Nations Office on Drugs and Crime (UNODC), in partnership with the UNODC Global Programme Against Money Laundering, Proceeds of Crime and the Financing of Terrorism (GPML). It provides a fully integrated software solution developed specifically for use by Financial Intelligence Units (FIU's) and is one of UNODC's strategic responses to financial crime, including money-laundering and terrorist financing. The system is in use at more than 60 FIUs worldwide.

As a result of this big project and because of the technical specifics of goAML, all our hundreds of reporting entities had to reregister themselves in the system for reporting, and all had to receive training on the reporting in goAML. The latter was extensively provided for by the FIU per sector and also on a one-on-one basis, mostly online, due to the COVID pandemic. Since reporting in goAML is very different from reporting in the old system, it took time to get reporting entities on the level that technical (form) errors are avoided (and this is still a challenge for many reporting entities). A lot of resources were allocated to conduct content review of received UTRs and providing feedback to reporting entities on the reports, in order to increase the quality of the UTRs.

Other outreach to reporting entities.

The FIU provided for information sessions on trends and red flags for money laundering or terrorism financing, often also in collaboration with the FIU Supervisors. As stated above, in the course of the goAML project, a lot of outreach has been done to reporting entities. In addition to guidances and training given on the reporting itself, the following table also describes other outreach as done during the last years by the FIU.

YEAR	TOPIC	TARGET PUBLIC	IN COLLABORATION WITH
2020	ML/TF actualities, reporting, compliance	Large trust providers office	
	“Money laundering, who cares?” , ML/TF actualities, FIU, reporting obligations	Training for all interested entities, organized by the Chamber of Commerce	In collaboration with the Chamber of Commerce

	ML/TF actualities, reporting, FIU	Training for the Curaçao organisation of compliance officers (ACCUR)	
	"Not Above the Law?" ML/TF actualities, FIU, reporting obligations	Training for the Antillean Lawyers Organisation AJV	In collaboration with the AJV
2021	Reporting in the new goAML portal, reporting behavior, training on how to report, use of indicators	Separate (online) sessions were held for all reporting sectors of Curaçao	
	ML/TF Actualities , reporting, compliance	Online training for an attorneys office	
	ML/TF Actualities, reporting, goAML	The Curaçao organisation of compliance officers (ACCUR)	FIU and FIU Supervision
	ML/TF Actualities, FIU	Training for audience of a local compliance training institute	
2022	EU Sanctions, reporting of sanctions, freezing protocol, obligations	Financial and non-financial reporting entities	Collaboration of CBCS and FIU
	Reporting, corrections, quality of reporting	Vehicle dealer	
	How to report, ML/TF actualities, goAML	Real estate sector	
	ML/TF actualities, compliance, reporting	Attorneys sector	
	ML/TF actualities, red flags	Casino sector	
2023ytd	National risk assessment Curaçao: sectoral risks, outcomes and recommendations. In addition: compliance with NOIS and NORUT, reporting behavior and trends	Separate sessions were held for all supervised sectors of the FIU	Collaboration of FIU Supervision and FIU
	Transactions monitoring developments and technical enhancements, Transactions	Financial and non-financial reporting entities	Collaboration of FIU and CBCS

	Monitoring Netherlands presentation		
--	-------------------------------------------	--	--

Table 5 : Examples of outreach sessions by the FIU to reporting entities and the general public.

Also internationally, the FIU was engaged in outreach to gatekeepers and the AML community. A few examples over the past years:

- Representing the FIU community as Vice-Chair of the Egmont Group, the Head of the FIU made a speech on the role of Egmont and the work of FIUs in the fight against human trafficking, at the “Trafficking in Human Beings and the role of the Financial Sector” roundtable, an international expert meeting to discuss the importance of detecting and disrupting illicit financial flows generated from trafficking in human beings, jointly organized by the OSCE, the UK Independent Anti-Slavery Commissioner and the UN Finance Against Slavery and Trafficking program (FAST), 2021, London;
- Also in her role as Vice-Chair of the Egmont Group, the Head of the FIU represented the Egmont community at several FATF technical working group meetings and plenary meetings from 2021 to 2023 in Paris;
- The FIU has been a regular speaker at the yearly AMLC Caribbean region conference in Miami. In 2023 we spoke on corruption and related financial crimes, on UBO (Ultimate Beneficial Owner) transparency and UBO investigations, and took part in the yearly Regional AML-Regulators update – panel;
- At the United Nations Commission On Crime Prevention and Criminal Justice Expert Discussions on Crimes that Affect the Environment, the Head of the FIU represented the FIU community as panelist on the Cooperation and the role of Egmont and FIUs in the combatting of environmental crimes, 2022, Vienna;
- At the virtual ACAMS Caribbean Conference of 2022, in an interview setting we talked about topics like the Egmont group, the growing importance of public-private partnerships for AML, environmental crimes and money laundering, corruption, and AML and online gambling.
- At the Amsterdam Conference of Partnerships, organized by the Royal United Services Institute (RUSI) Future of Financial Intelligence Sharing (FFIS) international research programme, in collaboration with the Dutch Financial Expertise Center (FEC), the Head of the FIU was a speaker and moderator of an international panel on “Cross-border information sharing and collaboration: How can public-private partnerships best work across borders?”, 2022, Central Bank, Amsterdam.
- At the 2023 G20 Anti-Corruption Working Group in Rishikesh, India, the head of the FIU again represented the standpoints of the Egmont Group on cooperation, combatting financial crime and predicate offences like corruption, and on the freezing of assets.

Pursuant to articles 5 and 6 NORUT (national), article 7 NORUT (international) and article 12 NORUT (additional, national)

The task of an FIU is national as well as international, because of the often international character of money laundering and terrorist financing schemes. Cooperation is key. The FIU receives requests for information and analysis from and disseminates information to not

only national partners (law enforcement and PPO), but also from and to many international partners (foreign FIUs). This is also why the active participation in the network of the Egmont Group of FIUs is so important for the work of an FIU. Pursuant to the national legislation of Curaçao, a Memorandum of Understanding (MoU) is no longer needed in order to be able to exchange information with foreign FIUs that are a member of the International Egmont Group of FIU's. The FIU can exchange information worldwide with all recognized Egmont FIUs without signing an MoU, unless the laws of the jurisdiction of the foreign FIU requires the signing of an MoU (article 7 paragraph 2 NORUT). National or international requests can entail information of single subjects or of multiple subjects.

The FIU may also sent out requests for additional information to reporting entities and financial institutions involved in reported transactions, for instance if reports were not clear enough, or if additional information is needed for analysis. This can be for own investigations of the FIU or for assistance of law enforcement agencies and/or foreign FIUs in their investigations with regard to money laundering and terrorism financing. The number of "article 12 requests" over the years to reporting entities is part of the outgoing local requests in the below table.

Local requests for information 2019-2023ytd	Incoming local	Outgoing local
2019	25	86
2020	21	25
2021	22	56
2022	15	18
2023ytd	14	29

Table 6 : Incoming and outgoing local requests for information

YEAR	Outgoing requests to FIUs	Incoming requests from FIUs (ex spontaneous)	Spontaneous info incoming from FIUs	Spontaneous info to FIUS
2019	8	40	18	2
2020	9	55	3	1
2021	2	42	37	2
2022	6	26	28	
2023YTD		34	9	2

Table 7 : information requests to and from FIUs

Pursuant to article 11 NOIS and article 22mm NORUT: AML supervision of DNFBPs

Over the reported years, the Supervisory Department of the FIU executed several full scope audits, as well as many management meetings and reports. The department was also a substantial player in the publicity and media campaign in 2016, to prepare and educate reporting entities and the public for the implemented changes in the NOIS and the NORUT and the practical implications of those changes. The Department also prepared itself and the sector for supervising a new sector: the dealers in building and construction materials. This all was challenging, in view of the very limited human resources of the department during most of the reported years.

In addition, the Department overcame the lack of Decrees underpinning the NOIS and the NORUT, that would make the administration of administrative sanctions possible, by entering into a partnership with the PPO in some projects, aimed at enhancing the quality of reporting and registration. This led to several court cases. We refer to the Annexes for more details on the activities of the Supervisory department.

National and International Cooperation

It cannot be overstated: for the work of an FIU, cooperation with all stakeholders, nationally as well as internationally, with public as well as private partners, is of the utmost importance to be successful.

In general, the FIU, the LEAs and the Supervisory Authorities try to cooperate as much as possible, for instance through bilateral meetings, but also through the exchange of relevant information, and through being a part of larger cooperation efforts.

Above we referred to the legal provisions in the NORUT that give the FIU the authority to access closed official data sources, to be able to do its work. Below we will describe the main national collaborating platforms in which the FIU and/or FIU intelligence is -directly or indirectly- involved over the reported years, on a strategical level as well as on the operational level. These are the ACOC (The Curaçao action centre on subversive crimes, the Committee AML/CFT/CFP, the steering body of Curaçao regarding AML/CFT regulatory measures and government actions, the NRA steering group, the periodical bilateral meetings between FIU and RST and FIU and KPC, the GOFO (structured consultation between financial investigations and intelligence organisations), the Afpakteam (Asset recovery team) and its successor, and the structural consultation efforts between AML/CFT supervisors and the FIU. Internationally, the FIU is an active member of the Egmont Group of FIUs, and of the cooperative partnership between the four FIUs within the Kingdom of the Netherlands.

National Cooperation

Committee AML/CFT/CFP

This committee, formerly called the CiWG, is the primary coordination and advisory group for AML/CFT related activities, strategy, policies and legislation of Curaçao, and is chaired by the CBCS. The FIU (both as FIU and as Supervisory Authority), like most public entities and services that are involved in the combatting of ML, TF and PF, are a part of the Committee.

NRA Steering group and working group

This group coordinates and executes the National Risk Assessments for Curaçao. Part of the steering group are the chair and secretariat of the Committee AML/CFT/CFP, as well as the Head of the FIU. In the national working group, many entities and services work together to produce (updates and additions to) national risk assessments executed on the topic of ML/TF for Curaçao.

Ad hoc ML/TF related official advisory groups

In addition, the FIU is often involved in official advisory committees that are requested to give advise on specific topics to government, and that have a relation to ML/TF. In 2022, the FIU was for instance a part of the advisory group, tasked with advising government on policies to avoid infiltration or misuse by criminals, especially for ML/TF, of the prostitution sector. Another advisory group the FIU worked on in 2022/2023, gave advise to government on all laws that needed to be prepared (like legislation on the establishment of a UBO register in Curaçao) or be adapted, in relation to the FATF recommendations, as well as on the needed contents of new legislation and adaptations of existing legislation.

ACOC

The Action Center Subversive Crimes Curaçao (Actiecentrum Ondermijning Curaçao, ACOC) is a collaborative partnership between government authorities that are involved in the fight against subversive crime that undermine society and government, using criminal as well as administrative tools and powers. Undermining is a comprehensive topic. It concerns all kinds of crime that become mixed with legal society. Criminals need services from government agencies for their illegal activities, for example permits, tenders, land allocation, subsidies or benefits. Also private parties such as banks, real estate agents, lawyers, car rental companies and notaries can also facilitate undermining. Facilitating crime (consciously or unconsciously) weakens the effectiveness and resilience of government and deteriorates the stability of society. Economic decline, poverty and inequality then lead to new forms of crime. Within the administrative approach, the government takes measures based on its own powers and responsibilities, which hinder or frustrate criminals in their activities. The ACOC is based on the fact that if investigation and prosecution by the police and the judiciary is combined with administrative and fiscal resources, the most optimal form of combating undermining is created: the integrated approach.

In 2018, the ACOC partnership arose from the need to broaden the cooperation that already took place in the Firearms Task Force (reducing legal and illegal firearms ownership) to other forms of crime that are often associated with it (such as drug trafficking, human trafficking/human smuggling, money laundering.). An express effort was made to achieve a joint approach as one government, whereby in addition to the criminal law approach (investigation and prosecution), specific attention is being paid to the administrative approach.

The current partners of ACOC are: Public Prosecution Office, Curaçao Police Force (KPC), Curaçao Customs, Interpol, Defense, Coast Guard (KWCARIB), Curaçao Security Service (VDC), Criminal Investigation Cooperation Team (RST), the ministries (MEO, Finance, VVRP and Ministry of Justice and FIU Curaçao, both in its Supervisory Capacity for DNFBPs (FIU Supervision) as in its capacity as Financial Intelligence Unit.

The ACOC operates in accordance with a plan of approach. Next to strategic consultations between all parties (the so-called 'grote club'), the ACOC has four 'operational tables' or groups working on specific topics: one on subversive crimes in relation to the automotive sector, one on human trafficking and human smuggling, one on illegal fire-arms related crime, and on specifically on money laundering. The FIU is a member of all four tables, and delivers strategic and operational intelligence where possible. In addition, the FIU is the facilitator of the ML-operational table. The FIU also delivered the strategic intelligence in the

form of a starting information document for the operational table on the automotive sector. The analysis involved data available at the FIU, as well as information from the Supervisory Authorities, Law Enforcement and Chamber of Commerce, next to open sources data. This analysis was used by the partners in the table, in joint effort, visiting vehicle dealers to investigate their administration, compliance with the NOIS and NORUT, and assess if they are being misused for ML/TF.

Regarding the operational table on ML, the FIU has facilitated a session on trade based money laundering. The table is currently working on specific cases in this respect.

Afpakteam and successive actions

In 2015, the Afpakteam (Asset Confiscating Team) was founded, comprising several LEAs cooperating to promote confiscation and seizure of criminally obtained money and other assets. Later on, the FIU also became one of the participating authorities, next to for instance the KPC (Police), PPO, Customs, the tax office and the Coastal Guard. On several occasions, financial intelligence of the FIU was used in the investigations of the team. The team succeeded in the confiscating of considerable amounts of illegally obtained goods and money. Successively, in 2022, as a result of resource challenges at the participating authorities, the strategy for confiscating / seizing assets was changed and the afpakteam was dissolved. The new strategy foresees in a set target for the PPO regarding the seizure of criminally obtained money and other assets, in the slipstream of their criminal investigations and persecutions. As such, the PPO steers most effectively the resources needed for confiscation and seizure activities by LEAs. The FIU is still a part of this chain, and is requested for information in the course of criminal investigations.

Bilateral meetings FIU and LEAs

On a regular basis, the analysts of the FIU and several LEAs have meetings discussing trends and phenomena related to ML/TF, as well as exchange additional information regarding requests made by the LEAs and regarding requests of the FIU in investigations initiated by the FIU.

GOFO

Another way to ensure that competent authorities are provided with relevant intelligence for criminal investigations in an effective manner, and also that the FIU is fed with relevant information to be able to produce relevant financial intelligence, is through the so called GOFO consultation group. GOFO stands for Gestructureerd Overleg Financiële Opsporings en Intelligence Organisaties (Structured Consultation between Financial Investigations and Intelligence Organisations). The GOFO was initiated in 2017 and facilitated the periodical consultation between FIU, RST, KPC, SBAB, Customs and PPO. The GOFO comprised a operational group and a strategic group (in the latter the heads of said authorities periodically gathered and discussed their cooperation). The operational group discussed operational business, investigations in early stages, and signals regarding possible crimes, typologies and MOs. The GOFO facilitated an integrated approach to the problem of financial and economic crime by

- a. providing general information,
- b. bundling knowledge,

- c. increasing awareness among chain partners,
- d. continuously increasing and maintaining the knowledge level of chain partners,
- e. identifying (timely) local and international trends and being able to respond to them,
- f. facilitating a multidisciplinary approach by the various chain partners jointly
- g. exchanging information between chain partners to facilitate the investigation of criminal offenses and at the same time create an additional barrier for criminals.

The GOFO fell into disuse due to COVID and subsequent resource challenges at the partnering organizations, and the FIU continued its consultations with LEA's on a one-on-one basis, where possible. In 2023 it was decided to rekindle the group as a whole and a proposal for a Ministerial Deed to formally install the GOFO is underway.

Project reporting portal Customs

Since 2018, the FIU had built and implemented a special portal (the MOT portal) for the Customs organisation, to manage and send in cross-border declarations forms as well as reports of confiscated cash and goods. In 2020, the FIU provided extra training on the above mentioned topics to the Customs department officers that worked with the MOT portal. Since 2021, when the old reporting portal of the FIU, Corsys, was decommissioned, the Customs department resumed manual reporting of cross-border declarations, until 2023, when the FIU provided a digital entrance to the goAML system to the Customs department to send in the declarations digitally again (in addition, training was given on reporting in goAML). Customs and the FIU received financing from the Curaçao Crime Fund for the development of a special portal again for the Customs, in goAML, to manage and send in declarations and reports digitally. A special project group was formed to discuss on the building and implementation of this portal. It is expected that the portal will be put into service mid-2024. The commissioning of the portal will be accompanied with training of the officers of Customs that will handle the declarations and reports, with the intent to increase cooperation between Customs and the FIU on ML.

FIU participation in structural consultations between AML/CFT supervisors

The FIU regularly is invited to the Structural Consultations that take part quarterly between the three AML/CFT supervisors (CBCS, GCB, FIU) to discuss typologies, trends, general reporting entities related topics such as the use of the goAML portal, reporting behavior trends, common reporting mistakes and quality of reports, as well as possible ways to collaborate together, for instance in outreach activities to reporting entities and sectors. Currently, a MMOU between all four parties on this collaboration is being finalized for signing. The MMOU also aims at encouraging all parties to share information on ML/TF information encountered during supervisory activities with the FIU, in order for the FIU to research this and be better able to provide financial intelligence to the PPO.

FIU – CBCS – PPO consultations on a “FEC”

The FIU, the CBCS and the PPO have started discussions on the realization of a Financial Expertise Center or FEC, in order to better facilitate the parties as well as reporting entities in detecting and deterring ML and TF.

International cooperation

Caribbean Financial Action Task Force (CFATF)

Thee FIU is a regular participant in the yearly CFATF Working Group Meetings and the yearly Plenaries. On these occasions the FIU also attends and contributes to the regional CFATF Heads of FIU Meetings.

The FIU is a member of several CFATF working groups including the International Cooperation Review Group (ICRG) which deals with evaluation of the member countries in combating money laundering and terrorism financing and in a more general sense the degree in which the member countries comply with the Financial Action Task Force (FATF).

Strategic monthly meetings of the four Kingdom HoFIU

The Head of the FIU has monthly (online) meetings with the other Heads of the FIUs from the countries that make up the Kingdom of the Netherlands (Curaçao, Aruba, St Maarten and the Netherlands/BES Islands). During these meetings, strategic topics are discussed like outreach, policy topics and the use of technical and operational tools, to be approved for the analysts of the FIUs to work on jointly. For instance, through joined cooperation and with funds from the Ministry of Justice and Security of the Netherlands, it was made possible to implement and use the secure FCI.net web for all four FIUs, making available the strategic tool Match3, that is at the disposal of the FIUs to decentrally match their selected datasets pseudonymously. In 2021, the Match3 tool of FCI.net was awarded the prestigious Dutch Privacy-Award for best governmental privacy solution.

Periodical meetings between analysts of Kingdom FIUs

To enhance effective collaboration, the FIU analysts also periodically consult operationally with the analysts of the other three FIUs within the Kingdom of the Netherlands. The FIUs analysts meet quarterly online to discuss operational trends and topics, the use and outcomes of the tool, and outreach possibilities within the Kingdom. The FIU for instance initiated a strategic JAT (Joint Analysis Group) with the FIUs of the Netherlands and Aruba, on the phenomena in the online gambling sector of Curaçao. Another topic that was jointly discussed was ML and real estate. Recently in 2023, the FIUs decided to organize a seminar on better cooperating together and with the chain partners, which seminar was facilitated by FIU Curaçao, under the name “De Kracht van Samen” (The Strength of Together). More than 20 partner organizations from all over the Kingdom took part in this seminar on Curaçao.

Cooperation within the international Egmont Group of FIUs

The Egmont Group is the international association of currently 170 national Financial Intelligence Units (FIUs), established to promote and enhance international cooperation and exchange of information in anti-money laundering and counter-terrorism financing. The Egmont Group is sometimes referred to as ‘the operational arm of the FATF’. All member FIUs are required to be an active member and also attend the Egmont Plenary.

Recognizing the importance of international cooperation in the fight against money laundering and the financing of terrorism, the FIU Curaçao is a very active and longstanding

member of the Egmont Group of FIUs. The FIU has signed a wide range of MOUs with international FIUs to exchange information, however in accordance with the NORUT, it does not need a signed MOU itself in the interaction with other Egmont members to be able to exchange information.

The FIU has the authority to rapidly provide the widest range of international cooperation in relation to money laundering, associated predicate offences and terrorist financing. Such exchanges of information are possible both spontaneously and upon request. The basis for this is art. 7 NORUT. In addition, the FIU is active in several working groups of the Egmont group, adding to its international and regional framework for capacity building and technical support, as well as in its international and regional leadership team. In addition, the FIU co-sponsored (together with FIU The Netherlands) the FIU Suriname to become a member of the Egmont Group, which support will most probably lead to its membership taking effect in 2024.

The international accomplishments of the FIU were in 2023 unprecedentedly recognized by formal letter of the Egmont Group Chair addressed to the Minister of Finance of Curaçao.

6. Cases, Typologies, Emerging Threats and Future Trends

Curaçao is a relatively small community where certain cases regarding ML/TF can easily be remembered by the population. That is one of the reasons we will not be going into too much detail with regard to examples of transactions which have been indicated as suspicious transactions by the FIU and disseminated to the PPO. Hereinafter, a set of sanitized cases as disseminated during the reported years are described, as well as some relevant typologies.

Case 1: Private Foundation, banking or building?

We received a total of 88 reports regarding subjects, of which 7 were reported with the subjective indicator B0000211 (transactions which give rise to the assumption that they may be related to money laundering or terrorist financing).

Starting with one reporting institution sending in such a '211' report about 4 transactions for a total amount of approximately ANG 150,000, regarding wire transfers from Curaçao to China, an interesting pattern was discovered with the help of the 88 reports.

The subjects involved were two Private Foundations, which will be referred to as Private Foundation A and Private Foundation B, and a legal entity, incorporated in China, doing business in wholesale. During the third quarter of the relevant year, several transfers had taken place from the account of Private Foundation A to the account of the Chinese legal entity.

According to the custodian of the account(s) of Private Foundation A, the transactions to the Chinese wholesaler were carried out for the UBO of Private Foundation B. It was further explained that Private Foundation B was engaged in the construction and sale of real estate, and that the mentioned UBO acted as a project leader for certain real estate projects. Private Foundation B had received loans from Private Foundation A, for buying goods in China and hence the transactions took place directly from the account of Private Foundation A.

The reason for such activities had however not been sufficiently explained according to reporting entities and the transactions were not in line with their transaction profile:

1) The transactions were carried out to the commercial benefit of another person, namely the beneficial owner of another Private Foundation (Private Foundation B).

2) Private Foundation A was mainly engaged in the construction and sale of real estate and that the foundation now issued loans for buying goods in China was highly unusual.

In addition, the reporting entity indicated that the owner of Private Foundation B had been questioned in the past by the local Tax Inspection Service for possible/suspected unreported taxable business income that he may have channeled through accounts of others.

The following typology was important in this regard:

- Money laundering through the use of the financial and non-financial sector.
- Unusual and unlicensed financing (by a private foundation)
- Probable Tax evasion

Indicator of Money Laundering/Financing of Terrorism:

- Corporate and other bank accounts from others used to transfer funds abroad and/or to disseminate money.
- Possible indications of involvement in tax-avoiding activity

- Unusual issuer of a loan agreement.
- Transactions which do not commensurate with the client/transaction profile

Case 2: Do I look trustworthy or what?

The FIU received information regarding two legal trusts that were established in a foreign country. The trustees had been requested to make two payments in favor of a bank account of a third person. Correspondence between the trustees and the bank was always conducted through a respected law firm, that had also established the trusts.

Investigation revealed that the beneficiaries of the trusts were siblings. These subjects (A and B) were formerly managers of two companies, established in country Z, that were the subject of a serious fraud investigation. Even though subjects A and B were not managers of the companies anymore at the time of the investigation, further investigation indicated that part of the funds in the trusts may have originated from the criminal activity of said companies.

Typology:

- Use of gatekeepers to simulate trust
- Use of nominees, trusts, or third parties

Case 3: Not who you think it is

The account of subject X with bank A was regularly credited with a substantial amount by means of an international transfer by order of a subject Y with bank B abroad. The next day Subject X would withdraw a substantial part of the funds in cash. When bank A was informed by bank B that the transfers were fraudulent, the bank filed FIU reports. Analysis revealed the following:

- Subject X's account was credited by transfers from subject Y's account, that were received by Y from company P, established in a neighboring country.
- An employment contract was signed between company P and subject X. This stipulated that the personal bank account of the latter would be credited by international transfers. These transfers corresponded to the transaction reports by bank A.

The rest of the money not withdrawn by subject X, apparently corresponded to his commission, and remained in his account.

The withdrawn money was subsequently transferred by subject X to a beneficiary in Eastern Europe through a money remittance service and later withdrawn in cash. Apparently company P used subject X as a financial intermediary, using his account in exchange for a commission of 8%. The first stage of the deceit was however the "phishing" of a private individual's account (subject Y's), then international transfers being made unbeknown to this individual, which ultimately led to money remittance of the funds to Eastern Europe via the account of another private person.

Indicators:

- Phishing
- Unexplained business transactions

- Cash withdrawals immediately after reception, of almost equal amounts.

Case 4 : Invisible company

The FIU started an investigation after receiving a subjective report from a financial institution, related to numerous cash deposits made by subjects to their private bank accounts, that did not quite fit their customer profile, raising suspicions that the transactions may be related to money laundering and/or tax evasion. From the investigation it became suspected that the subjects were vehicle dealers, importing cars and car parts for customers, however had not registered a company with the Chamber of Commerce. Upon further investigation, we came across several related transactions, with a total value of almost 1.4 million NAF, the origin of the majority of which was unknown. We learned the subjects possibly had invested money in real estate. We learned that one of the subjects was well known to the Police for several criminal offences. According to the tax Authorities, the subjects only had modest income from employment; no business or other activity was known to them. For the FIU, the investigation resulted in a reasonable suspicion of money laundering and/or tax, leading to dissemination of the investigation results as intelligence to the PPO and the tax authorities. In addition, information was provided to the Supervisory Authority regarding the fact that no registration for reporting had taken place at the FIU for providing services that fall under the NOIS and the NORUT, for these suspected dealers in vehicles.

The following typologies and ML/TF indicators and/or reporting reasons were important here:

- The fact that some reports were provided with indicator [-211] (suspected money laundering and/or terrorist financing);
- The fact that many cash deposits and subsequent wiring took place in a short period of time, where the origin of the money is unknown. Various forms of crime involve large amounts of cash;
- The fact that no declaration at the tax office had taken place, and no business was registered.

Case 5: Donations, SPF's and Offshore leaks

An SPF had received several amounts on its local account from another legal entity, not based in Curaçao. The receipts were not in line with the customer's transaction profile. According to the transaction profile of the SPF that was made upon opening the account, the SPF would receive income from rental of real estate, which indeed was received steadily. However, the reporting institution had noticed that in addition to rent, an amount varying between ANG 5,000.00 and ANG 20,000.00 was received monthly from the foreign legal entity with the description "donation". Over the years, the "donations" added up to almost a million guilders. There appeared to be no economic reason for the transactions. Little information could be found regarding the foreign entity. From open sources, it was learned that the company was based in the BVI. In addition, information from the Offshore Leaks database showed that one of the shareholders of the company in the BVI also appeared to be the founder of the SPF in

Curaçao. There was reason to believe that the subjects may be involved in money laundering or underlying crimes (like criminal tax evasion).

Typologies

- Money laundering through the use of the financial and non-financial sector.

Indicators

- The fact that the transaction is provided with indicator [-211] (suspected money laundering and/or terrorist financing);
- The fact that the transactions are not in line with the transaction profile of the subject;
- The fact that there seemed to be no apparent economic reason for the significant transactions.

Case 6 : Laundering of money through a lingerie business in Troya, Cymbal and Breton.

This is one of the major ML cases of the past years, that also demonstrates the effectivity of working together within the boundaries of the country, but also internationally, and that led to criminal investigations and convictions in the Netherlands as well as in Curaçao. It also resulted in negative effects for AML gatekeepers. And since we have not written on it yet in our previous Reports, it is time to give attention to this very educational case.

Six suspects were found guilty in court of swiping Venezuelan credit cards in exchange for American dollars over a period of four and a half years. 320 million USD was allegedly laundered, facilitated by the suspects. In neighboring Venezuela, the local currency, the Bolivar, barely had any value due to hyperinflation. To alleviate the worst needs, Venezuelans received a partially subsidized amount of dollars from their government on a credit card, to spend abroad, for instance on clothing and medicines. Venezuelan tourists went to Curaçao with their cards and allegedly paid for goods in the stores with their credit cards, but were actually paid in cash dollars instead. The dollars were taken home and were sold on the black market, at a much higher price than the official rate. This was a common way of operation at that time. Later on, even special agents could be hired to go to Curaçao for to do the swiping for the credit card owners.

The suspects in this case arranged for a facilitation model that both worked for the Venezuelans as well as for the providers of the physical dollars. They founded a limited liability company in 2010, which they used as a front for their illegal financial services. The business was first registered as a pharmaceutical company with an office address in Amsterdam and a business address in Curaçao. Then the company objective changed to wholesale lingerie. It was made to look like Venezuelans bought lingerie at this company with credit cards on paper but, in reality, they were not supplied with goods but with dollars. The physical dollars were provided by third parties to the facilitators, most probably also as an easy way to convert them into bank funds and/or transfer them out of the country.

Until 2015, millions of illegal transactions were thus made with Venezuelan credit cards. Sales invoices and pin receipts were forged to cover the incoming money flows. The suspects as facilitators earned a fee on every swiping operation. Via a German payment service provider, additional PIN terminals could be acquired and moved to Curaçao, to be almost

exclusively used for the payments with the Venezuelan credit cards. The equivalent value of a credit card payment was credited to the Dutch bank account of the front company. The credited funds were then immediately transferred to bank accounts in the United States, Curaçao and Panama, among others.

The suspects laundered the money they earned from their facilitating services by spending it. Their earnings ranged from about fifty thousand to five million dollars. Various amounts of money and a home were confiscated.

With regard to one of the suspects and their businesses, 621 unusual transaction reports had been made to the FIU over the period 2010-2015. The total value of those 621 reports was no less than NAF 41,047,814. Based on this and other intelligence, further criminal investigations were initiated and a number of house searches and arrests of those involved followed. PIN terminals, large quantities of debit cards and credit cards and large quantities of cash in various currencies (guilders, dollars and euros), with a value of approximately 750,000 euros, including 44 notes of 500 euros (a note often used for criminal payments) were found.

The Curaçao Troya criminal case corresponded with the Dutch Cymbal criminal case, for which the FIU Curaçao had been working closely together with international FIUs to gather intelligence, with the FIU Curaçao also providing two intelligence reports internationally.

In addition, the Troya case led to another investigation that started in Curaçao in 2021, called Breton, regarding the execution of compliance obligations under the NOIS and the NORUT, by a large bank, in relation to customer(s) that were involved in the Troya and Cymbal cases. The PPO argued that the bank had not properly performed its role as gatekeeper in the past. Since 2012 however, the bank had taken measures against swiping and further tightened its compliance policy in order to fulfill its role as gatekeeper, which is important for the integrity of the financial system. In this case, the PPO agreed with the bank concerned that it will relinquish the estimated earned proceeds from the so-called 'dollar swiping' by customers, to forego prosecution. A similar investigation at and agreement with the PPO with a bank took place in the Netherlands, since a large part of the money flowed through Dutch bank accounts. It was argued that the Dutch bank did not know many of its customers sufficiently, and had therefor not handled clients' transactions in accordance with the law. It should for instance have noticed that a small company like the front company used by the suspects, had an unusual amount of transactions and made very high revenues for its field of business and its size.

Case 7: Cooperation leads to success

Sometimes, potential cases of money laundering are identified through parallel investigations involving drugs. For example, in the case against an internationally operating criminal organization, a suspect was prosecuted for the offenses of participation in a criminal organization and engaging in habitual money laundering. Information showed that the subject had participated in a criminal organization for several years, and was involved in the trade of narcotics internationally, of which the proceeds were laundered. The subject was also involved in serious violent crimes, including murder and attempted murder. The

organization of which the subject was a part, operates all over the world and is well organized. There is a clear hierarchy and its members frequently made use of PGP phones, which allowed people to contact each other worldwide. The organization has very large amounts of money at its disposal and maintains the family of imprisoned members of the organization well. Several assets were confiscated, amongst which an expensive house and cars. Intelligence information of the FIU was useful in this case, including intelligence retrieved from the international network of the FIU (Egmont). In addition, information from this investigation was provided to the Supervisory Authority as 'rest information', leading to several targeted audits at service providers like car dealers and real estate agents, who had offered their services while not following the requirements of the NOIS and the NORUT, making it easier for the criminals to invest their money in luxury goods.

Emerging threats and future trends

During the reported years, the FIU has invested considerable resources in co-preparing the National Risk Assessment or NRA report for Curaçao. The report may be consulted through the following link: <https://minfin.cw/nl/category/nra-report-nl/>. Below, we would like to cite an important part of the NRA regarding upcoming trends for money laundering threats that were visible at the time of the report (NRA Curaçao Report, page 25/26). We believe it is important for reporting entities to be aware of these threats and to take the necessary measures to be prepared, aware and able to report when necessary.

"Other trends concern the sectors that will be more exposed to money laundering threats. It is believed that several sectors are increasingly being used to launder illegal proceeds and this trend will continue. A vulnerable sector is the online gambling sector. During and after the review period, the PPO, Interpol and the FIU have received several requests indicating a relationship between illegal activities of criminal organizations and online gambling entities operating with a gambling license from Curaçao. The FIU noted an increase in the number of spontaneous information reports about entities in this sector in 2018 and 2019 (NB *continuing through the reported years, FIU*). Now that several foreign gaming authorities in jurisdictions like Italy, Malta, and Denmark, have taken stricter measures against this sector it is possible that more legal entities will try to obtain a (sub) gambling license in Curaçao to continue their operations.

Ongoing investigations by LEAs and disseminated cases by the FIU lead to the belief that misuse of real estate agents, money remitters and dealers in high-value goods to launder money will continue to rise. (...)

Lastly some other future trends must be explored. Criminals are using virtual currencies to exploit the anonymity of blockchain transactions and leverage the use of cryptocurrency mixers to obscure their identity as well as ownership of an asset. In February 2018, Europol estimated that 3.5 to 4.5 billion Euros was being laundered annually in Europe through virtual currencies. This amounts to three to four percent of all criminal proceeds. There are no estimates yet for the Caribbean as a whole. Because of this emerging threat and FATF Recommendation 15, it is important for the private and the public sector to obtain the necessary expertise and tools to investigate, prosecute and convict money laundering cases

involving these technologies. In addition, legislative amendments incorporating the new technologies are needed. Criminals continually adapt their modus operandi because of preventive measures and take advantage of the alternatives to traditional banking made available by technology. New opportunities arise for money launderers to move their illicit funds at a much faster pace, to almost anywhere in the world.”

7. ANNEXES: STATISTICS 2020 – 2021 - 2022

ANNEX 1 : YEAR 2020 STATISTICS

1. Activities of the Supervision Department

1.1 Task and supervised entities

During 2020, the Supervision Department of the FIU acted as AML-supervisor for the following designated non-financial businesses and professions, in so far as they delivered services as stated in art 1 par. 1 sub b under 12, 13 and 15 NOIS and art 1 par. 1 sub a under 12, 13 and 15 NORUT:

- Intermediaries in the buying and selling of real estate and related rights (real estate agents);
- Notaries, lawyers, accountants, attorneys, administrative offices, tax advisors, that render services related to the managing of client money, securities, coins, currency notes, precious metals, precious stones and other assets; the creation or managing of companies, legal persons and/or similar business entities and/or the buying, selling or take-over of companies;
- Dealers in precious metals, precious stones and jewelry;
- Motor vehicle dealers;
- Dealers in building materials.

The exact amount of supervised entities is not known; it is expected that several entities and professions –with the exception of notaries- are still not registered at the Chamber of Commerce and/or have not made themselves visible to the Department. There is no obligation for these entities to have a license for the conducting of the above stated services (again, with the exception of notaries), unlike the supervised entities of the other AML-supervisors. On the basis of statistical information and information from the Chamber of commerce however, the amount of supervised entities is estimated to be around 800.

1.2 Personnel

In 2020, the Supervisory department of the FIU existed of 4 Supervisors, of which 3 were effectively available during the year. In addition, for reason of absence of the administrative staff, support was received from the general administration of the FIU for administrative tasks.

1.3 Provisions and Guidelines

The FIU, like most AML/CFT supervisory authorities, issues Provisions and Guidelines or P&G (in Dutch: Voorschriften en Richtlijnen, V&R) for every supervised sector. These are mandatory to be followed, and should always be read in conjunction with the official text of the NOIS and NORUT. The FIU also issued ‘working documents’ as further practical guidance for its supervised entities on how to interpret and implement their obligations under the NOIS and the NORUT. All documentation is published on the website of the FIU, www.fiuCuraçao.cw, under the tab Supervision.

1.4 Audits and other on-site meetings

During the first COVID year 2020, the FIU Supervisory department conducted mainly desk reviews and off-site activities, during times that COVID-19 either hampered or shut down many DNFBPs, and also because the FIU was during COVID-restricted periods not able to work onsite.

Audits

A total of 6 (six) audits (incl. management meetings) were carried out in the following sectors:

- Car dealers (1)
- Real Estate (5)

Full attention was given on the AML/ TF regulations and guidelines pertaining to the sectors.

1.5 Outreach

During the year there were contacts with external partners (digital):

- An accounting firm: questions concerning compliance manuals
- Interviews/ meetings with companies that are active on the Curaçao market in the field of AML/CFT training and consulting
- Interviews/ meetings with real estate agents who needed information in the field of compliance
- Interviews/ meetings with partners about forms of cooperation or requesting information
- During COVID restricted periods, the FIU Supervisory department gave their supervised entities (in particular notaries and attorneys) the space to pace the reception of notary-certified identification documents for clients that were not physically present.

Presentations

The FIU tried to do as much outreach to its supervised and reporting entities as possible during COVID-restricted periods, for instance through online learning sessions regarding the new goAML reporting portal for all reporting sectors and entities.

No physical presentations were organized due to the COVID 19 pandemic.

Projects

In accordance with the guidelines of the FATF, the Supervision Department must apply a risk based approach when conduction researches of all DNFBP sectors and take the appropriate mitigation measures in accordance with the level of risk. To be able to do this correctly, knowledge of the sector is necessary.

In year 2020 the Supervision Department started with the project of describing the following sectors:

- Notaries
- Real Estate
- Dealers in precious metals
- Accountants
- Construction and building materials

- Car dealers
- Lawyers and other independent legal professionals

Also flyers with information about the Supervision Department, AML/ CFT laws and regulations and other trends were developed for the various abovementioned sectors.

1.6 Cooperation and coordination

The consultative model with the other supervisory institutions such as the Central Bank of Curaçao and St. Maarten and the Gaming Control board as initiated by the FIU, to coordinate interpretative issues regarding the effected changes to the NOIS and the NORUT and discuss cooperation possibilities, supervisory activities and encountered common AML violations, was further rolled out in 2020. The FIU Supervision Department participated together with the Supervision CBCS and Supervision GCB in 3 (three) Supervision Consultation Meetings, during which topics concerning AML/TF and other specific topics were discussed. The meetings were held in the months March 2020, September 2020 and December 2020.

1.7 Education and training

The Supervision Department participated in various webinars which were important to keep up with the current trends and developments in relation to AML/ TF/ PF.

The webinars were organized by FATF, CFATF, ACAMS, ACFE and other organizations related with AML/TF –programs.

2. Activities of the Analysis department, including statistics and entity reporting trends

2.1 Collecting, registering, processing and analyzing data

UTRs received

In 2020 an unmatched total of 201,952 unusual transactions reports were received. As explained in the general part of this report above, the year 2020 is to be seen as an outlier in this respect (even though the trend is a steadily growing amount of reports received), and this was mainly due to the reporting of a backlog of mainly objective-indicator reports by online gambling reporting entities.

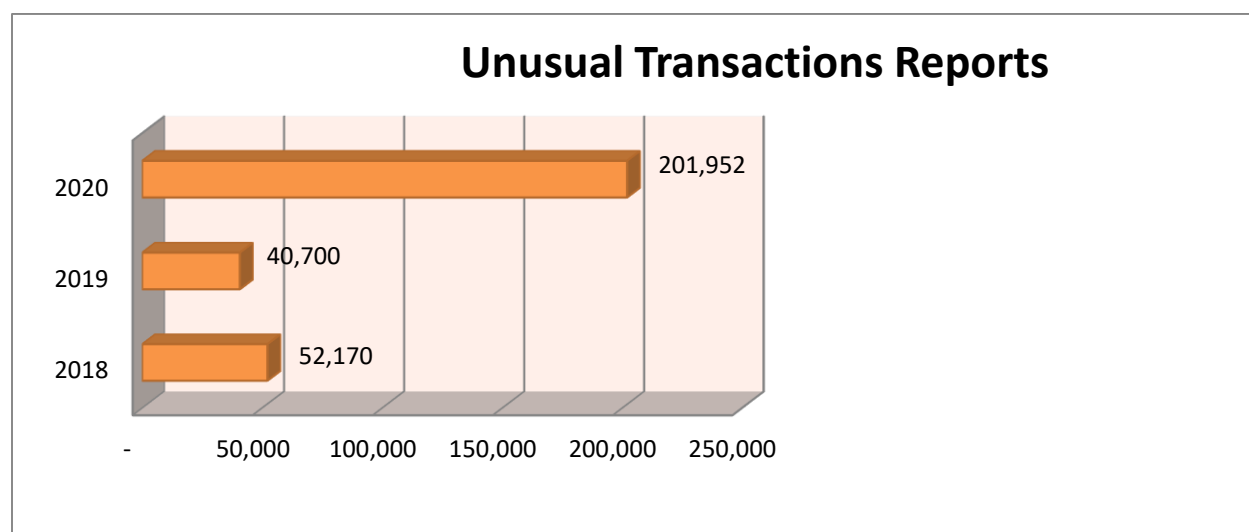


Figure 1 : Total received unusual transactions (2018-2020)

UTRs declared suspicious

During 2020, an amount of 939 unusual transaction reports was declared suspicious and disseminated to the PPO. As a comparison: in 2019 this amount was 4,053. Though the amount of reports that can be declared suspicious also depends on the kind and amount of requests received from authorities and the kind of own investigations executed by the FIU, the substantial less amount can mainly be attributed to the COVID-limitations experienced during 2020, the first COVID year. As explained in the general part of this report, it was not always possible for the FIU to fully deploy its work force and resources during as a result of COVID-limitations. Analysis work of the FIU was limited to handling incoming requests due to limitations of employees allowed at the office, and reaction times were impacted by COVID-restrictions.

Executed and intended UTRs

An overview of the executed and intended transactions reports within the total number of transactions reports received by the FIU is given in the following table (table 2). Executed transactions are transactions which are fully completed at the reporting entity. An intended transaction is a transaction that is not fully executed, which can be due to different reasons. The reason can for instance be that the customer decides to discontinue the transaction, or the reporting entity decides, based on its risk policies, not to continue with a transaction. When a transaction is discontinued or not carried out otherwise (an intended transaction), the reporting entity is nevertheless obliged by law to report such an intended transaction to the FIU, when it fits with a relevant indicator. The data and/or information that one can obtain from intended transactions can play a very important role in investigations (locally or internationally) with regard to money laundering and/or terrorism financing.

	2020		2019	
	Qty.	Value (in ANG.)	Qty.	Value (in ANG.)
Executed	201,342	318,639,743,269.00	39,701	427,309,078,366.00
Intended	610	271,257,250.00	999	94,870,299.00
Total	201,952	318,914,000,519.00	40,700	427,403,948,665 .00

Table 1 : Total reported executed and intended unusual transactions reports received (2019-2020)

Objective and subjective UTRs

The ratio objective vs subjective indicators is shown in figure 2 below. As can be seen, the ratio has again changed downwardly in 2020 compared to 2019. This is most likely due to the earlier noted reported substantial backlog of mainly objective reports in this year. On the other hand, we would expect a slightly higher ratio. Subjective reports are very important to the FIU, since these reports normally give a lot of information to the FIU. In the case of subjective indicators, it is up to the compliance officer(s) of the reporting entities, who know their clients best and who have more information about the situation surrounding the reported transaction, to decide if a transaction may possibly be related to money laundering or terrorism financing. The FIU will continue to stress the importance for its investigations of reporting subjectively and continue to ask the attention of reporting entities as well as Supervisory authorities for this.

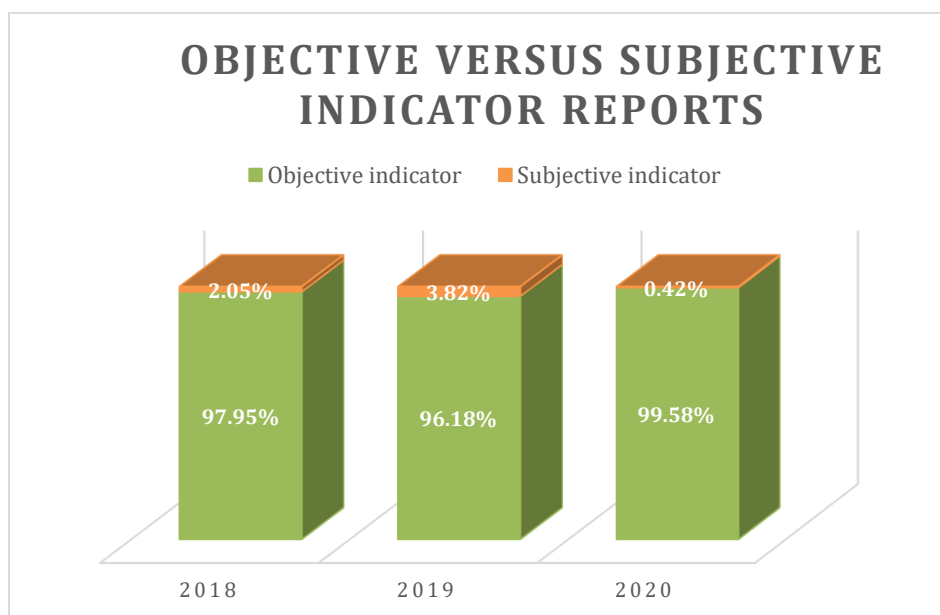


Figure 2 : Unusual transactions reports by objective and subjective indicators (%) (2018 – 2020)

2.2 Origin of the UTRs

Total Unusual reports by reporter type 2019-2020						
Reporter type	2019			2020		
	Qty.	%	Value	Qty.2	%3	Value4
Accountants, Lawyers, Tax Advisors	7	0.01%	ANG 6,115,771.00	0	0.00%	ANG -
Administration Offices	2	0.00%		0	0.00%	ANG -
Local Banks	13026	32.00%	ANG 28,311,589,967.00	10076	4.99%	ANG 22,690,283,486.00
Car dealers	42	0.10%	ANG 1,516,097.00	75	0.04%	ANG 3,575,818.00
Building and Construction Materials	3	0.01%	ANG 156,562.00	0	0.00%	ANG -
Casinos	1529	3.76%	ANG 21,182,527.00	838	0.41%	ANG 9,185,853.00
Central Bank	0	0.00%	ANG -	0	0.00%	ANG -
Credit Institutions	2	0.00%		0	0.00%	ANG -
International Banks	17775	43.67%	ANG 398,734,944,477.00	13847	6.86%	ANG 294,017,116,299.00
Online Gambling	6373	15.66%	ANG 88,921,550.00	175107	86.71%	ANG 1,891,862,752.00
Customs	182	0.45%	ANG 60,688,204.00	83	0.04%	ANG 136,938,606.00
Jewelers	0	0.00%	ANG -	0	0.00%	ANG -
Credit Unions	47	0.12%	ANG 37,551,896.00	88	0.04%	ANG 145,595,075.00
Lotteries	413	1.01%	ANG 7,613,455.00	489	0.24%	ANG 8,604,091.00
Real estate	30	0.07%	ANG 17,350,600.00	10	0.00%	ANG 3,249,930.00
Money Remitters	1210	2.97%	ANG 6,424,827.00	1312	0.65%	ANG 6,611,522.00
Notary	5	0.01%	ANG 310,991.00	0	0.00%	ANG -
Savings banks	0	0.00%	ANG -	0	0.00%	ANG -
Trust Companies	53	0.13%	ANG 107,740,795.00	26	0.01%	ANG 954,002.00
Life Insurance Companies	1	0.00%		1	0.00%	
Total	40700	100.00%		201952	100.00%	

Table 2 : Unusual transactions by reporter type (2019 – 2020). NB some fields not disclosed.

2.2.1 Administration Offices

In 2020 the FIU received no unusual transaction report from the administration offices sector. It must be said that there is currently no reporting obligation for this sector for their standard services (administration), only in so far they deliver the services as described in the NOIS and the NORUT.

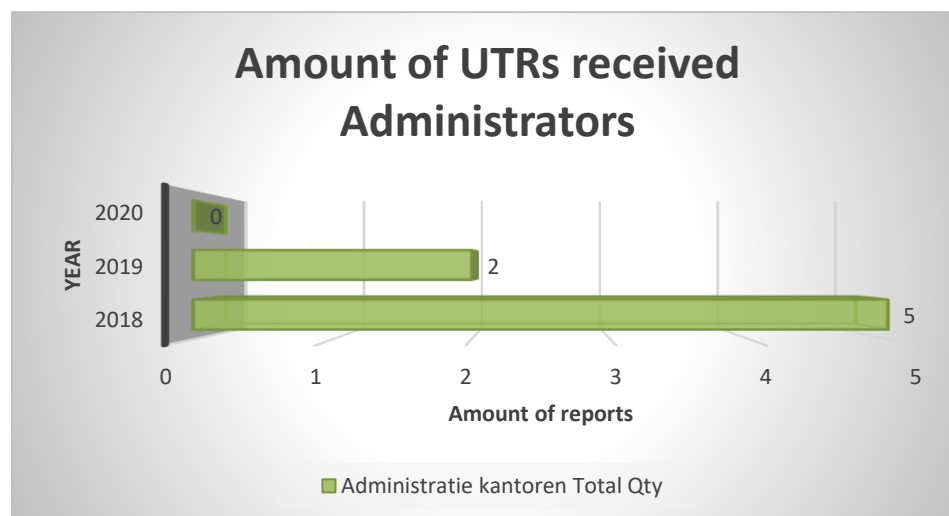


Figure 3: Total received UTRs: administration offices (2018-2020)

2.2.2 Dealers in vehicles

In 2020 the FIU received 75 unusual transaction reports from the vehicle dealers sector, an increased number compared to the previous year. There is however still a substantial amount of vehicle dealers that do not report as of yet.

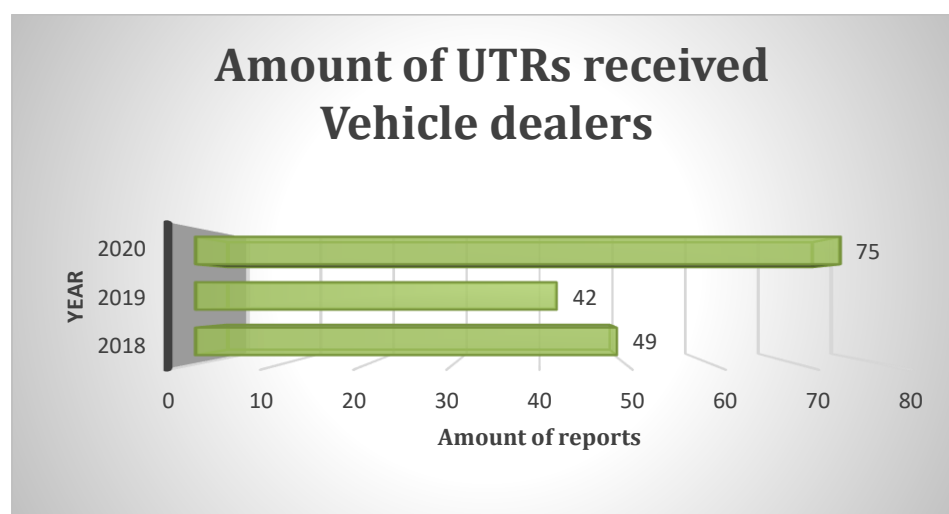


Figure 4 : Total received UTRs: vehicle dealers (2018-2020)

2.2.3 Landbased casino's

With an amount of 838 reports received from the landbased casino sector, we are back at the level of 2018. This may be due to the COVID-pandemy, that caused restrictions in this sector. Not all casinos are reporting yet. The FIU will continue to monitor and stimulate the reporting behavior of casino's, including those of online gambling providers, in the coming years.

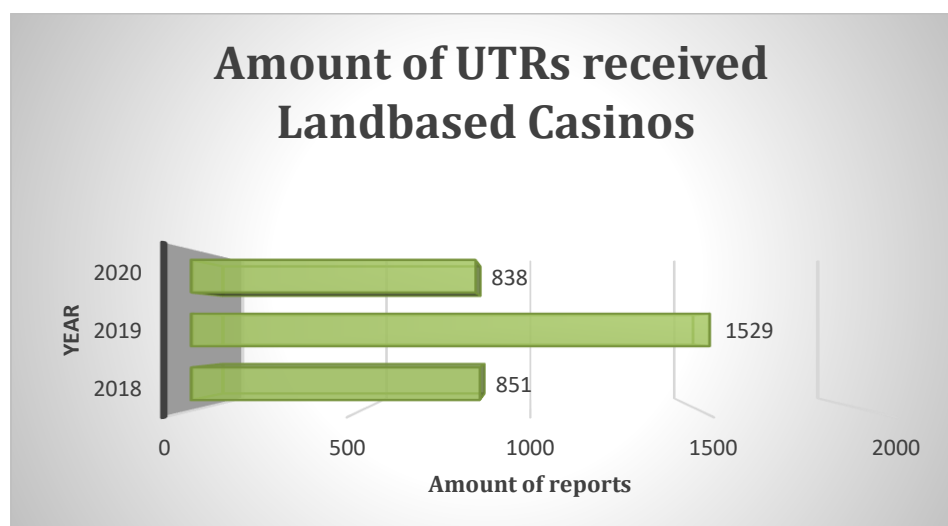


Figure 5 : Total received UTRs : landbased casino's (2018-2020)

2.2.4 Lotteries

The FIU received 489 unusual transaction reports from the lottery sector, a considerable increase compared to last year. Not all lottery providers are reporting.

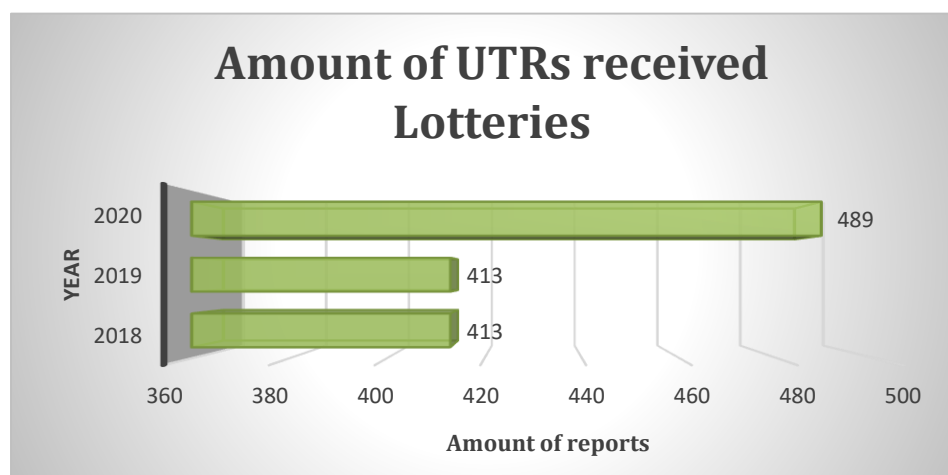


Figure 6 : Total received UTRs: Lotteries (2018-2020)

2.2.5 Credit Unions

Reporting in this sector increased up again considerably: 88 unusual transactions reports were received from the credit unions sector.

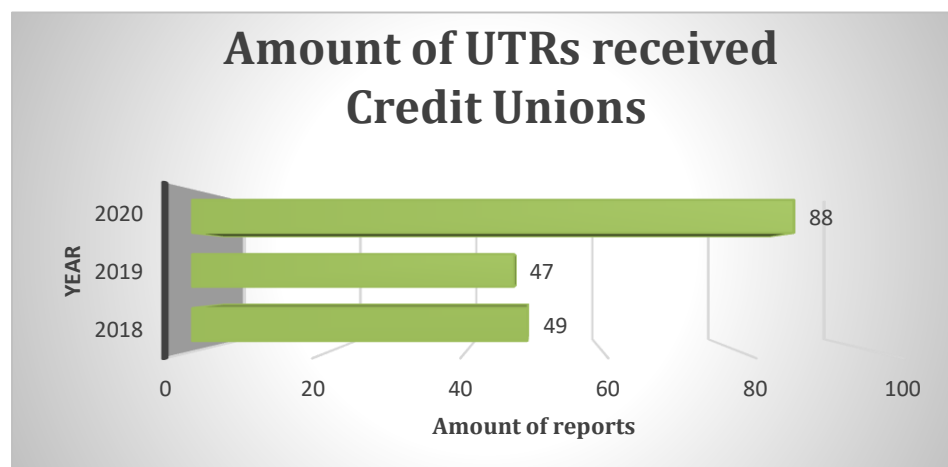


Figure 7 : Total received UTRs: Credit Unions (2018-2020)

2.2.6 Customs

Pursuant to the National Ordinance Obligation to Report Cross-Frontier Money Transportations, persons entering or leaving Curaçao are under the obligation to report money or high-value goods for a value of ANG. 20,000 or more (approximately US\$ 10,000) that they carry with them or import, to the import and excise duties officials or Customs. These officials are thereafter under the obligation to report these transactions to the FIU without delay. Due to COVID travel restrictions, the reporting may have been hampered.

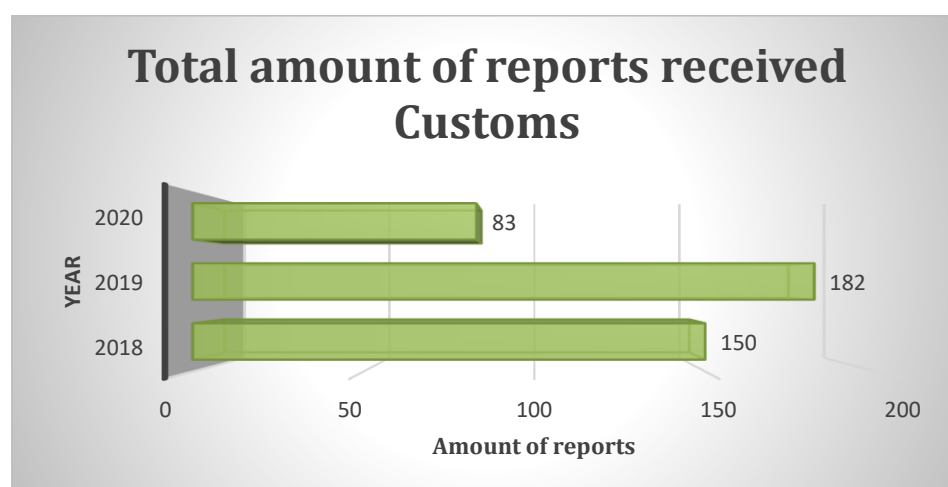


Figure 8 : Total received Reports Customs (2018-2020)

2.2.7 Life Insurance Companies

In 2020 1 report of unusual transactions was received from the life insurance sector. The FIU addressed the reporting behavior of this sector with the Supervisory Authority.

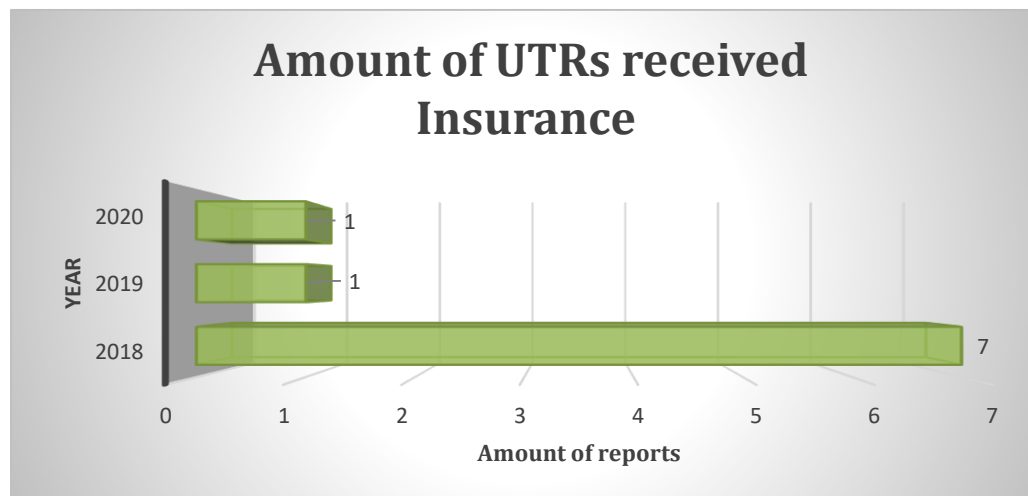


Figure 9 : Total received UTRs: insurance companies (2018-2020)

2.2.8 Jewelers

In 2020 the FIU received again 0 unusual transaction reports from the jewelers' sector. Also no reports were received from similar dealers in precious metals or precious stones, like for instance the dealers established in the free zone. Reporting behavior is declining in this sector.

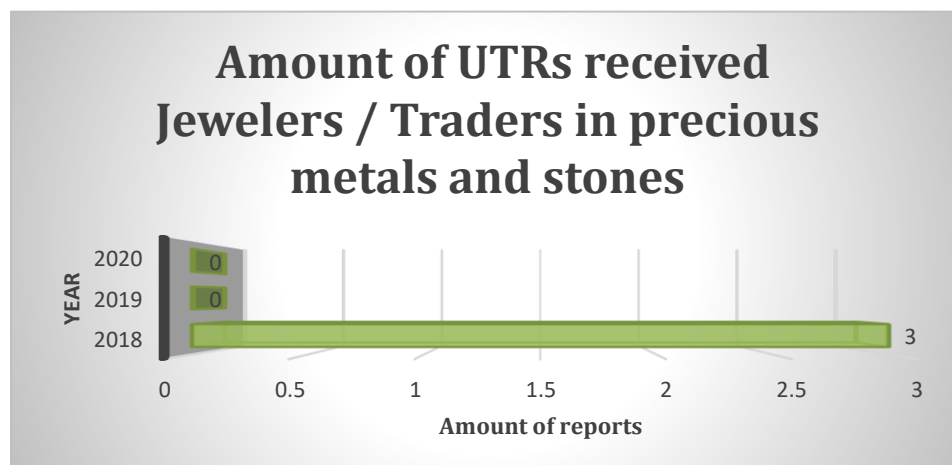


Figure 10 : Total received UTRs : Jewelers / Traders in precious metals and stones (2018-2020)

2.2.9 Lawyers, tax advisors, accountants

Legal service providers like attorneys, tax advisors, accountants and other legal advisors, when they give advice on or are involved in other services as defined in the NORUT and the NOIS, are obliged by law to report unusual transactions they take notice of. In 2020, the FIU however received only 0 unusual transaction reports from this group. It must be noted, that services normally delivered by this sector (e.g. tax and accounting services not related to NORUT services; legal advice on and in legal procedures) are exempted from the NOIS and the NORUT. However, the FIU intends to focus more on this sectors' reporting behavior in coming years.

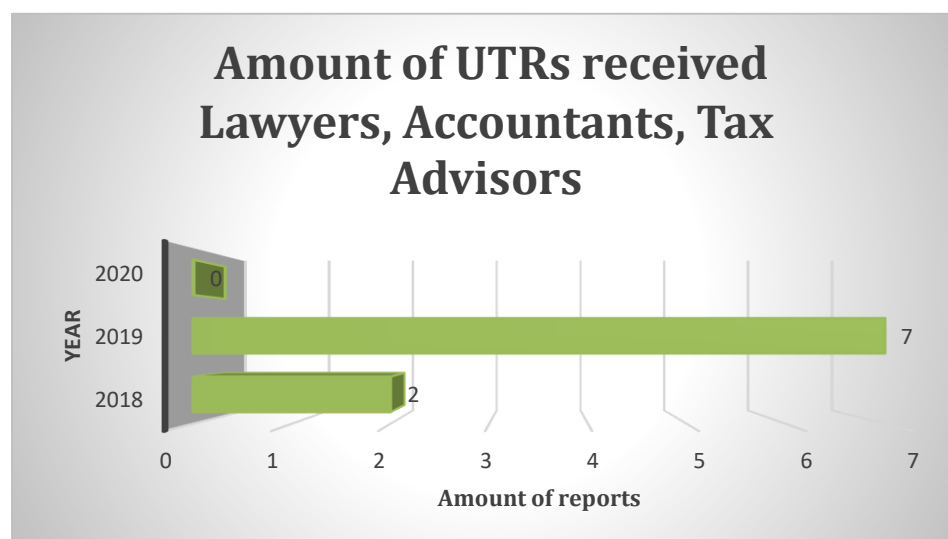


Figure 11 : Total received UTRs: Lawyers, Accountants, Tax Advisors (2018-2020)

2.2.10 Notaries

Civil notaries are obliged by law to report their unusual transactions when delivering certain common services as described in the NOIS and the NORUT. However, the FIU received 0 unusual transaction reports from the notaries in 2020. The issue of compliance and reporting is addressed with the Supervisory Authority.

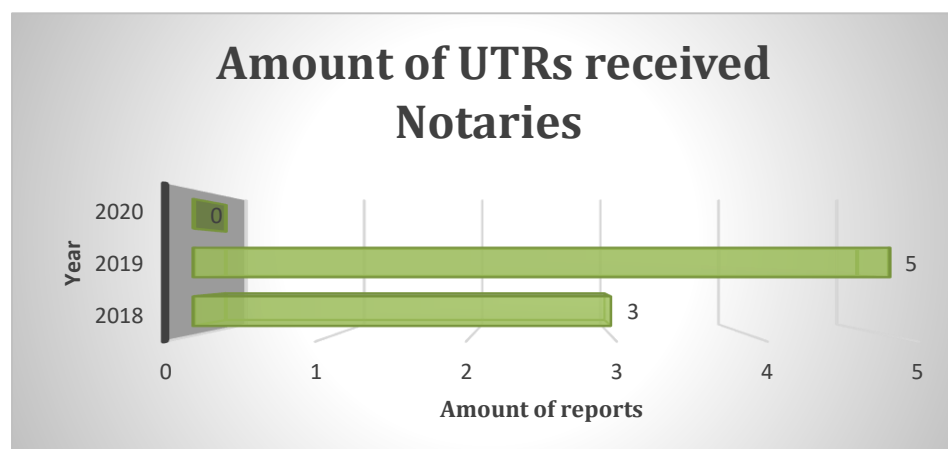


Figure 12 : Total received UTRs: Notaries (2018-2020)

2.2.11 Local Banks

2020 again showed a decrease in reporting behavior by local banks: the FIU received 10,076 reports, though the value remained similar to 2018. This may be an effect of the COVID-restrictions.

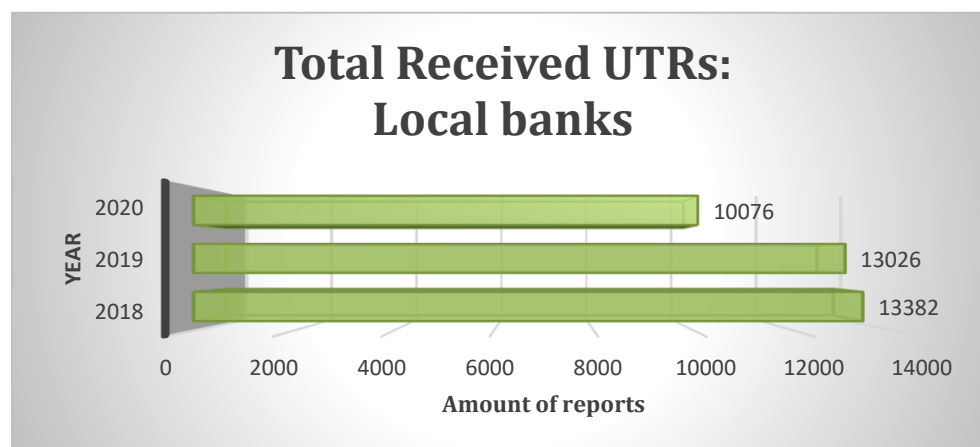


Figure 13 : Total received UTRs: Local Banks (2018-2020)

An overview of reported executed and intended transactions of the local banking sector is given in the following table.

Local Banks total received unusual reports							
Stage	2020		2019		2018		
	Qty.	Value	Qty.	Value	Qty.	Value	
Executed	9501	ANG 22,420,211,859.00	12225	ANG 28,250,503,105.00	12861	ANG 22,651,082,953.00	
Intended	575	ANG 270,071,627.00	801	ANG 61,086,862.00	521	ANG 16,638,142.00	
Total	10076	ANG 22,690,283,486.00	13026	ANG 28,311,589,967.00	13382	ANG 22,667,721,095.00	

Table 3 : Unusual transactions by reported type: local banks (2018 – 2020)

2.2.12 Money Remitters

In 2020 the reports of unusual transactions received from the money remitting sector kept on increasing: we received 1312 reports. This sector was important for people moving money during COVID-times.

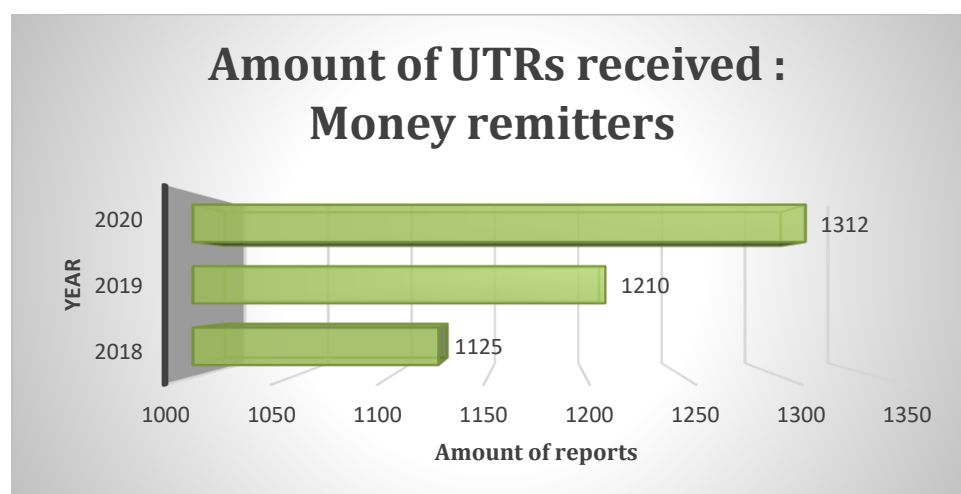


Figure 14 : Total received UTRs : money remitters (2018-2020)

An overview of reported executed and intended transactions of the money remitters sector is given in the following table.

Money remitters: total received unusual reports								
Stage	2020			2019			2018	
	Qty.	Value		Qty.	Value		Qty.	Value
Executed	1307	ANG	6,601,477.00	1186	ANG	6,314,300.00	1117	ANG 7,193,926.00
Intended	5	ANG	10,045.00	24	ANG	110,527.00	8	ANG 16,517.00
Total	1312	ANG	6,611,522.00	1210	ANG	6,424,827.00	1125	ANG 7,210,443.00

Table 4 : Unusual transactions by reported type: money remitters (2018 – 2020)

2.2.13 International Banks

In 2020 the amount of reports of unusual transactions received from the international banking sector saw a further decline: we received 13847 reports.

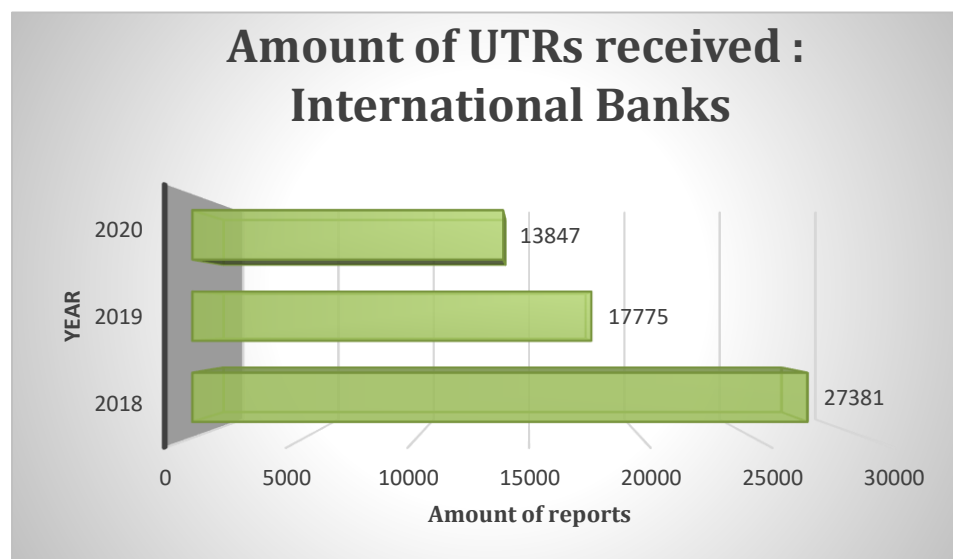


Figure 15 : Total received UTRs: International Banks (2018-2020)

An overview of the executed and intended transactions from the international banking sector is given in the following table.

International Banks: total received unusual reports								
Stage	2020			2019			2018	
	Qty.	Value		Qty.	Value		Qty.	Value
Executed	13841	ANG	294,014,816,706.00	17649	ANG	398,719,153,113.00	27371	ANG 1,432,944,907,139.00
Intended	6	ANG	2,299,593.00	126	ANG	15,791,364.00	10	ANG 18,837,777.00
Total	13847	ANG	294,017,116,299.00	17775	ANG	398,734,944,477.00	27381	ANG 1,432,963,744,916.00

Table 5 : Unusual transactions by reported type : international banks (2018 – 2020)

2.2.14 Specialized Credit Institutions

In 2020, no reports were received from the specialized credit institutions sector. The FIU will continue to address the reporting behavior with the Supervisory Authority.

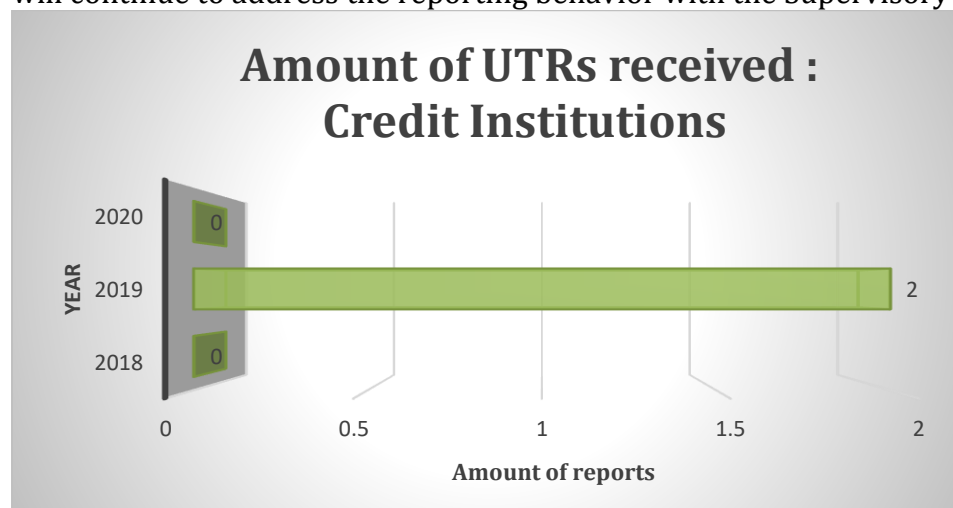


Figure 16 : Total received UTRs: Specialized Credit Institutions (2018-2020)

2.2.15 Trust Companies

In 2020, the amount of unusual transactions reports received from the trust sector declined again to 26 reported, as can be seen in the following table.

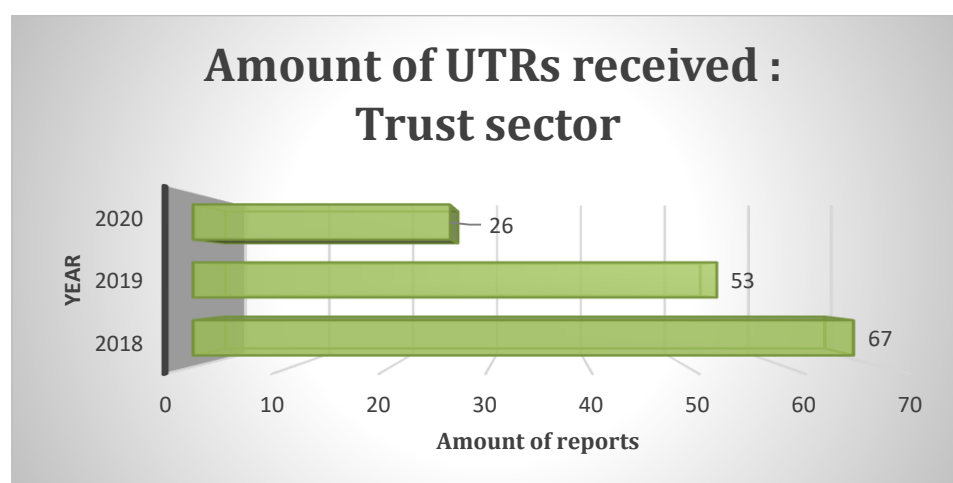


Figure 17 : Total received UTRs : trust companies (2018-2020)

In the following table an overview of reported executed and intended transactions from the trust sector is given.

Trust: total received unusual reports						
Stage	2020		2019		2018	
	Qty.	Value	Qty.	Value	Qty.	Value
Executed	10	ANG 712,000.00	38	ANG 104,195,411.00	48	ANG 1,183,213,691.00
Intended	16	ANG 242,002.00	15	ANG 3,545,384.00	19	ANG 20,504,801.00
Total	26	ANG 954,002.00	53	ANG 107,740,795.00	67	ANG 1,203,718,492.00

Table 6 : Unusual transactions by reported type : trust companies (2018 – 2020)

2.2.16 Online Gambling

As stated in the general part of this report, 2020 was an outlier regarding reports received, mainly due to a backlog in reporting of objective reports by the online gambling sector. In 2020, we received an amount of 175,107 reports from this sector. Unfortunately, it seems that subjective reporting is lagging behind, and also a considerable amount of service providers in this sector are not reporting, nor registered for reporting.

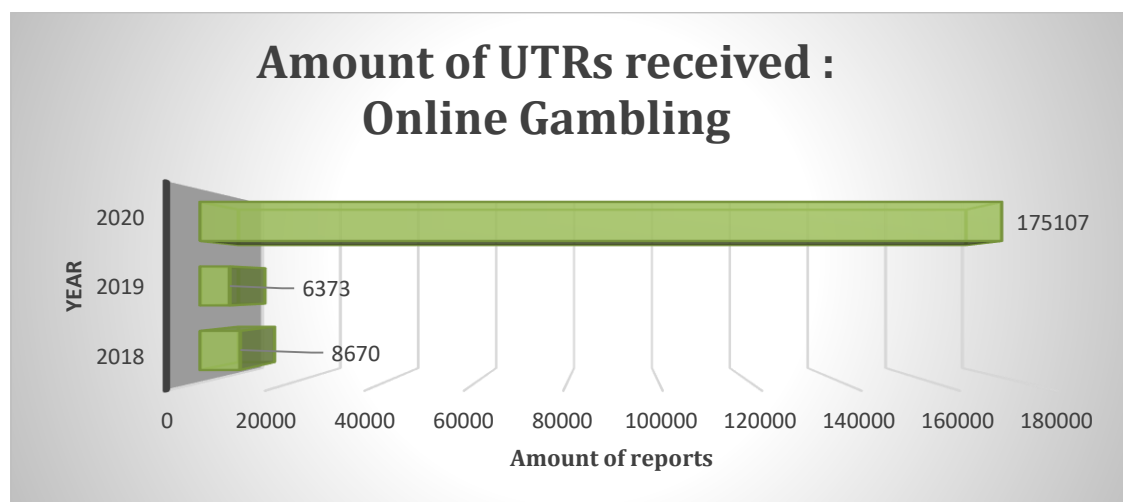


Figure 18 : Total received UTRs : Online Gambling (2018-2020)

In the following table an overview of reported executed and intended transactions from the online gambling sector is given.

Online Gambling: total received unusual reports						
Stage	2020		2019		2018	
	Qty.	Value	Qty.	Value	Qty.	Value
Executed	175107	ANG 1,891,862,752.00	6373	ANG 88,921,550.00	8670	ANG 125,811,886.00
Intended	0	ANG -	0	ANG -	0	ANG -
Total	175107	ANG 1,891,862,752.00	6373	ANG 88,921,550.00	8670	ANG 125,811,886.00

Table 7 : Unusual transactions by reported type : online gambling providers (2018 – 2020)

2.2.17 Real Estate Companies

During COVID year 2020, the amount of reports from the real estate sector considerably fell back to 10 reports received. It is furthermore suspected that many real estate agents still did not register for reporting with the FIU.

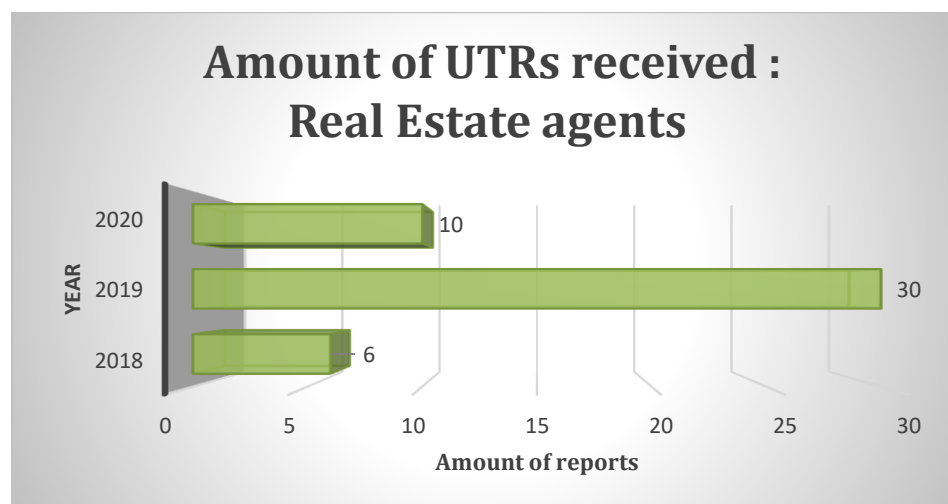


Figure 19 : Total received UTRs : Real Estate Agents (2018-2020)

2.2.18 Dealers in Building Materials

This sector, that needs to report since 2016, and is still relatively low in reporting, send in 0 reports in COVID year 2020. Also in this sector it is known that several obliged entities have not registered themselves yet for reporting with the FIU. The FIU will continue to divert attention to this sector to enhance its compliance.

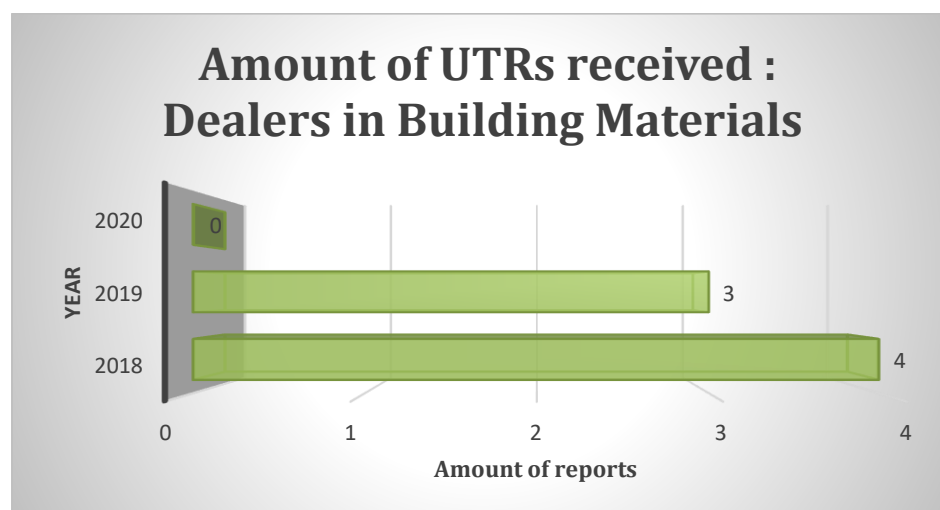


Figure 20 : Total received UTRs : Dealers in Building Materials (2018-2020)

2.3 Disseminating data to the Public Prosecutor's Office and to the Law Enforcement Agencies

Contrary to other jurisdictions where *Suspicious* Transactions Reports (STRs) or Suspicious Activity Reports (SAR's) are received, the FIU receives *unusual* transactions reports (UTRs) from the reporting entities.

As explained in the general part of this report above, the law indicates when a transaction can be considered as unusual, by making use of indicators: objective and subjective indicators. An objective indicator states explicitly when a transaction should be considered as unusual, irrespective of who is executing the transaction, without respect of circumstances. The subjective indicator on the other hand leaves it to the assessment of the reporting entity (the compliance officer) to report, based among other things on its knowledge of the client, knowledge of the business of the client, the transaction profile of the client, international lists of terrorists, whether a politically exposed person is involved, particular circumstances, etcetera. The old subjective indicators (that contained a list of red flags) might also give guidance in this regard.

Based on priority setting and triage, analysts of the FIU analyze unusual transactions to see whether there is a suspicion of ML/TF. If so, such transactions are declared suspicious by the Head and disseminated to the Public Prosecutor's Office (PPO). The transactions of the different reporting entities altogether that were declared suspicious and disseminated to the PPO after analyses by the FIU in 2020 are indicated in the following table. Dissemination of information by the FIU takes place via requests received from the law enforcement agencies (subject to approval of the PPO), via own investigations, via update-disseminations (when certain transactions related to subjects have previously been disseminated) and/or upon requests of foreign FIUs.



Figure 21 : Total suspicious transactions disseminated to the PPO.

As explained above, the amount of reports that can be declared suspicious often depends on the kind and amount of requests received from authorities and the kind of own investigations executed by the FIU. The substantial less amount of 2020 can mainly be

attributed to the COVID-limitations experienced during 2020, the first COVID year. In addition, during 2020 the FIU had to prepare for the transit to the new reporting and analysis system that it was implementing, the goAML system. This took up considerable amounts of resources, also in the outreach to reporting entities.

2.4 Requests to furnish data received from law enforcement agencies

The FIU received 21 requests for information from the law enforcement agencies in 2020, based on article 6 of the NORUT. In 2019, this amount was 25 requests.

Outgoing local

On the other hand, the FIU sent out 25 requests for information, based on article 5 of the NORUT, to several law enforcement agencies and other public services locally. In 2019, this amount was 86. Again, the substantial less requests is mainly due to Covid-restrictions, as well as the type and amount of self-initiated investigations.

Incoming international

In 2020, the FIU received 55 requests from other FIUs for information, and 3 spontaneous information reports came in from other FIUs. In 2019, these amounts were respectively 40 and 18.

Outgoing international

The FIU send out an amount of 9 requests to FIUs internationally and provided spontaneous information to 1 FIU. In 2019, these amounts were 8 and 2, respectively.

Requests for information regarded among other things: reported transactions, financial and chamber information and police information on certain subjects; both natural persons and legal entities.

2.5 Self-initiated investigations into the field of money laundering and terrorism financing by the FIU

The FIU finished 6 self-initiated investigations into the field of money laundering and terrorism financing and provided these to the PPO. As comparison: in 2019 this was 11.

3. Priorities 2021

The priorities of the FIU for 2021, with a view to complying with its legal duties of preventing and detecting money laundering and terrorism financing and the underlying criminal offences, are as follows (the following list is not exhaustive):

- Update the IT-system, continue the goAML implementation project and introduce the new reporting platform to all hundreds of reporting entities;

- Fill existing vacancies at the FIU;
- Implement answers to the recommendations as learned from the Curaçao NRAA;
- Continue to upgrade the personnel of the FIU through training;
- Continue to inform and train the reporting entities with regard to their reporting obligations and the requirements as a result of the changes to the NOIS and NORUT;
- Enhance information sharing on reporting behavior and reporting quality to Supervisory Authorities
- Further enhance national and international cooperation with FIUs and Chain Partners

ANNEX 2 : YEAR 2021 STATISTICS

1. Activities of the Supervision Department

1.1 Task and supervised entities

During 2021, there was no change in the sectors supervised for their AML/CFT compliance by the Supervision Department of the FIU. The following designated non-financial businesses and professions, in so far as they delivered services as stated in art 1 par. 1 sub b under 12, 13 and 15 NOIS and art 1 par. 1 sub a under 12, 13 and 15 NORUT fall under our supervision:

- Intermediaries in the buying and selling of real estate and related rights (real estate agents);
- Notaries, lawyers, accountants, attorneys, administrative offices, tax advisors, that render services related to the managing of client money, securities, coins, currency notes, precious metals, precious stones and other assets; the creation or managing of companies, legal persons and/or similar business entities and/or the buying, selling or take-over of companies;
- Dealers in precious metals, precious stones and jewelry;
- Motor vehicle dealers;
- Dealers in building materials.

Several service providers –with the exception of notaries- are still not registered at the Chamber of Commerce and/or have not made themselves visible to the Department. There is no obligation for these entities to have a license or professional registration for the conducting of the above stated services (again, with the exception of notaries), unlike the supervised entities of the other AML-supervisors. On the basis of statistical information and information from the Chamber of commerce however, the amount of supervised entities is estimated to be around 800.

1.2 Personnel

In 2021, the Supervisory department of the FIU existed of 4 Supervisors, of which 3 were active. In addition, for reason of absence of the administrative staff, support was received from the general administration of the FIU for administrative tasks.

1.3 Audits and other on-site meetings

Audits

A total of 11 audits (incl. management meetings) have been carried out on the following sectors:

- Notaries (8)
- Car dealers (1)
- Construction and building materials (1)
- Real Estate (1)

The audits performed on the notarial sector had a project based approach and specific attention was given to awareness of AML/ TF regulations and guidelines pertaining to the sector.

Presentations

Presentations were given to the notarial sector, the WGHIT (a cooperative platform of AML-Supervisory Authorities for the financial service providers in the countries of the Kingdom of the Netherlands) and the University of Curaçao, providing information about the activities of the Supervision Department and also for the purpose of exchanging information on specific AML-compliance related topics.

Projects

In accordance with the guidelines of the FATF, the Supervision Department applies a risk based approach regarding its activities towards supervised sectors, with the aim of taking the appropriate mitigation measures in accordance with the level of risk. To be able to do this correctly, in depth knowledge of the sectors is necessary. During the year 2021 the Supervision Department continued with the project (started in year 2020) of describing the following sectors:

- Notaries
- Real Estate
- Dealers in precious metals
- Accountants
- Construction and building materials
- Car dealers
- Lawyers and other independent legal professionals

Structureel Overleg Toezichthouders (Consultation Supervision Meeting)

The FIU Supervision Department participated together with the CBCS and the Gaming Control Board in 2 (two) operational Supervision Consultation Meetings, during which topics regarding AML/TF and other work-related topics were discussed. The meetings were held in the months September 2021 and December 2021.

Education and training

The Supervision Department participated in various webinars which were important to keep up with current trends and developments in relation to AML/TF/ PF.

The webinars were organized by FATF, CFATF, ACAMS, ACFE and other organizations.

2. Activities of the Analysis department, including statistics and entity reporting trends

2.1 Collecting, registering, processing and analyzing data

As of January 1st, 2021, our old reporting system Corsys became obsolete and we introduced the goAML reporting and analysis system, a system built by the UNODC specifically for FIUs.

UTRs received

In 2021 a total of 76,328 unusual transactions reports were received, steadying the growth in UTRs received over the years (not taking into account the outlier year 2020, see the Annex on 2020 for an explanation).

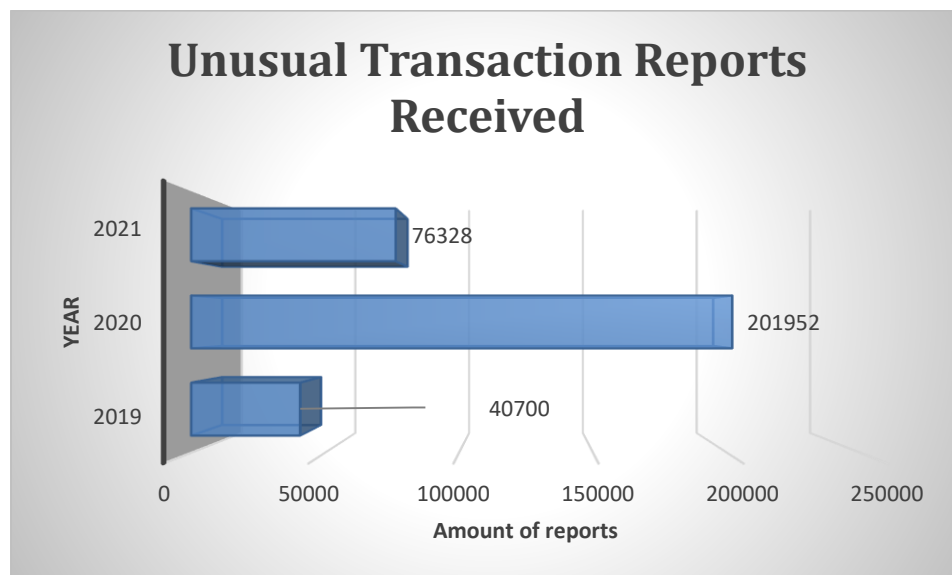


Figure 1 : Total amount received unusual transactions reports (2019-2021)

UTRs declared suspicious

During 2021, a heavy COVID- stricken year, and the year we introduced our new reporting portal, an amount of **535 unusual transaction reports was declared suspicious** and disseminated to the PPO. As a comparison: in 2020 this amount was 939. As explained in the general part of this report, it was not always possible for the FIU to fully deploy its work force and resources during COVID-limitations and portal-training efforts.

Objective and subjective UTRs

The ratio objective vs subjective indicators is shown in the figure below. As can be seen, the ratio is in 2021 still low.

Subjective reports are very important to the FIU, since these reports normally give a lot of information to the FIU. In the case of subjective indicators, it is up to the compliance officer(s) of the reporting entities, who know their clients best and who have more information about the situation surrounding the reported transaction, to decide if a transaction may possibly be related to money laundering or terrorism financing.

The FIU will continue to stress the importance for its investigations of reporting subjectively and continue to ask the attention of reporting entities as well as Supervisory authorities for this.

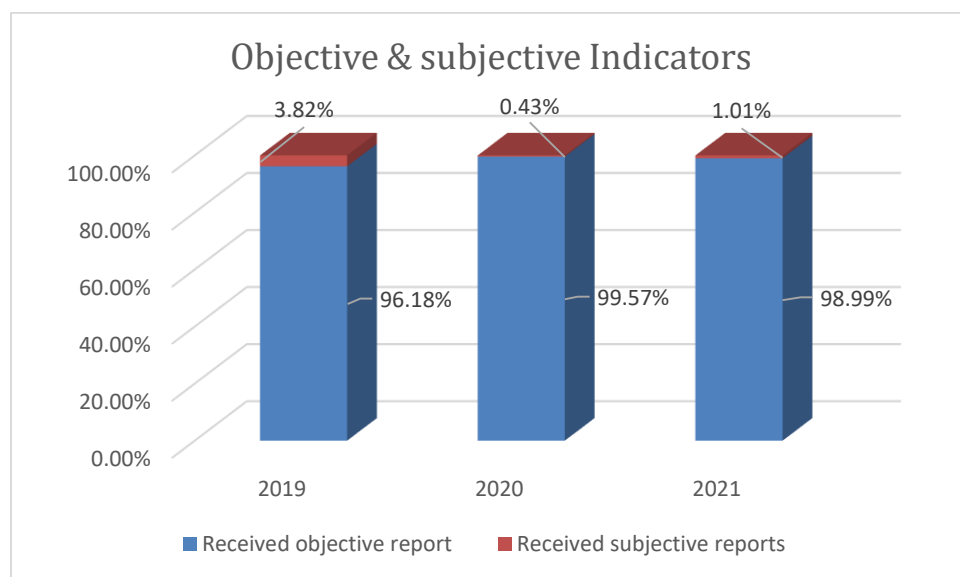


Figure 2 : Unusual: transactions reports per objective vs subjective indicators (%) (2019-2021)

2.2 Origin of the UTRs

Unusual transactions by agency business type (2020-2021)							
Agency business type	2020			2021			
	Qty.	%	Value	Qty.2	%2	Value2	
Administrators of Investment funds	0	0.00%	ANG -	5	0.01%	ANG 2,722,857.01	
Banks (local / international / savings funds / savings bank)	24011	15.34%	ANG 316,852,994,860.00	27177	35.61%	ANG 875,752,261,186.83	
Traders in Building Materials	0	0.00%	ANG -	3	0.00%	ANG 72,450.00	
Notary	0	0.00%	ANG -	2	0.00%		
Car dealers	75	0.04%	ANG 3,575,818.00	23	0.03%	ANG 784,660.03	
Casinos	838	0.40%	ANG 9,185,853.00	942	1.24%	ANG 11,882,582.27	
Central Bank	0	0.00%	ANG -	0	0.00%	ANG -	
Credit card companies and credit institutions	0	0.00%	ANG -	109	0.14%	ANG 1,328,751.93	
Accountants, Lawyers, Tax advisors	0	0.00%	ANG -	1	0.00%		
Internet gambling providers	175107	83.31%	ANG 1,891,862,752.00	46673	61.23%	ANG 1,142,184,078.75	
Customs	83	0.04%	ANG 136,938,606.00	113	0.00%	ANG -	
Providers of Lotteries	489	0.23%	ANG 8,604,091.00	377	0.49%	ANG 7,403,872.50	
Real Estate Agents	10	0.00%	ANG 3,249,930.00	6	0.01%	ANG 986,400.00	
Money Remitters / Money transaction offices	1312	0.62%	ANG 6,611,522.00	877	1.15%	ANG 5,264,652.03	
Management service providers (Trust)	26	0.01%	ANG 954,002.00	18	0.02%	ANG 1,719,545,761.37	
Insurers and Insurance Brokers	1	0.00%		1	0.00%		
Traders in precious stones, precious metals, jewellery and jewell	0	0.00%	ANG -	1	0.00%		
Total	201952	100.00%		76328	100.00%		

Table 1 : Unusual transactions by reporter type (2020-2021). NB some fields not disclosed.

2.2.1 Administration Offices

In 2021 the FIU received 0 unusual transaction reports from the administration offices sector. It must be noted that there is no reporting obligation for this sector for their standard services (administration).

2.2.2 Administrators of investment funds

In 2021 the FIU received 5 unusual transaction reports from the administrators of investment funds.

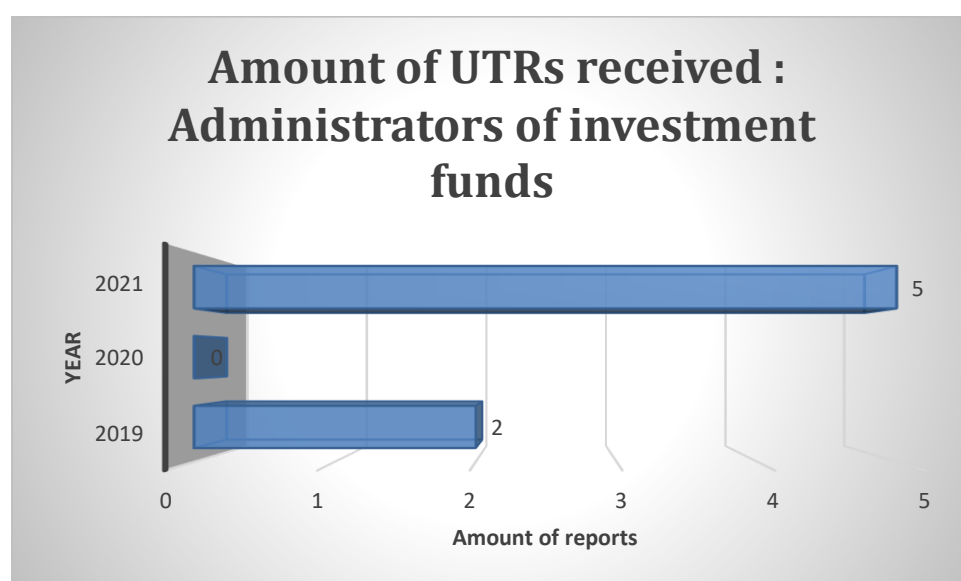


Figure 3 : Total received unusual transactions: Administrators of Investment Funds (2019-2021)

2.2.3 Dealers in vehicles

In 2021 we saw a substantial reduction in unusual transaction reports received from the vehicle dealers sector: 23 reports. We attribute this to COVID and to the time it took to get reregistered and get used to the new reporting system.

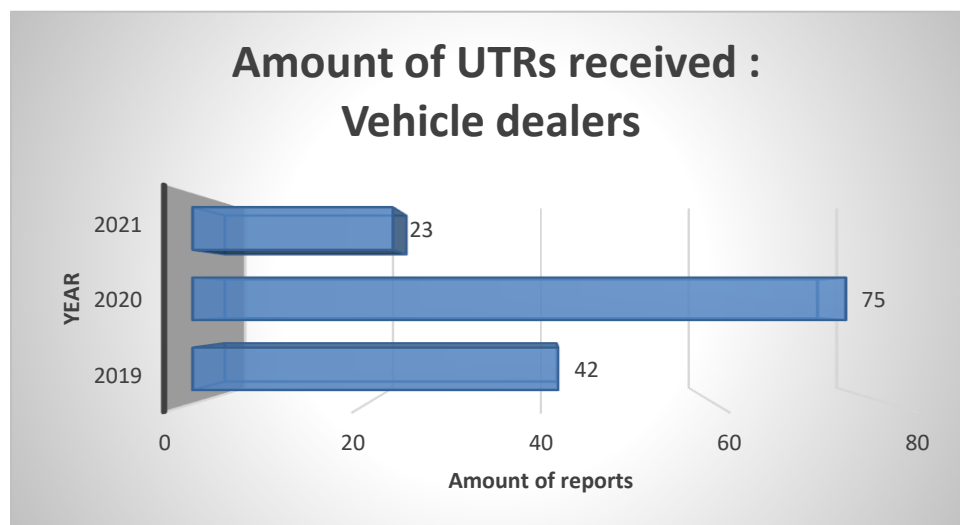


Figure 4 : Total received unusual transactions: vehicle dealers (2019-2021)

2.2.4 Land based casino's

We saw a small increase in this year from this sector with 942 reports received.

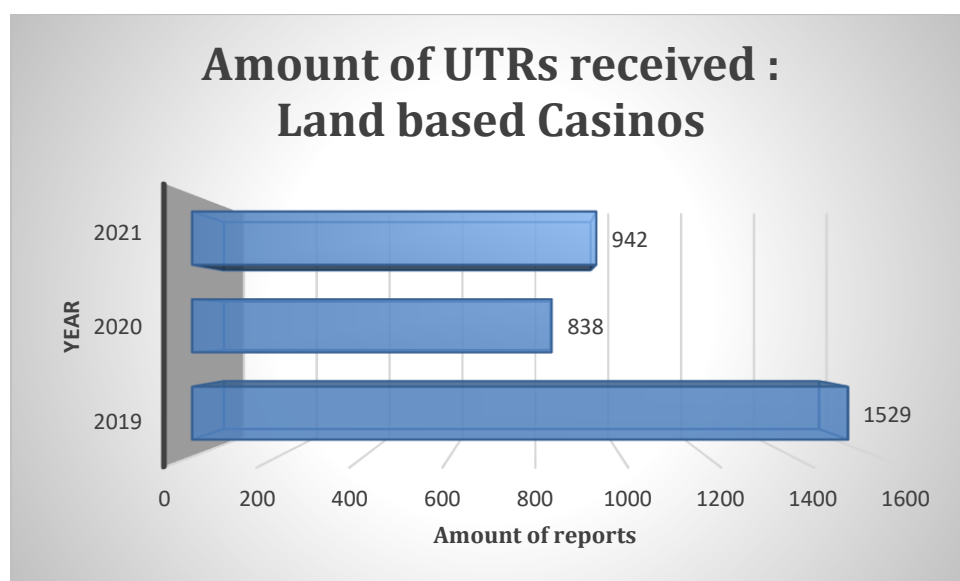


Figure 5 : Total received UTRs : landbased casino's (2019-2021)

2.2.5 Lotteries

The Lottery providers send in 377 reports in 2021.

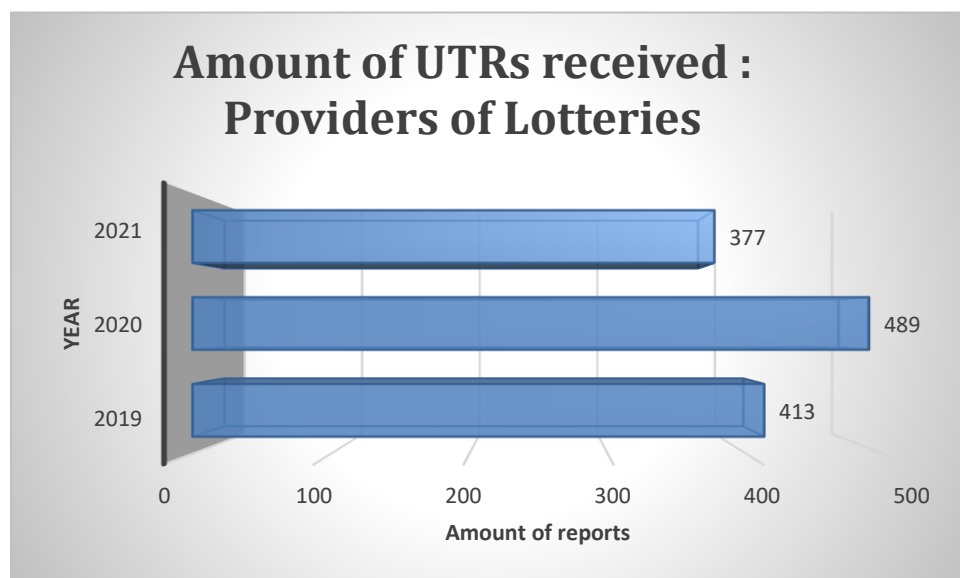


Figure 6 : Total received UTRs : Lotteries (2019-2021)

2.2.6 Credit Unions

In 2021 we received no reports from credit unions (while in 2020 we received 88 reports).

2.2.7 Customs

Pursuant to the National Ordinance Obligation to Report Cross-Frontier Money Transportations, persons entering or leaving Curaçao are under the obligation to report money or high-value goods for a value of ANG. 20,000 or more (approximately US\$ 10,000) that they carry with them or import, to the import and excise duties officials or Customs. These officials are thereafter under the obligation to report these transactions to the FIU without delay. Reporting to the FIU, mounting to 113 reports over 2021, was done manually, since the Customs special reporting portal, built by the FIU in the previous reporting system, was not available anymore, while funds to build a new special reporting portal in the new goAML system were not yet made available. Subsequently, the FIU manually entered all reports in the new system.

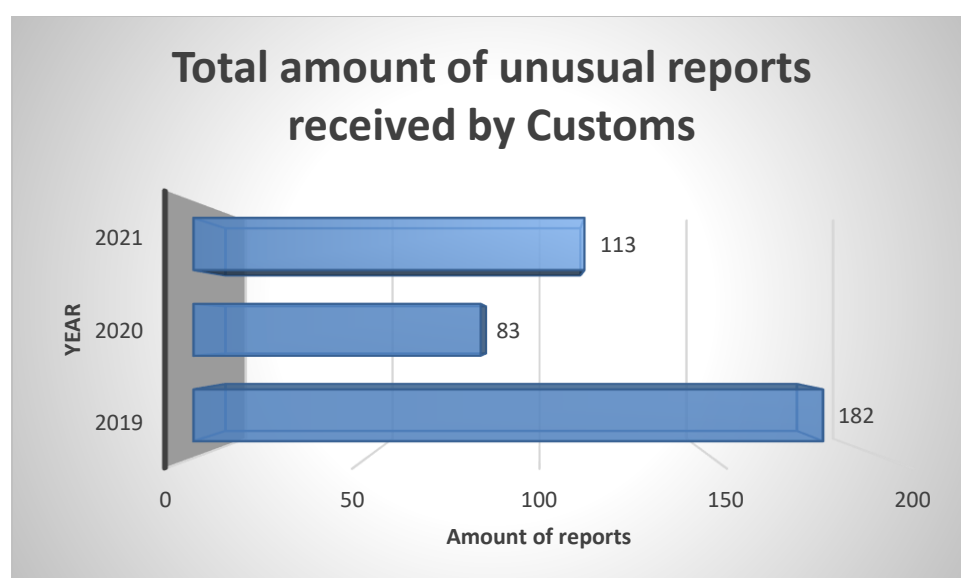


Figure 7 : Total received Reports Customs (2019-2021)

2.2.8 Life Insurance Companies

In 2021 1 report of unusual transactions was received from the life insurance sector.

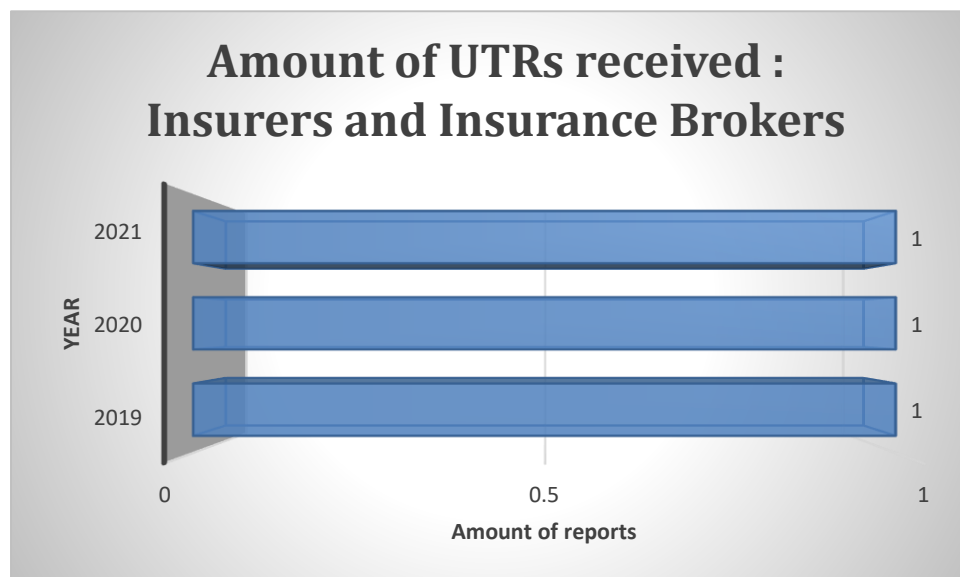


Figure 8 : Total received UTRs: insurance companies (2019-2021)

2.2.9 Jewelers

In 2021 the FIU received 1 unusual transaction report from the jewelers' sector / similar dealers in precious metals or precious stones, like for instance the dealers established in the free zone. In previous years this was 0.

2.2.10 Lawyers, tax advisors, accountants

Legal service providers like attorneys, tax advisors, accountants and other legal advisors, when they give advice on or are involved in other services as defined in the NORUT and the NOIS, are obliged by law to report unusual transactions they take notice of. In 2021, the FIU however received only 1 unusual transaction report from this group. It must be noted, that services normally delivered by this sector (e.g. tax and accounting services not related to NORUT services; legal advice on and in legal procedures) are exempted from the NOIS and the NORUT. However, the FIU intends to focus more on this sectors' reporting behavior.

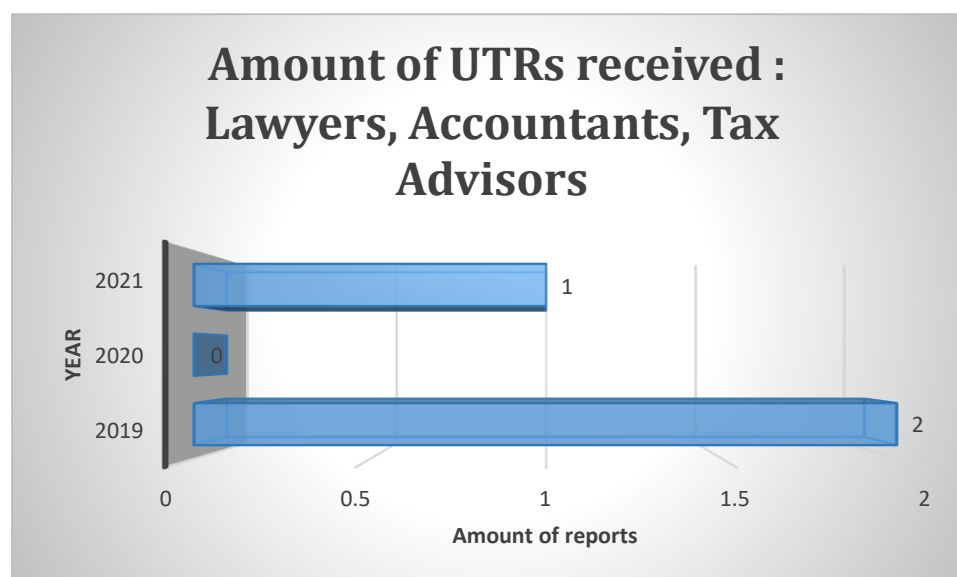


Figure 9 : Total received UTRs: Lawyers, Accountants, Tax Advisors (2019-2021)

2.2.11 Notaries

Civil notaries are obliged by law to report their unusual transactions when delivering certain common services as described in the NOIS and the NORUT. The FIU received 2 unusual transaction report from the notaries in 2021.

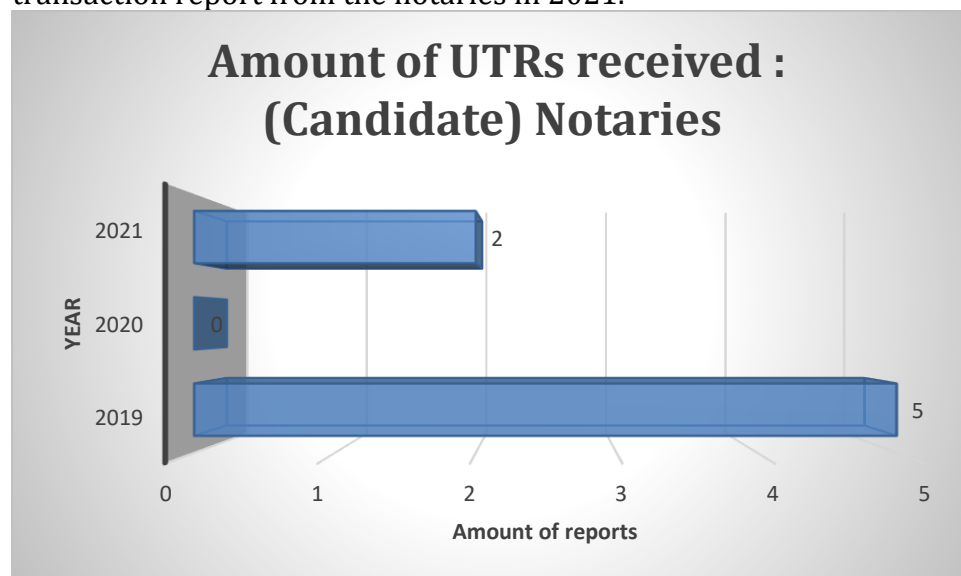


Figure 10 : Total received UTRs: Notaries (2019-2021)

2.2.12 Banks

In 2021 we received 27177 reports from all banks on Curacao.

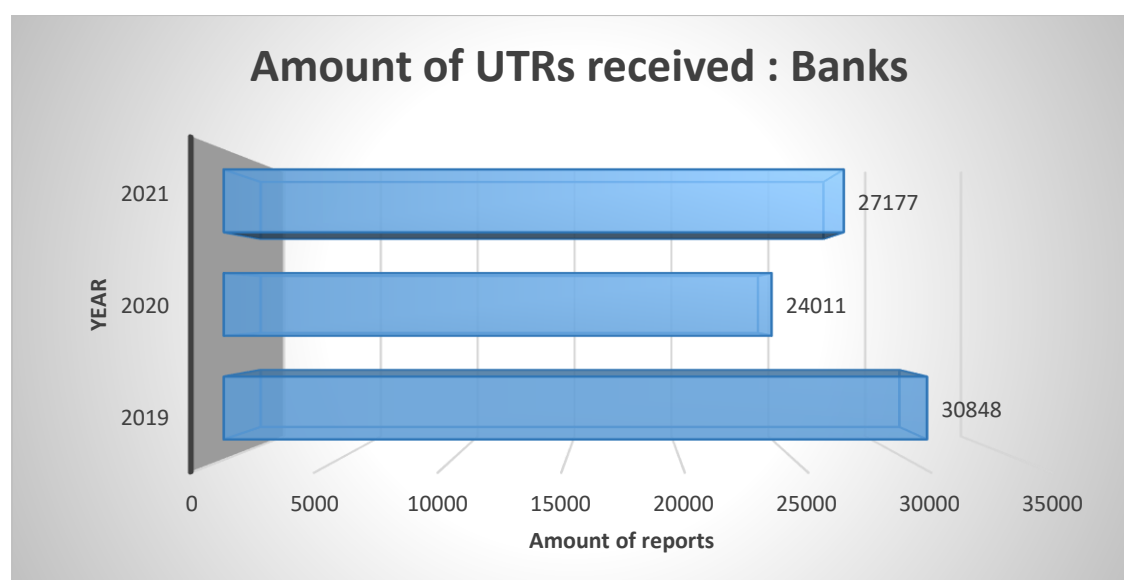


Figure 11 : Total received UTRs: Banks (2019-2021)

2.2.13 Money Remitters

In 2021 the reports of unusual transactions received from the money remitting sector diminished to 877 reports.

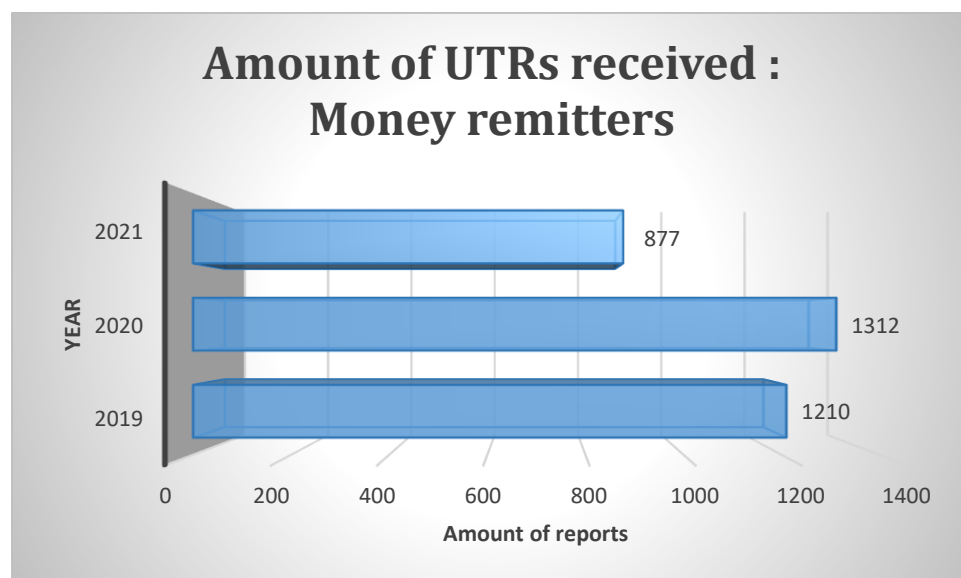


Figure 12 : Total received UTRs : money remitters (2019-2021)

2.2.14 Central Bank

In 2021, like in 2020, we did not receive reports from the Central Bank.

2.2.15 Credit Institutions

In 2021, we received 109 reports from the specialized credit institutions sector.

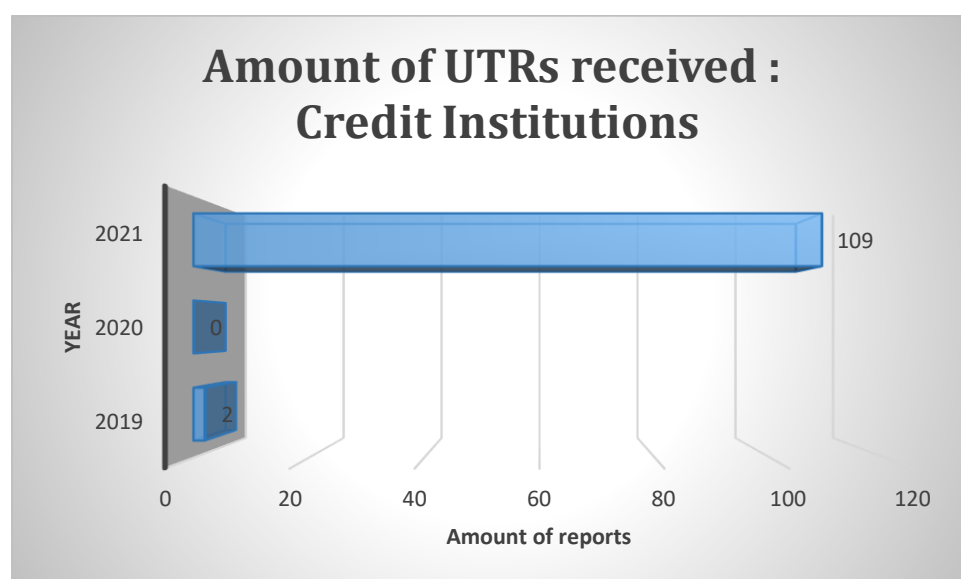


Figure 13 : Total received UTRs: Credit Institutions (2019-2021)

2.2.16 Trust Companies

In 2021, the amount of unusual transactions reports received from the trust sector declined again, to 18 reports, as can be seen in the following table.

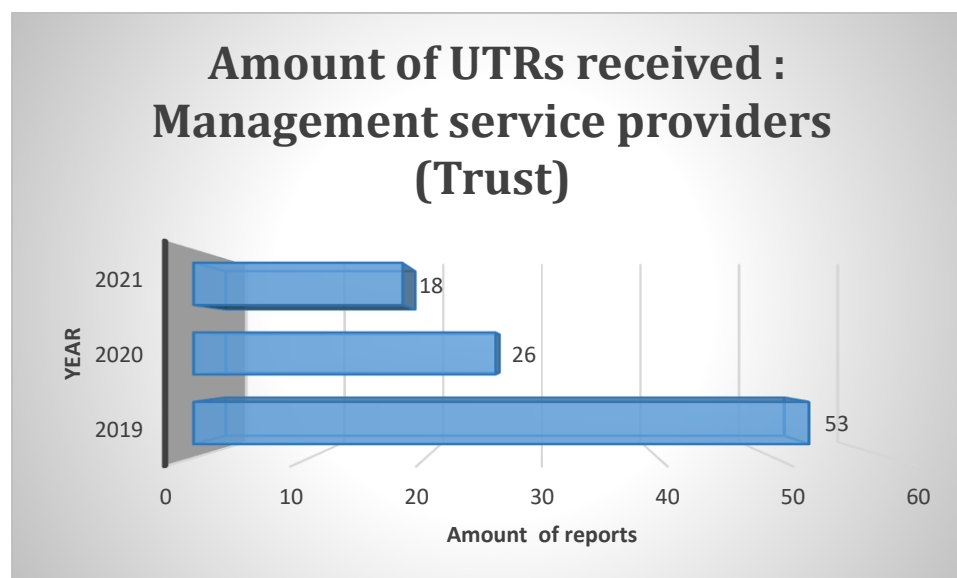


Figure 14 : Total received UTRs : trust companies (2019-2021)

2.2.17 Online Gambling

As stated in the general part of this report, 2020 was an outlier regarding reports received, mainly due to a backlog in reporting of objective reports by the online gambling sector. In 2021, we received an amount of 46,673 reports from this sector. Unfortunately, it seems that subjective reporting is still lagging behind, and also a considerable amount of service providers in this sector is still not reporting, nor registered for reporting.

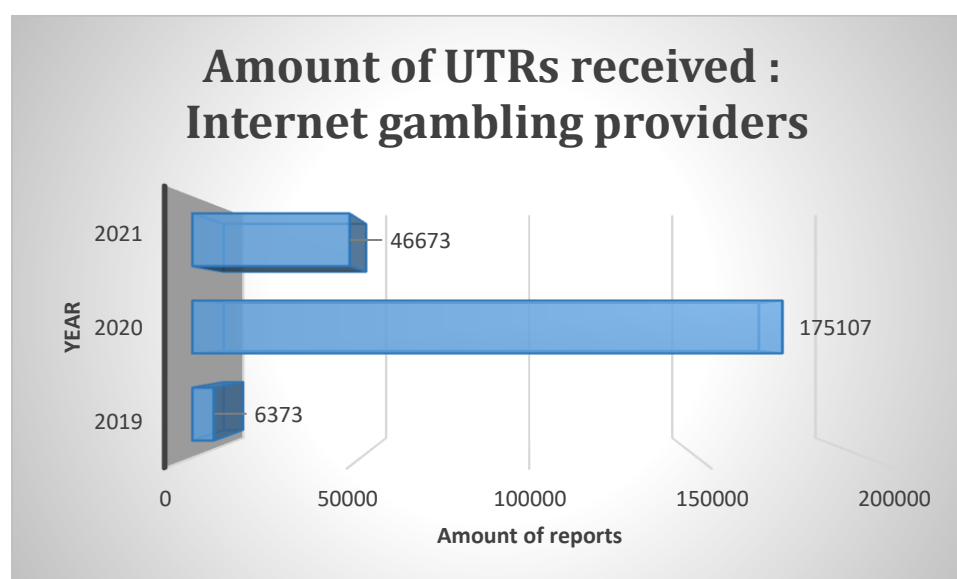


Figure 15 : Total received UTRs : Online Gambling (2019-2021)

2.2.18 Real Estate Companies

During COVID year 2021 the amount of reports from the real estate sector further fell back to 6 reports received. It is furthermore suspected that many real estate agents still did not register for reporting with the FIU.

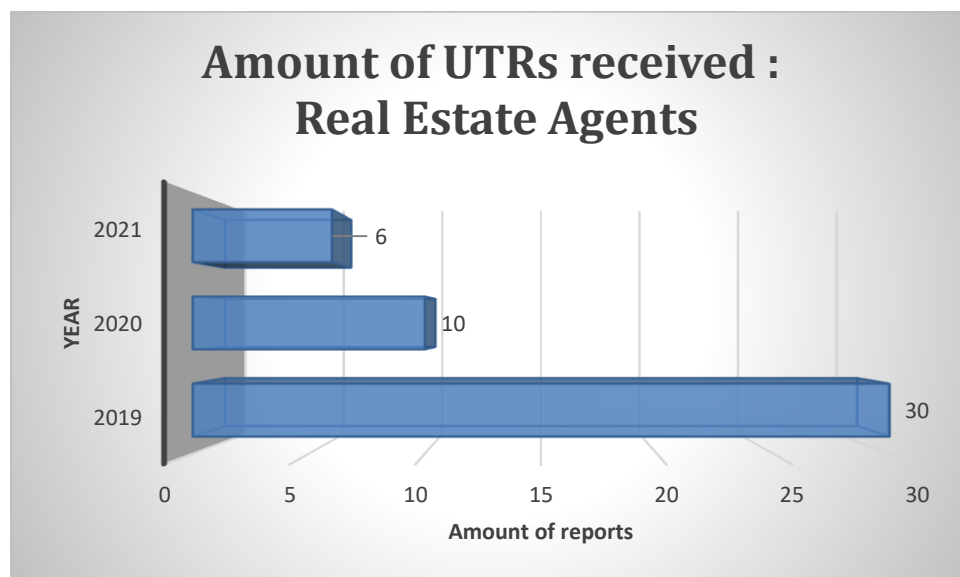


Figure 16 : Total received UTRs : Real Estate Agents (2019-2021)

2.2.19 Dealers in Building Materials

This sector, that needs to report since 2016, and is still relatively low in reporting, send in 3 reports in COVID year 2021. Also in this sector it is known that several obliged entities have not registered themselves yet for reporting with the FIU.

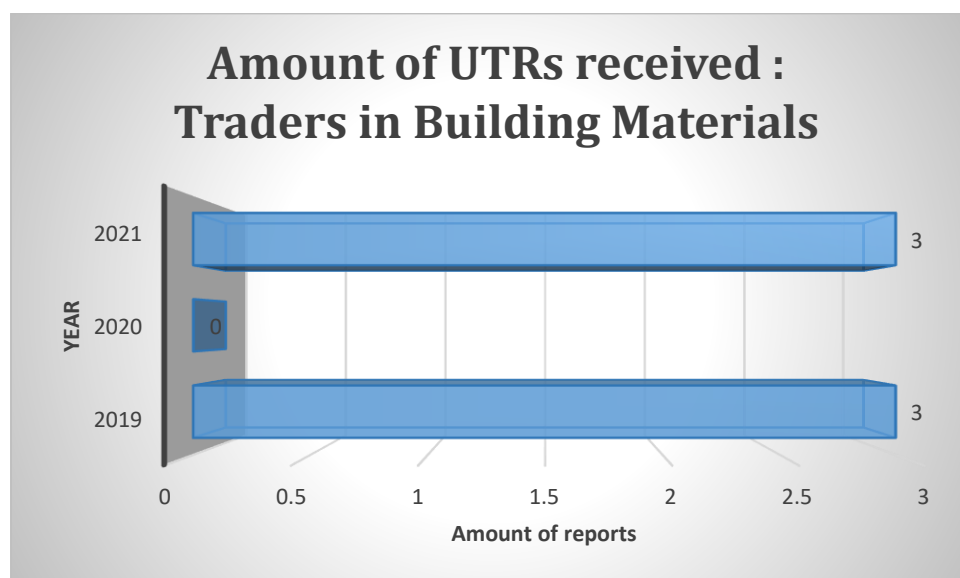


Figure 17 : Total received UTRs : Dealers in Building Materials (2019-2021)

2.3 Disseminating data to the Public Prosecutor's Office and to the Law Enforcement Agencies

Contrary to other jurisdictions where *Suspicious* Transactions Reports (STRs) or Suspicious Activity Reports (SAR's) are received, the FIU receives *unusual* transactions reports (UTRs) from the reporting entities.

As explained in the general part of this report above, the law indicates when a transaction can be considered as unusual, by making use of indicators: objective and subjective indicators. An objective indicator states explicitly when a transaction should be considered as unusual, irrespective of who is executing the transaction, without respect of circumstances. The subjective indicator on the other hand leaves it to the assessment of the reporting entity (the compliance officer) to report, based among other things on its knowledge of the client, knowledge of the business of the client, the transaction profile of the client, international lists of terrorists, whether a politically exposed person is involved, particular circumstances, etcetera. The old subjective indicators (that contained a list of red flags) might also give guidance in this regard.

Based on priority setting and triage, analysts of the FIU analyze unusual transactions to see whether there is a suspicion of ML/TF. If so, such transactions are declared suspicious by the Head and disseminated to the Public Prosecutor's Office (PPO). The transactions of the different reporting entities altogether that were declared suspicious and disseminated to the PPO after analyses by the FIU in 2021 are indicated in the following table. Dissemination of information by the FIU takes place via requests received from the law enforcement agencies (subject to approval of the PPO), via own investigations, via update-disseminations (when certain transactions related to subjects have previously been disseminated) and/or upon requests of foreign FIUs.

	2019	2020	2021
Total UTRs deemed suspicious by FIU per year	4,053	939	514

Figure 18 : Total suspicious transactions disseminated to the PPO.

As explained earlier, the amount of reports that can be declared suspicious often depends on the kind and amount of requests received from authorities and the kind of own investigations executed by the FIU. The substantial less amount of 2021 can mainly be attributed to COVID-limitations experienced during 2021 as well as the amount of time that needed to be devoted to the introduction of the new reporting and analysis system, the goAML system. This took up considerable amounts of resources, also in the outreach to reporting entities.

2.4 Requests to furnish data received from law enforcement agencies

The FIU received 22 requests for information from the local law enforcement agencies in 2021, based on article 6 of the NORUT. In 2020, this amount was 21 requests.

Outgoing local

On the other hand, the FIU requested 42 times for information, based on article 5 of the NORUT, from several law enforcement agencies and other public services locally, and asked reporting entities 14 times for additional information on reports.

Incoming international

In 2021, the FIU received 42 requests from other FIUs for information, and 37 spontaneous information reports to be handled came in from other FIUs.

Outgoing international

The FIU send out an amount of 2 requests to FIUs internationally and provided spontaneous information to 2 FIUs.

Requests for information regarded among other things: reported transactions, financial and chamber information and police information on certain subjects; both natural persons and legal entities.

2.5 Self-initiated investigations into the field of money laundering and terrorism financing by the FIU

The FIU finished 3 self-initiated investigations into the field of money laundering and terrorism financing and provided these to the PPO. As comparison: in 2020 this was 6.

3. Priorities 2022

The priorities of the FIU for 2022, with a view to complying with its legal duties of preventing and detecting money laundering and terrorism financing and the underlying criminal offences, are as follows (the following list is not exhaustive):

- Further update the IT-system, continue the goAML implementation project regarding the analysis part;
- Continue to fill existing vacancies at the FIU;
- Further implement measures in line with the recommendations as learned from the Curaçao NRA;
- Continue to inform and train the reporting entities with regard to their reporting obligations and reporting in the new system goAML;
- Enhance information sharing on reporting behavior and reporting quality to Supervisory Authorities;

- Broad consultation and innovative partnerships with reporting sectors and with FIUs and AML/CFT supervisors on Curacao and within the kingdom;
- Broad consultation and innovative partnerships with judicial chain partners and other information providers;
- Further strengthening and facilitating FIU's digital insight function for investigative services and other government services, both for Supervision and Analysis

ANNEX 3 : YEAR 2022 STATISTICS

1.1 Task and supervised entities

During 2022, there was no change in the sectors supervised for their AML/CFT compliance by the Supervision Department of the FIU. The following designated non-financial businesses and professions, in so far as they delivered services as stated in art 1 par. 1 sub b under 12, 13 and 15 NOIS and art 1 par. 1 sub a under 12, 13 and 15 NORUT fall under our supervision:

- Intermediaries in the buying and selling of real estate and related rights (real estate agents);
- Notaries, lawyers, accountants, attorneys, administrative offices, tax advisors, that render services related to the managing of client money, securities, coins, currency notes, precious metals, precious stones and other assets; the creation or managing of companies, legal persons and/or similar business entities and/or the buying, selling or take-over of companies;
- Dealers in precious metals, precious stones and jewelry;
- Motor vehicle dealers;
- Dealers in building materials.

Several service providers –with the exception of notaries- are still not registered at the Chamber of Commerce and/or have not made themselves visible to the Department. There is no obligation for these entities to have a license or professional registration for the conducting of the above stated services (again, with the exception of notaries), unlike the supervised entities of the other AML-supervisors. On the basis of statistical information and information from the Chamber of commerce however, the amount of supervised entities is estimated to be around 800.

1.2 Personnel

In 2022, the Supervisory department of the FIU existed of 3 Supervisors. In addition, for reason of absence of the administrative staff, support was received from the general administration of the FIU for administrative tasks.

1.3 Audits, presentations, and other meetings

Audits

A total of 8 audits (incl. management meetings) have been carried out by the Department on the following sectors:

- Lawyers and other independent legal professionals (2)
- Car dealers (4)
- Construction and building materials (1)
- Real Estate ((1)

The audits performed on the notarial sector had a project-based approach and broad attention was given to the AML/ TF regulations and guidelines pertaining to the sector, supported by specific outreach to this sector.

Presentations and publications

Presentations were given to the lawyers (in association with de Orde van Advocaten), the car dealers association (CCDA) and also a seminar was co-organized with the CBCS and the GCB on UN and EU sanctions and the regulation pertaining to it, relevant for all sectors in Curacao. An adjoining newsletter was published by the FIU Supervisory Department for their supervised entities concerning the imposed sanctions by the UN, and what actions need to be taken in case a sanctions hit occurs.

Structureel Overleg Toezichthouders (Consultation Supervisory Meetings)

The FIU Supervision Department participated together with the CBCS and the GCB in 1 Supervisory Consultation Meeting in 2022, during which topics concerning AML/TF and other specific topics were discussed. The meeting was held in the month August 2022.

1.4 Projects

In accordance with the guidelines of the FATF, the Supervision Department must apply a risk based approach when conducting supervision over DNFBP sectors and take the appropriate actions in accordance with the level of risk perceived per sector and entity. To be able to do this correctly, in depth knowledge of sectors is necessary. In the year 2022 the Supervision Department continued with the project (that started in the year 2020) of describing the following sectors:

- Real Estate
- Dealers in precious metals
- Accountants
- Construction and building materials
- Car dealers
- Lawyers and other independent legal professionals

1.5 Education and training

The Supervision Department participated in various webinars and trainings that were important to keep up with the current trends and developments in relation to AML/ TF. The webinars were organized by FATF, CFATF, ACAMS, ACFE and other organizations related with AML/TF –programs.

One Supervisor of the FIU furthermore went to Bonaire (BES Islands, the neighboring Islands that are special municipalities of the Netherlands) and joined the team of the Dutch Supervisor for DNFBPs (the Bureau Supervision WWFT of the Dutch Tax Office) to cooperate on audits and management interviews of supervised DNFBPs in Bonaire. This special occasion led to a more profound knowledge of the supervisor of the FIU regarding how activities of the Bureau are conducted, and also strengthened the cooperation possibilities between the Bureau and the FIU Supervisory, on DNFBPs that have branches in Bonaire/BES as well as in Curaçao.

A supervisor of the FIU furthermore attended the specialized FINEC course as given to LEAs and other authorities involved in the combatting of financial crimes. A better understanding

of other authorities' work and strengthening of connections useful for future cooperation was the result.

2. Activities of the Analysis department, including statistics and entity reporting trends

2.1 Collecting, registering, processing and analyzing data

As of January 1st, 2021, our old reporting system Corsys became obsolete and we introduced the goAML reporting and analysis system, a system built by the UNODC specifically for FIUs.

UTRs received

Over 2022, a total of 76,328 unusual transactions reports were received, steadying the growth in UTRs received over the years (not taking into account the outlier year 2020, see the Annex on 2020 for an explanation).

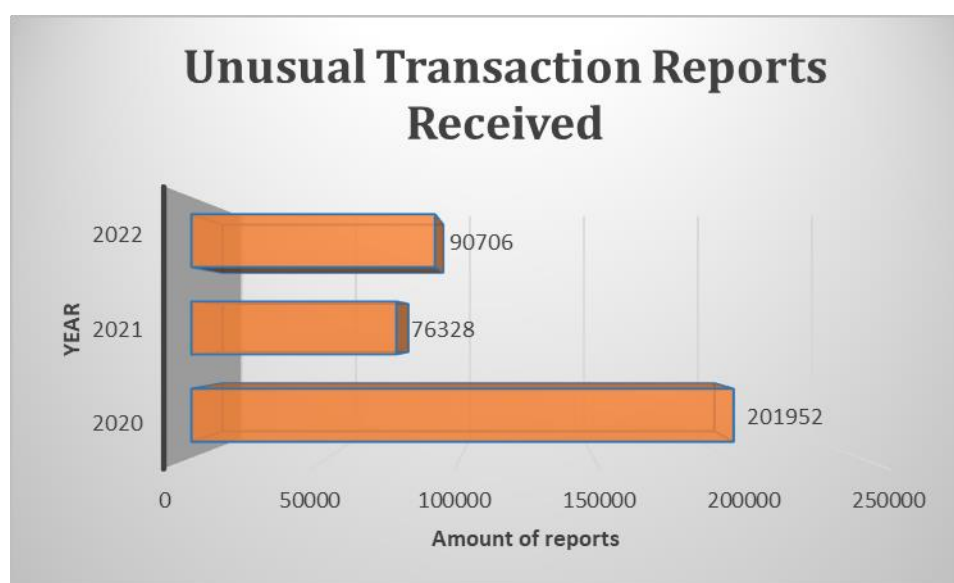


Figure 1 : Total amount received unusual transactions reports (2020-2022)

UTRs declared suspicious

During 2022, an amount of **703 unusual transaction reports was declared suspicious** and disseminated to the PPO. As a comparison: in 2021 this amount was 535. As explained in the general part of this report, it was not always possible for the FIU to fully deploy its work force and resources during portal-training and system-implementation efforts, however, a steady growth can be perceived again.

Objective and subjective UTRs

The ratio objective vs subjective indicators is shown in the figure below. As can be seen, the ratio is in 2022 still low.

Subjective reports are very important to the FIU, since these reports normally give a lot of information to the FIU. In the case of subjective indicators, it is up to the compliance officer(s) of the reporting entities, who know their clients best and who have more information about the situation surrounding the reported transaction, to decide if a transaction may possibly be related to money laundering or terrorism financing.

The FIU will continue to stress the importance for its investigations of reporting subjectively and continue to ask the attention of reporting entities as well as Supervisory authorities for this.

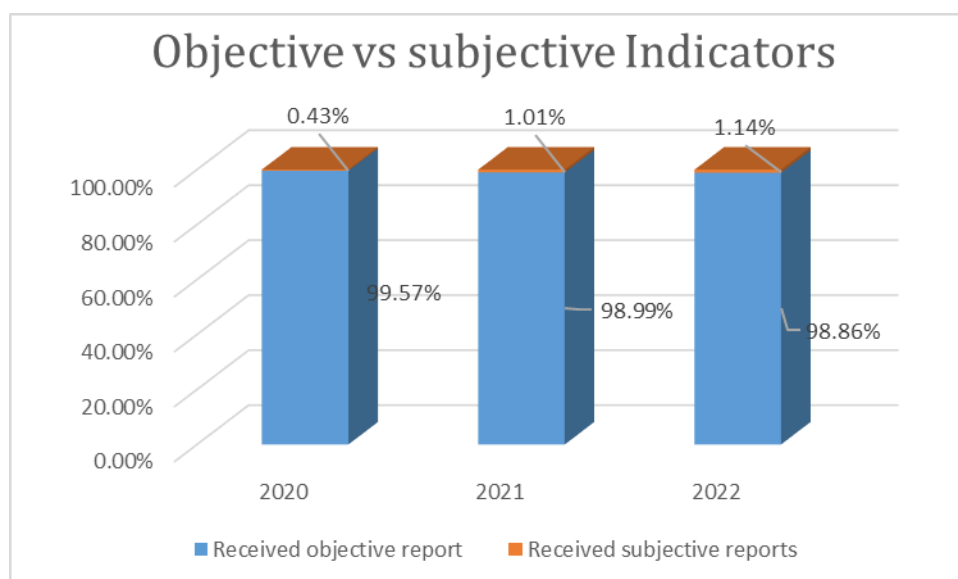


Figure 2 : Unusual: transactions reports per objective vs subjective indicators (%) (2020-2022)

2.2 Origin of the UTRs

Unusual transactions reports by agency business type (2021-2022)						
	2021			2022		
Agency business type	Qty.	%	Value	Qty.	%	Value
(Candidate) Notaries	2	0.00%		14	0.02%	ANG 4,529,192.13
Administrators of Investment funds	5	0.01%	ANG 2,722,857.01	7	0.01%	ANG 112,709,214.50
Banks (local / international / savings funds / savings bank)	27177	35.66%	ANG 875,752,261,186.83	39666	43.73%	ANG 1,741,002,109,278.57
Casinos	942	1.24%	ANG 11,882,582.27	2430	2.68%	ANG 22,253,715.35
Central Bank (Central Bank of Curaçao and Sint Maarten - CBCS)	0	0.00%	ANG -	6	0.01%	ANG 78,775.25
Credit card companies and credit institutions	109	0.14%	ANG 1,328,751.93	174	0.19%	ANG 1,795,641.57
Dealers in vehicles (Cardealers)	23	0.03%	ANG 784,660.03	71	0.08%	ANG 2,988,333.62
Lawyers, Accountants, Tax Advisors	1	0.00%		3	0.00%	ANG 7,802,439.20
Insurers and Insurance Brokers	1	0.00%		3	0.00%	ANG 49,952.19
Internet gambling providers	46673	61.23%	ANG 1,142,184,078.75	46875	51.68%	ANG 607,433,847.56
Management service providers (Trust)	18	0.02%	ANG 1,719,545,761.37	22	0.02%	ANG 52,699,790.09
Money Remitters / Money transaction offices	877	1.15%	ANG 5,264,652.03	870	0.96%	ANG 5,206,410.69
Providers of Lotteries	377	0.49%	ANG 7,403,872.50	531	0.59%	ANG 11,988,452.50
Real Estate Agents	6	0.01%	ANG 986,400.00	29	0.03%	ANG 95,094,223.25
Traders in Building Materials	3	0.00%	ANG 72,450.00	5	0.01%	ANG 114,505.72
Traders in precious stones, precious metals, jewellery and jewel	1	0.00%		0	0.00%	ANG -
Grand Total	76215	100.00%		90706	100.00%	

Table 1 : Unusual transactions by reporter type (2021-2022). NB some fields not disclosed.

2.2.1 Administration Offices

In 2022 the FIU received again 0 unusual transaction reports from the administration offices sector. It must be noted that there is no reporting obligation for this sector for their standard services (administration).

2.2.2 Administrators of investment funds

In 2022 the FIU received 7 unusual transaction reports from the administrators of investment funds, against 5 last year.

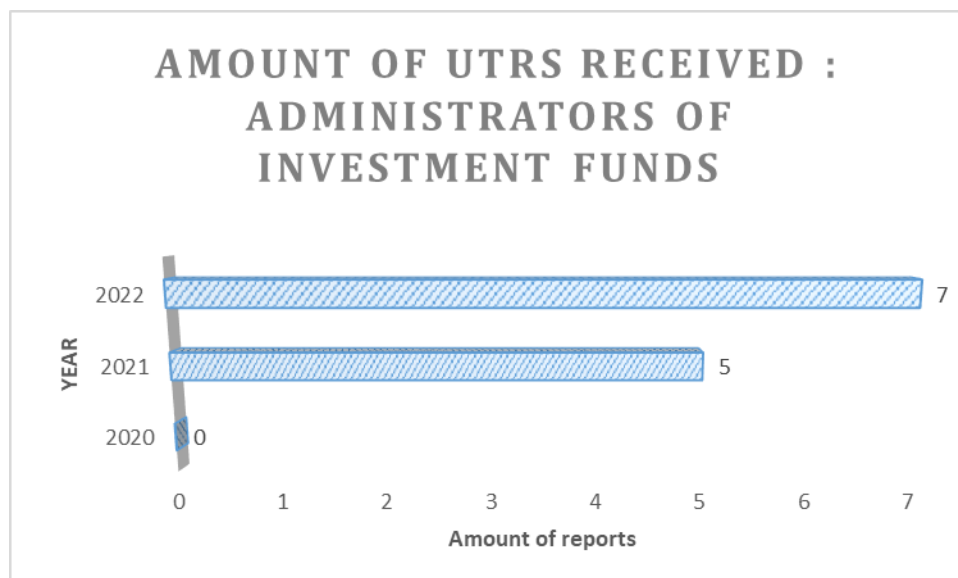


Figure 3 : Total received unusual transactions reports: Administrators of Investment Funds (2020-2022)

2.2.3 Dealers in vehicles

In 2022 reporting by the vehicle dealers sector picked up again: 71 reports.

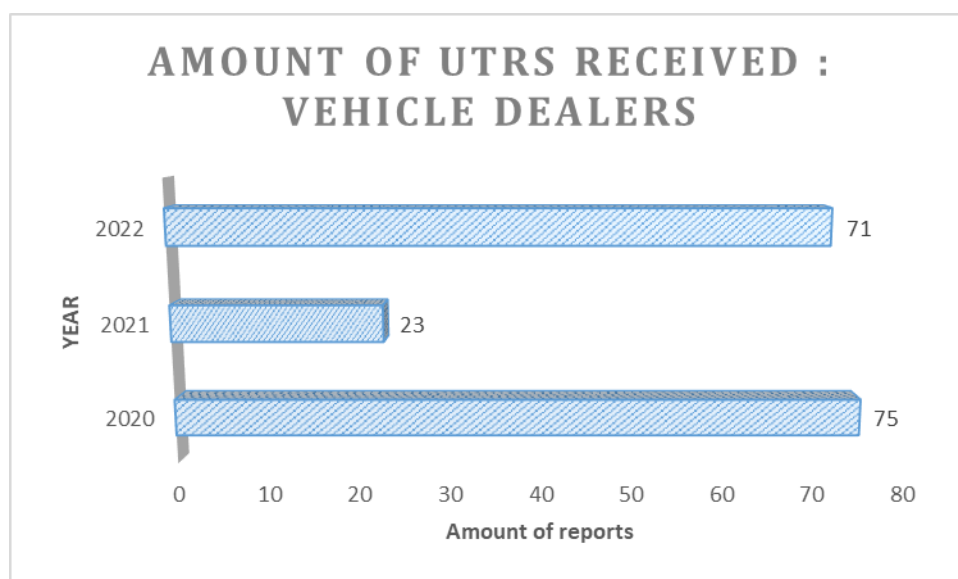


Figure 4 : Total received unusual transactions reports: vehicle dealers (2020-2022)

2.2.4 Land based casino's

We saw considerable increase again in this year, at the end of COVID: 2430 reports received.

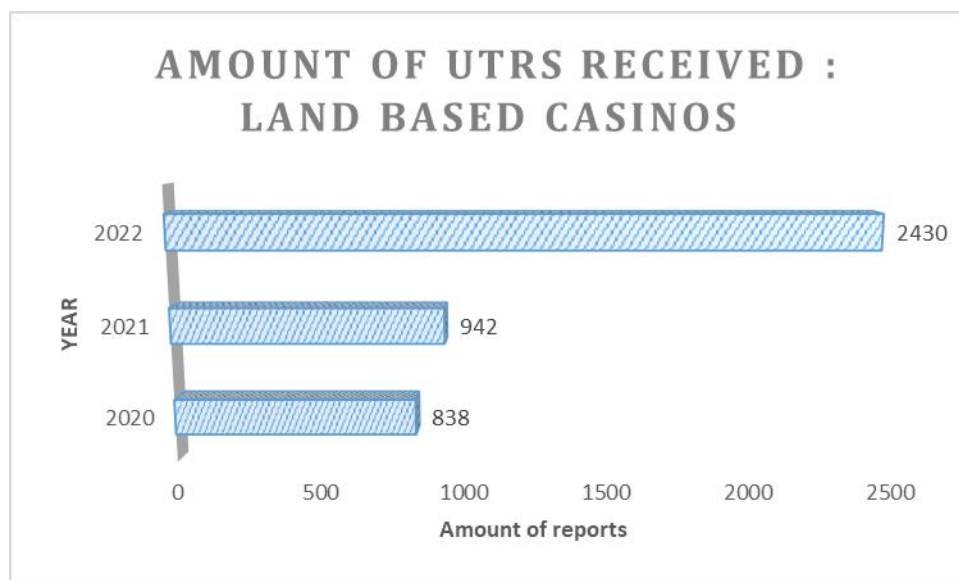


Figure 5 : Total received UTRs : landbased casino's (2020-2022)

2.2.5 Lotteries

Also the Lottery providers sector picked up and send in 531 reports in 2022.

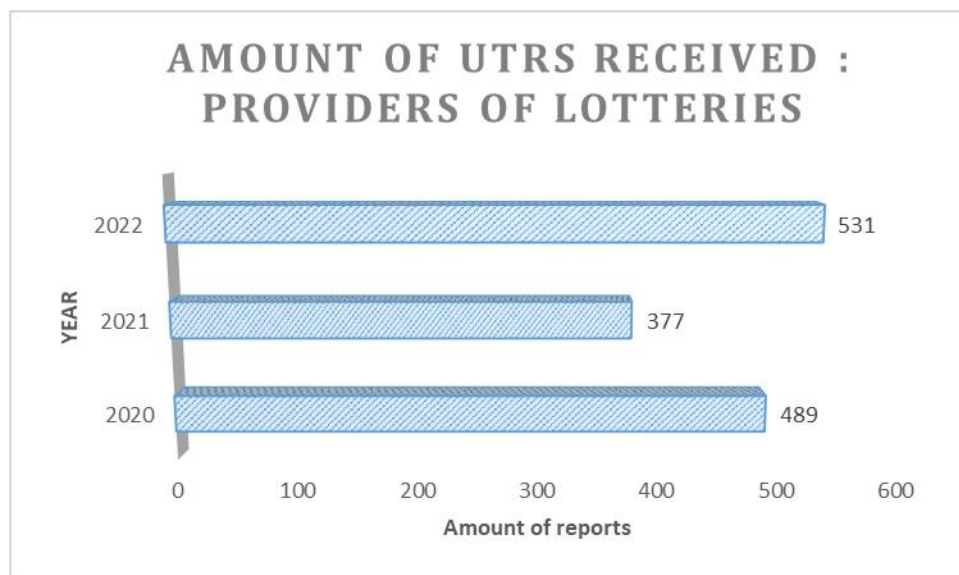


Figure 6 : Total received UTRs : Lotteries (2020-2022)

2.2.6 Credit Unions

In 2022 we received no reports from credit unions (same as in 2021).

2.2.7 Customs

Pursuant to the National Ordinance Obligation to Report Cross-Frontier Money Transportations, persons entering or leaving Curaçao are under the obligation to report money or high-value goods for a value of ANG. 20,000 or more (approximately US\$ 10,000) that they carry with them or import, to the import and excise duties officials or Customs. These officials are thereafter under the obligation to report these transactions to the FIU without delay. During 2022, we received no reports from Customs.

2.2.8 Insurance Companies

In 2022, 3 reports of unusual transactions were received from the insurance sector.

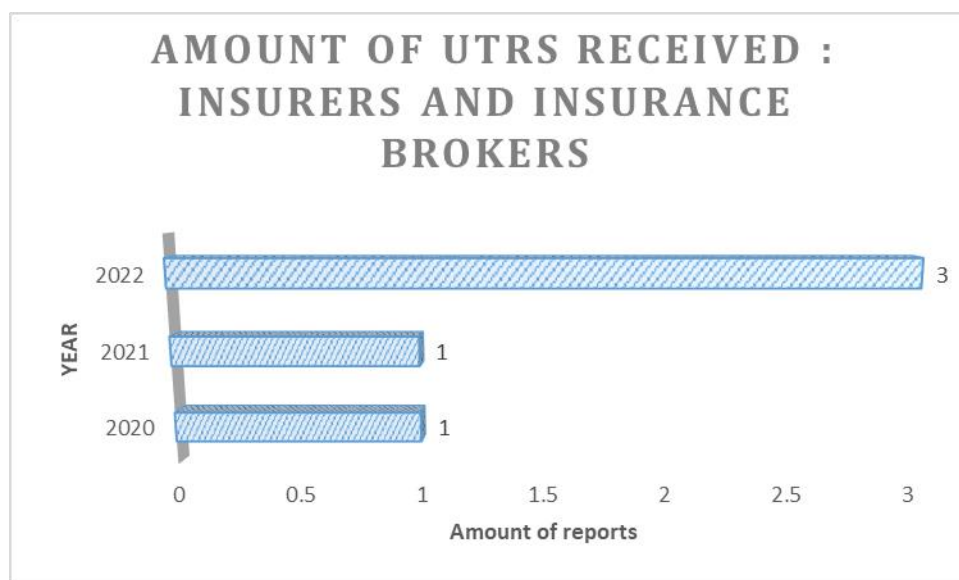


Figure 7 : Total received UTRs: insurance companies (2020-2022)

2.2.9 Jewelers

In 2022 the FIU received again 0 unusual transaction reports from the jewelers' sector. Also no reports were received from similar dealers in precious metals or precious stones, like for instance the dealers established in the free zone. In 2021, we received 1.

2.2.10 Lawyers, tax advisors, accountants

Legal service providers like attorneys, tax advisors, accountants and other legal advisors, when they give advice on or are involved in other services as defined in the NORUT and the NOIS, are obliged by law to report unusual transactions they take notice of. In 2022, the FIU however received only 3 unusual transaction reports from this group. It must be noted, that services normally delivered by this sector (e.g. tax and accounting services not related to NORUT services; legal advice on and in legal procedures) are exempted from the NOIS and the NORUT. However, the FIU intends to focus more on this sectors' reporting behavior.

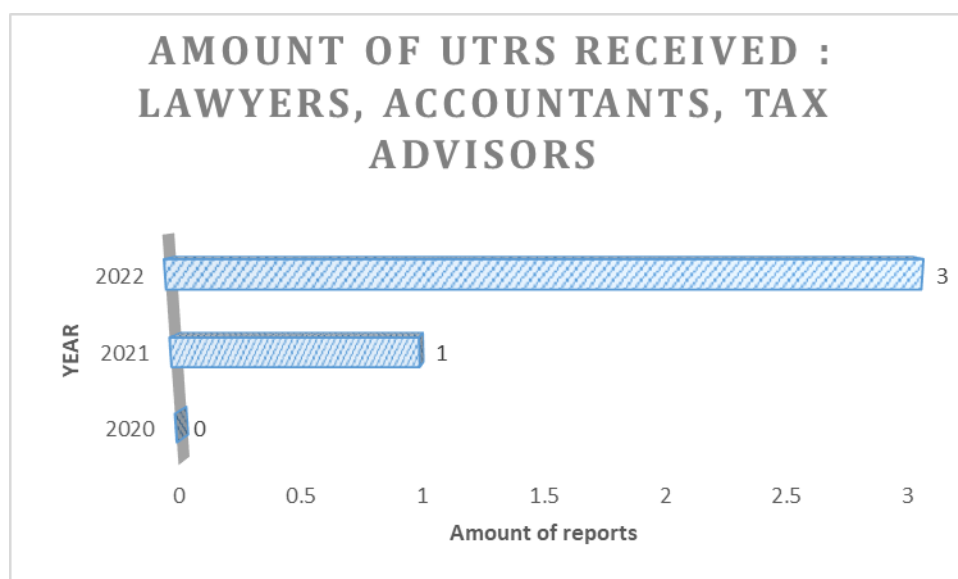


Figure 8 : Total received UTRs: Lawyers, Accountants, Tax Advisors (2020-2022)

2.2.11 Notaries

Civil notaries are obliged by law to report their unusual transactions when delivering certain common services as described in the NOIS and the NORUT. Post-COVID (and post-specific attention through audits by the Supervisor), this sector also picked up and send 14 unusual transaction reports to the FIU in 2022.

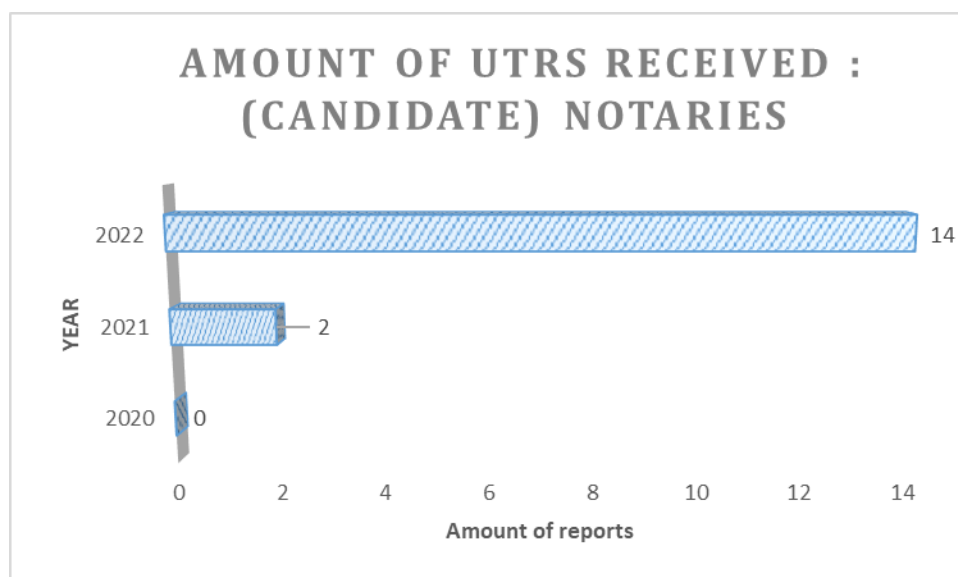


Figure 9 : Total received UTRs: Notaries (2020-2022)

2.2.12 Banks

In 2022 we received 39,666 reports from the Banking Sector in Curacao. In 2021, we received 27,177.

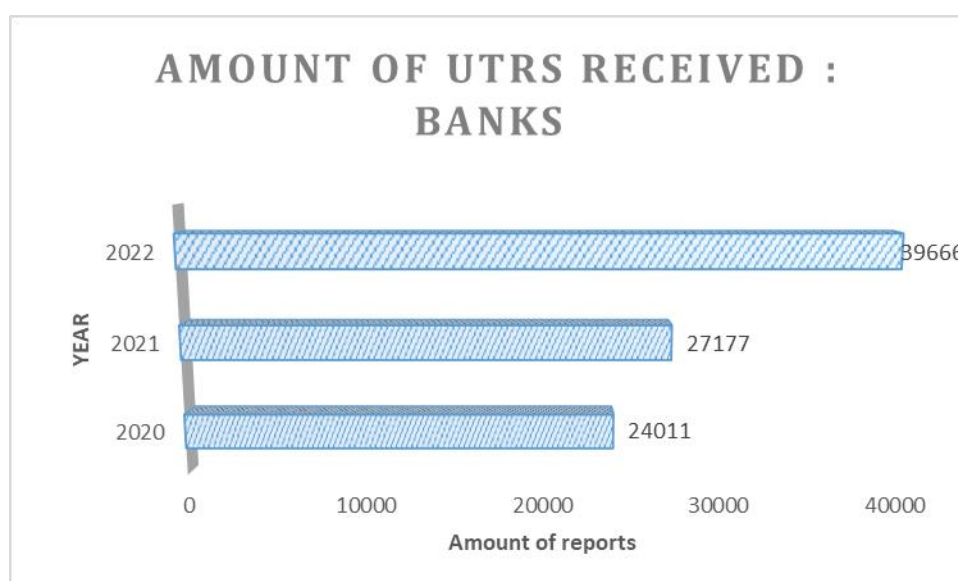


Figure 10 : Total received UTRs: Banks (2020-2022)

2.2.13 Money Remitters

In 2022 the reports of unusual transactions received from the money remitting sector remained at the level of 2021: we received 870 reports.

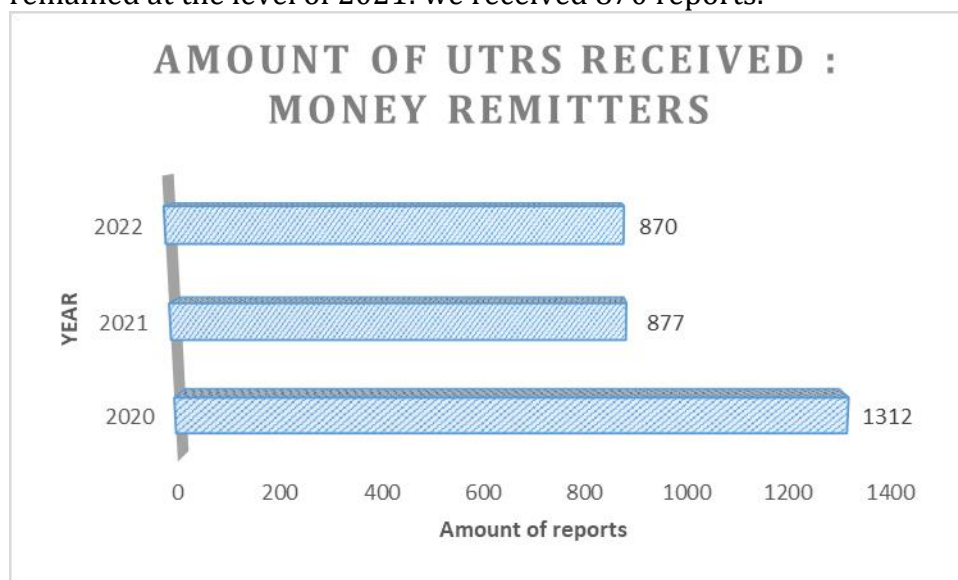


Figure 11 : Total received UTRs : money remitters (2020-2022)

2.2.14 Central Bank

In 2022, we received 6 reports from the Central Bank.

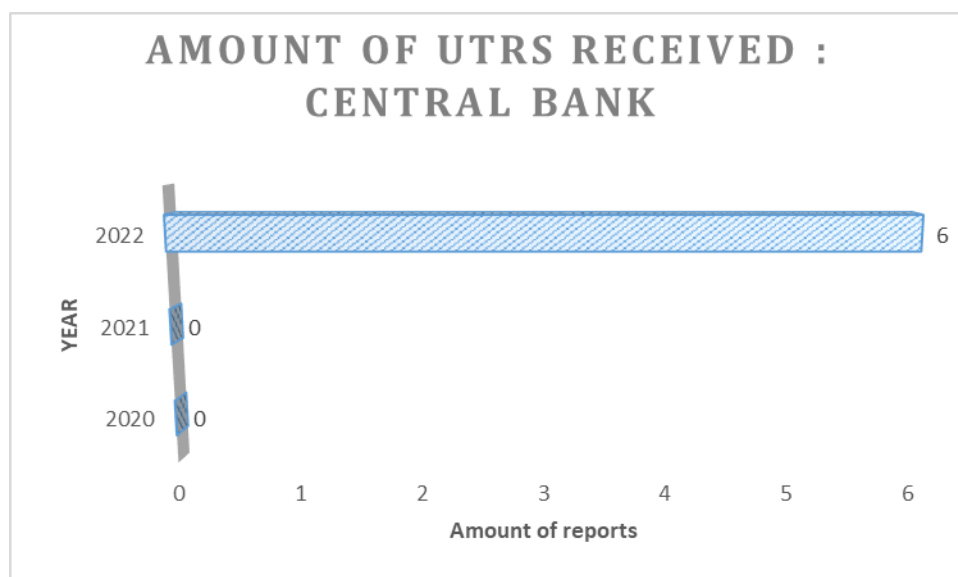


Figure 12 : Total received UTRs : Central Bank (2020-2022)

2.2.15 Credit Institutions and Credit Card Companies

In 2022, received 174 reports from this sector.

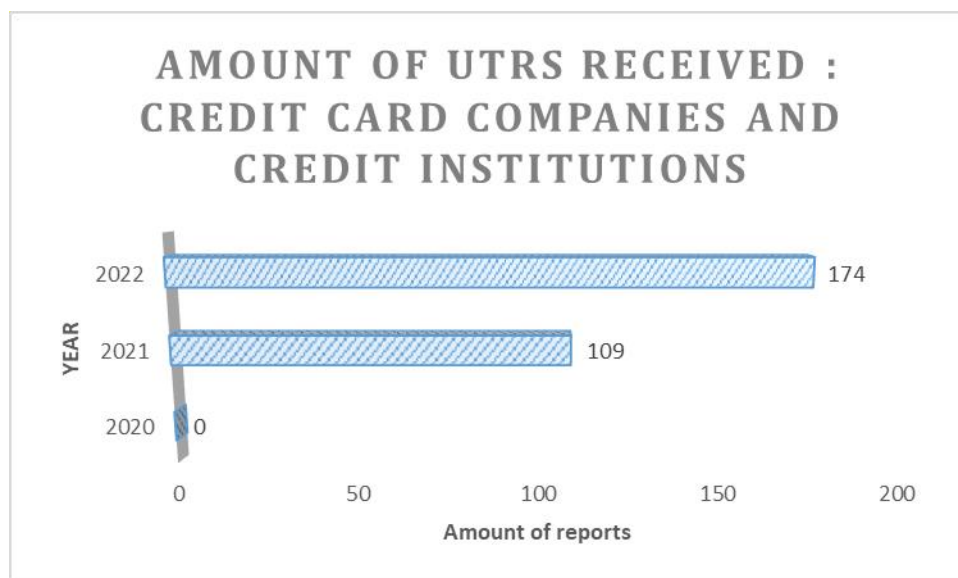


Figure 13 : Total received UTRs: Credit Card Companies and Credit Institutions (2020-2022)

2.2.16 Trust Companies

In 2022, the amount of unusual transactions reports received from the trust sector picked up a little to 22 reports, as can be seen in the following table.

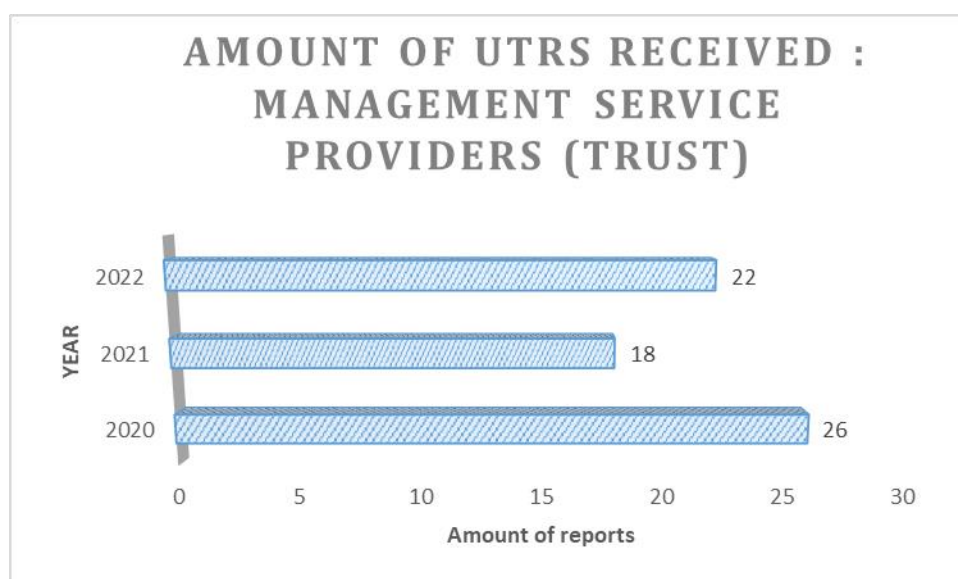


Figure 14 : Total received UTRs : trust companies (2020-2022)

2.2.17 Online Gambling

As stated in the general part of this report, 2020 was an outlier regarding reports received, mainly due to a backlog in reporting of objective reports by the online gambling sector. In 2022, we received an amount of 46,875 reports from this sector, almost the same as in 2021. Unfortunately, it seems that subjective reporting is still lagging behind, and also a considerable amount of service providers in this sector is still not reporting, nor registered for reporting.

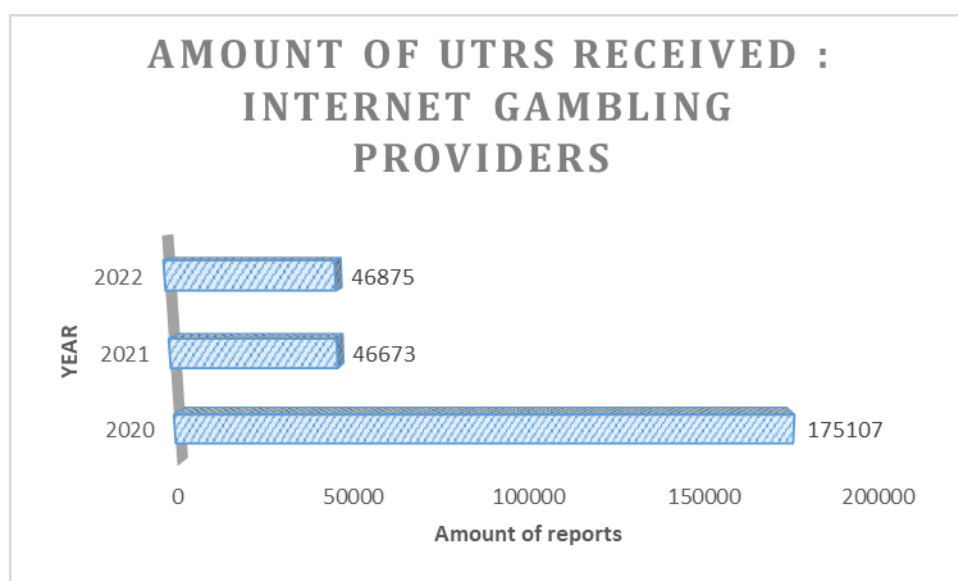


Figure 15 : Total received UTRs : Online Gambling (2020-2022)

2.2.18 Real Estate Companies

Post-COVID, the amount of reports from the real estate sector picked up to 29 reports received.

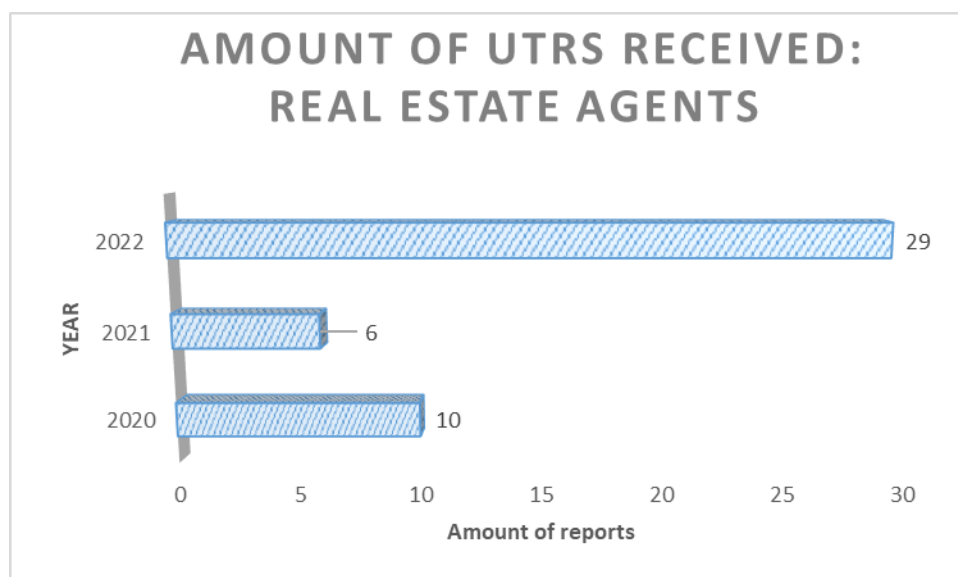


Figure 16 : Total received UTRs : Real Estate Agents (2020-2022)

2.2.19 Dealers in Building Materials

This sector, that needs to report since 2016, and is still relatively low in reporting, send in 3 reports in COVID year 2021. Also in this sector it is known that several obliged entities have not registered themselves yet for reporting with the FIU.

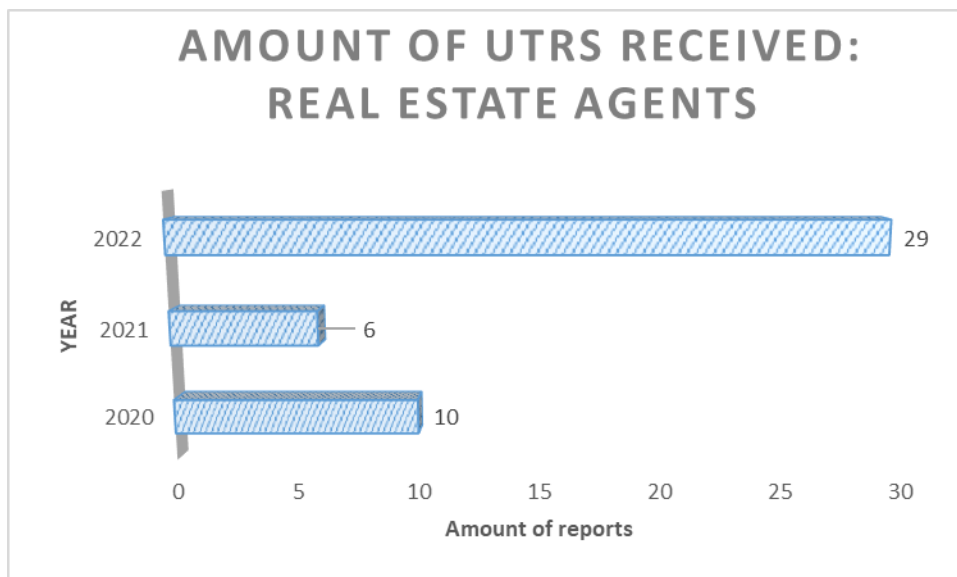


Figure 17 : Total received UTRs : Dealers in Building Materials (2020-2022)

2.3 Disseminating data to the Public Prosecutor's Office and to the Law Enforcement Agencies

Contrary to other jurisdictions where *Suspicious* Transactions Reports (STRs) or Suspicious Activity Reports (SAR's) are received, the FIU receives *unusual* transactions reports (UTRs) from the reporting entities.

As explained in the general part of this report above, the law indicates when a transaction can be considered as unusual, by making use of indicators: objective and subjective indicators. An objective indicator states explicitly when a transaction should be considered as unusual, irrespective of who is executing the transaction, without respect of circumstances. The subjective indicator on the other hand leaves it to the assessment of the reporting entity (the compliance officer) to report, based among other things on its knowledge of the client, knowledge of the business of the client, the transaction profile of the client, international lists of terrorists, whether a politically exposed person is involved, particular circumstances, etcetera. The old subjective indicators (that contained a list of red flags) might also give guidance in this regard.

Based on priority setting and triage, analysts of the FIU analyze unusual transactions to see whether there is a suspicion of ML/TF. If so, such transactions are declared suspicious by the Head and disseminated to the Public Prosecutor's Office (PPO). The transactions of the different reporting entities altogether that were declared suspicious and disseminated to the PPO after analyses by the FIU in 2021 are indicated in the following table. Dissemination of

information by the FIU takes place via requests received from the law enforcement agencies (subject to approval of the PPO), via own investigations, via update-disseminations (when certain transactions related to subjects have previously been disseminated) and/or upon requests of foreign FIUs.

	2020	2021	2022
Total UT Reports deemed Suspicious by FIU per year	939	514	703

Figure 18 : Total suspicious transactions disseminated to the PPO.

As explained earlier, the amount of reports that can be declared suspicious often depends on the kind and amount of requests received from authorities and the kind of own investigations executed by the FIU. The amount of time needed to be devoted to the implementation of the new analysis system, the goAML system was more than anticipated, also in the outreach to reporting entities to enhance data quality.

2.4 Requests to furnish data received from law enforcement agencies

The FIU received 15 requests for information from the local law enforcement agencies in 2022, based on article 6 of the NORUT. In 2021, this amount was 22 requests.

Outgoing local

On the other hand, the FIU requested 17 times for information, based on article 5 of the NORUT, from several law enforcement agencies and other public services locally, and asked reporting entities 1 time formally for additional information on received reports.

Incoming international

In 2022, the FIU received 26 requests from other FIUs for information, and 28 spontaneous information reports to be handled came in from other FIUs.

Outgoing international

The FIU send out an amount of 6 requests to FIUs internationally.

Requests for information regarded among other things: reported transactions, financial and chamber information and police information on certain subjects; both natural persons and legal entities.

2.5 Self-initiated investigations into the field of money laundering and terrorism financing by the FIU

The FIU finished 5 self-initiated investigations into the field of money laundering and terrorism financing and provided these to the PPO. For comparison: in 2021 this was 3.

3. Priorities 2023

The priorities of the FIU for 2023, with a view to complying with its legal duties of preventing and detecting money laundering and terrorism financing and the underlying criminal offences, are as follows (the following list is not exhaustive):

- Further update the IT-system, continue the goAML implementation project regarding the analysis part;
- Continue to fill existing vacancies at the FIU;
- Further implement measures in line with the recommendations as learned from the Curaçao NRA;
- Continue to inform and train the reporting entities with regard to their reporting obligations and reporting in the new system goAML;
- Enhance information sharing on reporting behavior and reporting quality to Supervisory Authorities, for instance by connecting them to the goAML system in order to enable them to filter supervisory information regarding reporting behavior of their supervised entities;
- Broad consultation and innovative partnerships with reporting sectors and with FIUs and AML/CFT supervisors on Curaçao and within the kingdom, for instance by exploring the implementation of a FEC (Financial Expertise Centre);
- Broad consultation and innovative partnerships with judicial chain partners and other information providers, for instance by promoting the use of the FCINet and Match3 functionality by chain partners, and by organizing a Kingdom Seminar for all FIUs and Chain Partner on how to enhance effectivity;
- Further strengthening and facilitating FIU's digital insight function for investigative services and other government services, both for Supervision and Analysis.