



GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO



2019  
Annual  
Report

FINANCIAL INTELLIGENCE UNIT  
OF TRINIDAD AND TOBAGO







GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO



# 2019 Annual Report

FINANCIAL INTELLIGENCE UNIT  
OF TRINIDAD AND TOBAGO







## GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO

FIU Ref: INF/1061/2019/PAO

November 27, 2019

The Honourable Mr. Colm Imbert  
Minister of Finance  
Ministry of Finance  
Level 8  
Eric Williams Finance Building  
Independence Square  
PORT OF SPAIN

Dear Minister,

**RE: LETTER OF TRANSMITTAL**

I have the honour to submit the Annual Report on the operations of the Financial Intelligence Unit of Trinidad and Tobago for the period October 01, 2018 to September 30, 2019.

The Annual Report is submitted in accordance with section 18(1) of the Financial Intelligence Unit of Trinidad and Tobago Act, Chap. 72:01.

Yours sincerely,

Nigel Stoddard  
Director (Ag.)  
Financial Intelligence Unit











## VISION

Our vision is for Trinidad and Tobago to have strong and dynamic financial and business sectors free from money laundering, financing of terrorism and other financial crimes.

## MISSION

To effectively detect and deter money laundering and financing of terrorism, in collaboration with local law enforcement, regulators and international counterparts, thereby contributing towards a safe and stable financial, social and economic environment.



# CONTENTS

---

ENDORSEMENTS.....	X
LIST OF ABBREVIATIONS.....	XII
2019 AT A GLANCE.....	XIV
DIRECTOR'S FOREWORD.....	XV
HIGHLIGHTS 2010 – 2019.....	XVIII
PROLOGUE.....	XX
 <b>CHAPTER I - COMBATTING MONEY LAUNDERING AND THE FINANCING OF TERRORISM.....</b>	 <b>1</b>
The FIUTT.....	1
The Supporting Legislative Regime.....	4
Recent Developments in the AML/CFT Legal Regime.....	4
Additional Measures.....	5
 <b>CHAPTER II – FOSTERING A CULTURE OF COMPLIANCE.....</b>	 <b>6</b>
Compliance for Intelligence.....	6
Compliance Obligations to FIUTT.....	6
Testing AML/CFT/CPF Compliance.....	12
Assistance and Guidance to Entities.....	17
Management of Resources.....	18
 <b>CHAPTER III – FINANCIAL INTELLIGENCE.....</b>	 <b>26</b>
Core Functions.....	26
Attempted Transactions.....	35
Requests for information.....	44
Use of FIUTT's intelligence.....	45

Strategic Analysis.....	46
Achievements of Analysis Division.....	49
<b>CHAPTER IV – STRATEGIC ALLIANCES: CO-OPERATION AND COLLABORATION.....</b>	<b>51</b>
Introduction.....	51
Domestic Co-ordination and Engagement.....	54
International Engagement and Co-operation.....	60
MOUs signed with Foreign FIUs.....	63
Participation in International Fora.....	67
<b>CHAPTER V - RESOURCES AND INFRASTRUCTURE.....</b>	<b>73</b>
Resources.....	73
Information and Technology.....	73
Professional Development.....	80
<b>CHAPTER VI – STRATEGIC PRIORITIES 2019: BUILDING ON STRENGTHS.....</b>	<b>83</b>
Human Resources.....	83
Information Systems and Technology Projections.....	83
Legal Projections.....	84
The Way Forward.....	84
APPENDIX A: LIST OF SUPERVISED ENTITIES AND REPORTING ENTITIES .....	85
APPENDIX B: GENERAL ML/FT SUSPICIOUS INDICATORS .....	87
APPENDIX C: FIUTT ALERT AND ADVISORY NOTICE TO FINANCIAL INSTITUTIONS, LISTED BUSINESSES AND MEMBERS OF THE PUBLIC: RISE IN EMAIL COMPROMISE.....	89
APPENDIX D: NOTICE TO NON-PROFIT ORGANISATIONS ON ANTI-MONEY LAUNDERING/COUNTER FINANCING OF TERRORISM OBLIGATIONS.....	91
GLOSSARY.....	93

# ENDORSEMENTS

---

## Barbados Financial Intelligence Unit

*"The Director and staff of the Barbados FIU take great pleasure in congratulating the Financial Intelligence Unit of Trinidad and Tobago in attaining the milestone of the preparation and dissemination of its tenth Annual Report on its operations.*

*Trinidad and Tobago has the unenviable position of being the first country to be assessed on its AML/CFT framework in each Mutual Evaluation Round. The TT FIU has turned what many may perceive solely as a challenge into a blessing. The Director and staff of the Barbados FIU has benefitted from the guidance and experience of Director Francois and now Director (Ag.) Stoddard in several AML/CFT matters including the implementation of the FATF Recommendations. The TT FIU is therefore a pioneer in the Caribbean region for AML/CFT matters. The Director and staff of the Barbados FIU continue to wish TT FIU every success in the fight against the various manifestations of money laundering, financing of terrorism and proliferation financing. Keep up the great work!"*

**Shelley Nicholls-Hunte**  
Director

## Financial Intelligence Unit of Guyana

*"It gives me great pleasure on behalf of FIU Guyana to acknowledge and thank the FIU of Trinidad and Tobago for its support and partnership with us over the past year. This was evidenced through ongoing exchange of intelligence (both ways) relating to suspected money laundering and financing of terrorism. I commend the FIUTT for the professionalism and efficiency with which our collaboration activities are conducted. The FIUTT, which possesses a lot of highly trained and experienced AML/CFT professionals, has also been a key source of guidance and counsel to the management and staff of FIU Guyana. FIUTT has also come on board as a sponsor for FIU Guyana in our quest to become a member of the Egmont Group of FIUs. We thank you for your expert guidance as we pursue this very important goal of the FIU Guyana and the AML/CFT regime in Guyana. We congratulate FIUTT for its many successes in the fight against Money Laundering and Terrorist Financing in Trinidad and Tobago and the Caribbean Region during 2019. We look forward to further collaboration between our respective units going forward."*

**Matthew Langevine**  
Director



---

## Financial Intelligence Agency of the Turks and Caicos Islands

*“The Financial Intelligence Unit of the Turks and Caicos Islands (FIA-TCI) has had a good working relationship with FIUTT over the years. We have exchanged information regarding investigations of mutual interest and also provided spontaneous disseminations to FIUTT which were found to be useful in advancing local inquiries. FIUTT has produced strategic analysis products which they have willingly shared with FIA-TCI and the wider Caribbean Financial Action Task Force (CFATF) community, that have provided useful insight into Money Laundering and Terrorism specific activities that have an impact on the region. Over the years FIA-TCI has found FIUTT's reports to be useful and informative; and its format easy to follow. We anticipate that the mutual collaboration between our FIUs will continue into the future and congratulate FIUTT on the achievement of the publication of its 10th Annual Report.”*

**Dwayne Baker**  
Director

## Financial Investigation Agency of the British Virgin Islands (FIA-BVG)

*“The Financial Investigation Agency of the Virgin Islands (FIA-VG) wishes to express sincere congratulations to the Financial Intelligence Unit of Trinidad and Tobago (FIUTT) on its 10th Anniversary. The FIUTT has been a worthwhile partner in the fight against Money Laundering and Terrorist Financing.*

*We had considerable interactions over the years including:*

- 1. The FIA acted as a co-sponsor for the FIUTT on behalf of the EGMONT group.*
- 2. The FIUTT has accommodated the staff of the FIA-VG for a two week attachment regarding Supervision of DNFBPs.*

*Best wishes to the FIUTT's future endeavours.*

**Alcedo Fahie**  
Interim Acting Director



# LIST OF ABBREVIATIONS

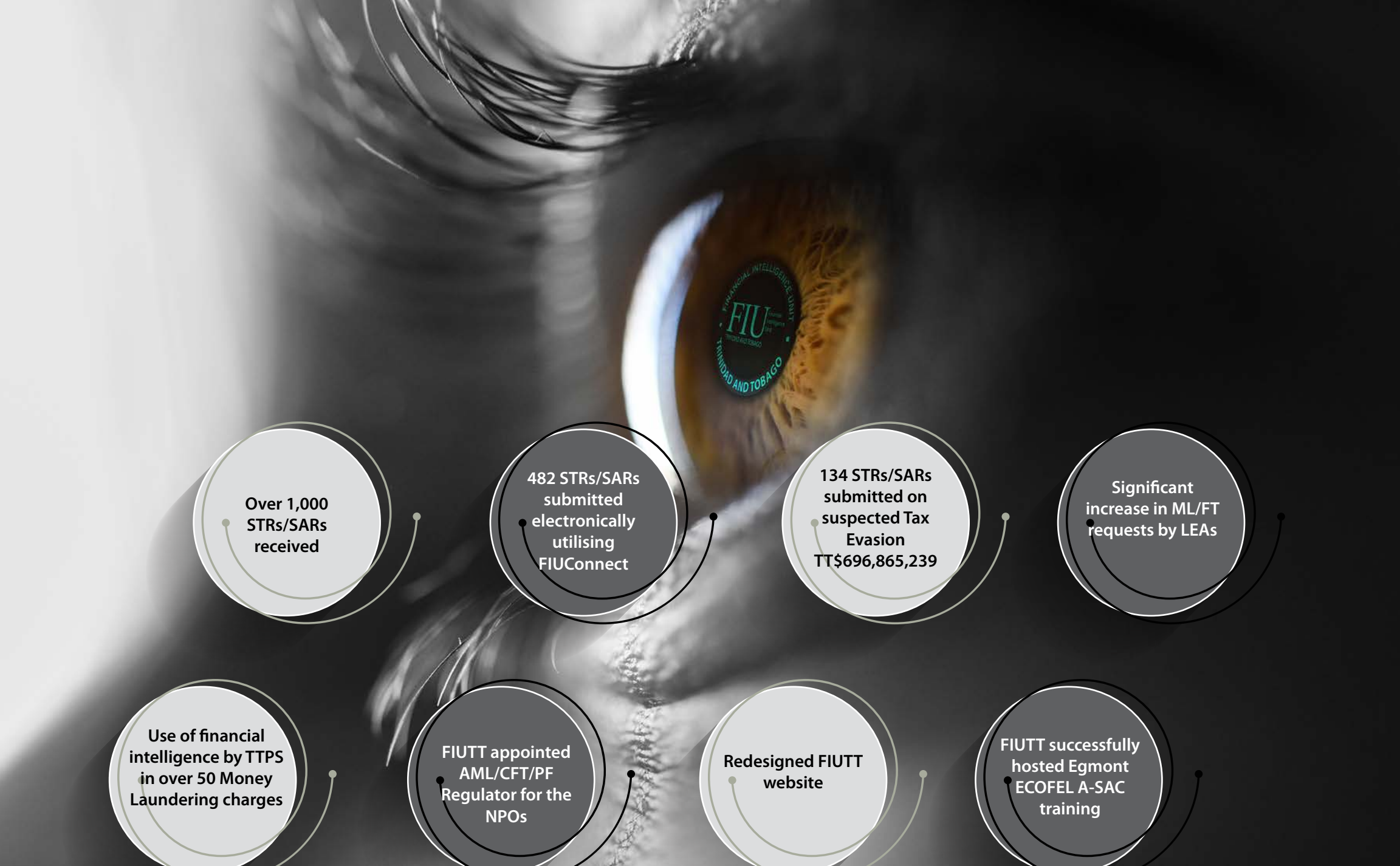
ABBREVIATION	MEANING
AAL	Attorney - at - Law
ACO	Alternate Compliance Officer
AML/CFT	Anti-Money Laundering/Counter Financing of Terrorism
A-SAC	Advanced Strategic Analysis Course
ATA	Anti-Terrorism Act, Chapter 12:07
BIR	Board of Inland Revenue
BOD	Board of Directors
CBTT	Central Bank of Trinidad and Tobago
C&E	Customs and Excise
CFATF	Caribbean Financial Action Task Force
CICAD	Inter-American Drug Abuse Control Commission
CO	Compliance Officer
CPF	Counter Proliferation Financing
CU	Credit Union
DPP	Director of Public Prosecutions
ECOFEL	Egmont Centre of FIU Excellence and Leadership
EFUR	Enhanced Follow-up Report
ESW	Egmont Secured Website
FATF	Financial Action Task Force

ABBREVIATION	MEANING
FI	Financial Institution
FIB	Financial Investigations Branch
FIU	Financial Intelligence Unit
FIUA	Financial Intelligence Unit of Trinidad and Tobago Act, Chapter 72:01
FIUR	Financial Intelligence Unit of Trinidad and Tobago Regulations, 2011
FIUTT	Financial Intelligence Unit of Trinidad and Tobago
FOR	Financial Obligations Regulations, 2010 as amended
FTFs	Foreign Terrorist Fighters
FT	Financing of Terrorism
FUR	Follow Up Report
ICATT	Institute of Chartered Accountants of Trinidad and Tobago
ICT	Information and Communication Technology
IDMS	Intranet and Document Management Solution
IMM	Immigration
ISIL	Islamic State of Iraq and the Levant
IT	Information Technology
JW	Jewellers
KYC	Know Your Customer

ABBREVIATION	MEANING
LB	Listed Business
LEA	Law Enforcement Authority
LEWG	Law Enforcement Working Group
MER	Mutual Evaluation Report
ML/FT	Money Laundering/Financing of Terrorism
ML	Money Laundering
MOU	Memorandum of Understanding
MVS	Motor Vehicle Sales
MVTS	Money or Value Transfer Services
NAMLC	National Anti-Money Laundering and Counter Financing of Terrorism Committee
NPOs	Non-Profit Organisations
NPOA	Non-Profit Organisation Act, No. 7 of 2019
NRA	National Risk Assessment
NRFIs	Non-Regulated Financial Institutions
OAS	Organisation of American States
OFAC	Office of Foreign Asset Control
PEP	Politically Exposed Person
PF	Proliferation Financing

ABBREVIATION	MEANING
PMC	Private Members' Club
POCA	Proceeds of Crime Act, Chapter 11:27
PPSP	Public Private Sector Partnership
QTR	Quarterly Terrorist Property Report
QTR1	Quarterly Terrorist Property Report 1 – Not in possession/control of terrorist property
QTR2	Quarterly Terrorist Property Report 2- In possession/control of terrorist property
RBA	Risk Based Approach
SOP	Standard Operating Procedure
STR/SAR	Suspicious Transaction Report/ Suspicious Activity Report
TFS	Targeted Financial Sanction
TTPS	Trinidad and Tobago Police Service
TTSEC	Trinidad and Tobago Securities and Exchange Commission
UN	United Nations
UNODC	United Nations Office on Drugs and Crime
VASP	Virtual Asset Service Provider





Over 1,000  
STRs/SARs  
received

482 STRs/SARs  
submitted  
electronically  
utilising  
FIUConnect

134 STRs/SARs  
submitted on  
suspected Tax  
Evasion  
TT\$696,865,239

Significant  
increase in ML/FT  
requests by LEAs

Use of financial  
intelligence by TTPS  
in over 50 Money  
Laundering charges

FIUTT appointed  
AML/CFT/PF  
Regulator for the  
NPOs

Redesigned FIUTT  
website

FIUTT successfully  
hosted Egmont  
ECOFEL A-SAC  
training

## 2019 AT A GLANCE

# DIRECTOR'S FOREWORD

---

I am pleased to present the 2019 Annual Report of the Financial Intelligence Unit of Trinidad Tobago (FIUTT). This is the Tenth Annual Report of the FIUTT and the ninth year of the FIUTT's establishment since 2010. This report covers the period from October 1, 2018, to September 30, 2019.

The FIUTT is the leading intelligence gathering agency in Trinidad and Tobago. It is responsible for the receipt of financial intelligence and information, analysis of information and the dissemination of intelligence reports to competent authorities. The FIUTT facilitates domestic stakeholder networking, information exchange, and provides assistance to our partner agencies. Stakeholder networking ensures that our intelligence and information contribute towards successful investigation and prosecution of money laundering and financing of terrorism offences, and also, the successful restraining, confiscating and forfeiture of proceeds of crime.

There were many accomplishments achieved by the FIUTT during this year, notwithstanding several challenges related to resources. This year saw a significant increase in requests made by Law Enforcement Authorities (LEAs) for use of financial intelligence in conducting their investigations. There were some human resource constraints; the staff was consistent and determined notwithstanding those constraints in human resources.

The FIUTT was assessed as being fully Compliant (C) with FATF Recommendation 29, which is the technical compliance assessment for Financial Intelligence Units (FIUs). This was the finding of the Experts in Trinidad and Tobago's 3<sup>rd</sup> Enhanced Follow-up Report. This is a monumental achievement that could not be accomplished without the hard work and dedication of the FIUTT staff over the years. It should be noted, that the FIUTT was rated non-compliant (NC) in Trinidad and Tobago's 3<sup>rd</sup> MER (2005) and in the 4<sup>th</sup> MER conducted in 2015, the FIUTT improved significantly to a rating of Largely Compliant (LC).

## Suspicious Transaction/Activity Report Analysis

For the second consecutive year, the number of Suspicious Transaction Reports/ Suspicious Activity Reports (STRs/SARs) received by the FIUTT exceeded 1,000. The FIUTT received a total of 1,019 STRs/SARs which represented a minimal decrease of 7% over the 1,100 STRs/SARs received in the previous reporting period. The most active Reporting Entities continued to be Banks and Money Value Transfer Services (MVTs), accounting for 82% of the total STRs/SARs received. The FIUTT has noted an overall increase in STRs/SARs submitted by Co-operative Societies, Real Estate and Jewellers sectors. The total monetary value of the STRs/ SARs (completed and attempted) was approximately TT\$1.7 Billion.

In this reporting period, the FIUTT received 97 STRs/SARs on suspected Financing of Terrorism (FT) compared to 167 in the previous reporting period. This represents a 42% decrease of FT related STRs/SARs, which can be attributable to the decline of the Islamic State of Syria and Iraq's (ISIS) territorial stronghold in Syria.

The FIUTT received 134 STRs/SARs on suspected Tax Evasion as compared to only 75 in the previous reporting period, which represents a 79% increase of Tax Evasion related STRs/SARs. 30% of the Subjects reported in the Tax Evasion STRs/SARs were Non-Nationals. Suspected tax evasion STRs/SARs accounted for TT\$696,865,239 (39%) of the total monetary value, TT\$1.7 Billion of STRs/SARs submitted. This represented an increase of over TT\$595 Million, from the previous reporting year.

## Use of Financial Intelligence

The FIUTT received 221 requests for financial intelligence on 636 subjects from Law Enforcement Authorities (LEAs) in 2019, as compared to the 174 requests on 565 subjects that were received in the previous reporting period. This represents a

---

27% increase in the number of requests for investigations into Money Laundering (ML)/FT. In this reporting period, the FIUTT provided useful financial intelligence that assisted the Trinidad and Tobago Police Service (TTPS) and the Customs and Excise Division in their investigations, charges and prosecution of ML matters. The TTPS proffered over 50 ML charges while the Customs and Excise proffered charges for violations under the Customs Act.

## Compliance Supervision

In accordance with Section 4(1)(a) of the Non-Profit Organisations Act (NPOA), the FIUTT is now the Anti-Money Laundering, Counter Financing of Terrorism and Proliferation Financing (AML/CFT/PF) Regulator for NPOs with a gross annual income exceeding five hundred thousand dollars (TT\$500,000.00). In order to bring this new sector under the AML/CFT/PF regime, using a risk-based approach, the FIUTT hosted several sensitisation sessions for the NPO sector on the risks faced by the sector. Additionally, the FIUTT has published a Guidance Note and a Notice for the NPO sector.

During this reporting period, 1,676 compliance professionals and other stakeholders participated in 20 seminars, which incorporated a workshop component where trends and typologies in ML/FT/Proliferation Financing (PF) cases were examined.

## Secure Online Reporting

The FIUTT implemented and operationalised its secure online e-reporting and case management solution (FIUConnect). FIUConnect has streamlined a number of manual processes and enable the intelligence analysts to develop clearer intelligence reports and link charts electronically. Utilising FIUConnect, Reporting

Entities submitted 482 STRs/SARs during this reporting period. FIUConnect will provide a platform which will further enhance the exchange of information between the FIUTT and Reporting Entities, Supervisory Authorities, Intelligence Agencies and LEAs.

## International Co-operation

Given the global nature of ML/FT and the futility of attempting to fight ML/FT only on the domestic level, the FIUTT in this reporting period saw substantial increases in both incoming and outgoing requests from, and to, foreign competent authorities. There was a 38% increase in requests for financial intelligence from foreign FIUs and LEAs. Similarly, the FIUTT increased its request to foreign authorities for financial intelligence to 41% over the previous reporting period.

FIUTT contributed to the activities of the Egmont Group by presenting, participating and co-hosting the Egmont Group/ECOFEL Advance Strategic Analysis Course (A-SAC) which was held in Port of Spain, Trinidad and Tobago. The A-SAC course was the first of its kind and was held in collaboration with the Egmont/ECOFEL, the Financial Transactions and Reports Analysis Centre (FIU of Canada), Financial Crimes Enforcement Network (FIU of the USA), and the FIUTT. This training was attended by 18 experienced Analysts from regional FIUs, to identify ML/FT related trends and patterns in their respective jurisdictions that will assist LEAs, Reporting Entities and policy makers.

It is noteworthy for me to recognise the contribution of Ms. Susan François, who served as Director of the FIUTT from February 2011, which was at the embryo stage of the FIUTT's history. In August 2019, Ms. François's term at the FIUTT officially ended, due to her retirement. The FIUTT is grateful for her long and valuable service to the organisation. Ms. François's contribution to the work of the FIUTT and to



---

Trinidad and Tobago, are too numerous to mention. The part Ms. François played in advancing the work of the FIUTT is covered not only in this report, but the nine previous annual reports. On behalf of the staff and the many stakeholders, both domestic and international, I wish to thank Ms. François for her years of tremendous service and sterling contributions to the FIUTT. We also wish Ms. François all success in her future endeavours.

#### **Looking ahead in 2020:**

- The FIUTT will continue to engage with its key competent authorities and Reporting Entities to combat ML/FT/PF, particularly corruption, human trafficking, drug trafficking, tax evasion and other serious fraud and criminal activities. The FIUTT will ensure that it meets the expectations of the LEAs in our unique role as the primary financial intelligence agency for information exchange.
- The FIUTT will also continue to work closely with the Caribbean Financial Action Task Force (CFATF), Financial Action Task Force (FATF) and the Egmont Group of FIUs, to ensure Trinidad and Tobago's AML/CFT/PF regime is aligned to the international standards.
- The FIUTT will continue to support the implementation of the national security strategy, the national counter-terrorism strategy, the civil asset and unexplained wealth regime and counter-terrorism and its financing framework.

- AML/CFT/PF supervision and monitoring, as well as, compliance examinations and enforcement of the Supervised Entities (including NPOs), will continue in 2019.

I look forward to furthering the valued partnerships with our stakeholders in 2020 and beyond, in order to achieve the FIUTT's vision, *"Our vision is for Trinidad and Tobago to have strong and dynamic financial and business sectors free from money laundering, financing of terrorism and other financial crimes"*.

I would like to thank the staff of the FIUTT who has shown tremendous resilience to efficiently and effectively fulfil the mandate of the FIUTT, despite persisting constraints. I celebrate these efforts and look forward to their continued co-operation in the years ahead. I would also like to thank the LEAs for their continued co-operation and keenness to utilise the financial intelligence provided by the FIUTT in their investigations. Recognition must be given to the Ministry of Finance for the support provided to the FIUTT since its establishment in 2010.

**Nigel Stoddard**  
**Director (Ag)**

# HIGHLIGHTS 2010 - 2019

- STRs/SARs received and analysed;
- intelligence and information disseminated;
- stakeholder training and awareness conducted;
- registration of Reporting Entities;
- onsite examinations conducted;
- website updated;
- dissemination of intelligence and information;
- information sharing with foreign FIUs;
- capacity building;
- compliance; and
- information technology.

- attained membership in Egmont Group of FIUs;
- MOUs signed with foreign FIUs;
- more intelligence reports sent to law enforcement;
- more STRs/SARs filed by Attorneys-at-Law;
- more onsite examinations conducted; and
- directives issued against Listed Businesses for non-compliance.

2010

- formation of the FIUTT;
- STRs/SARs analysed;
- STRs/SARs disseminated;
- establishment of feedback mechanism;
- workshops, seminars and conferences conducted;
- stakeholder training and awareness executed;
- commencement of IT infrastructure;
- creation of FIUTT website;
- establishment of virtual private network;
- dissemination of intelligence and information to law enforcement; and
- information sharing with foreign FIUs.

2011

2012

- more STRs/SARs received from co-operative societies;
- monetary value of STRs/SARs received;
- Standard Operating Procedures developed for analysis;
- typologies involving professionals created;
- more compliance programmes filed;
- commencement of outreach to Tobago;
- enforcement action taken for non-compliance;
- multiply-agency co-operation;
- assistance to foreign FIUs and Law Enforcement Authorities;
- website enhancement;
- e-registration for Supervised Entities; and
- formation of the Law Enforcement Working Group (LEWG).

2013

2014

- High Court Orders obtained;
- more STRs/SARs received from Listed Business and Credit Unions;
- received greater co-operation with Law Enforcement Authorities and Supervisory Authorities;
- Memoranda of Understanding signed with international counterparts;
- increased number of On-Site Examinations; and
- more intelligence reports sent to Law Enforcement Authorities.

- completion of first strategic analysis;
- significant increase in STRs/SARs on suspected financing of terrorism;
- more requests made to foreign FIUs;
- the legislative AML/CFT framework strengthened;
- more STRs/SARs filed by the Listed Business sectors;
- more compliance examinations done; and
- increased registration of Supervised Entities.

- reported TT\$22 Billion in suspicious transactions;
- more STRs/SARs filed on suspected terrorist activities;
- observed trends in real property and motor vehicle insurance fraud;
- more money laundering charges; and
- sharing expertise with foreign FIUs.

- 482 STRs/SARs submitted electronically utilising FIUConnect;
- 134 STRs/SARs submitted on suspected Tax Evasion TT\$696,865,239;
- significant Increase in ML/FT requests by LEAs;
- use of financial intelligence by TTPS in over 50 Money Laundering charges;
- FIUTT appointed AML/CFT/PF Regulator for the NPOs;
- redesigned FIUTT website launched; and
- FIUTT successfully hosted ECOFEL A-SAC training.

2015

2016

2017

2018

2019

- more STRs/SARs filed relating to suspected terrorist activities;
- hosted the EGMONT AML/CFT Supervisory Training Course (ESC);
- more financing of terrorism intelligence reports disseminated;
- commencement of community outreach programmes; and
- increase in national and international collaboration.

- over 1,000 STRs/SARs received;
- more STRs/SARs on suspected terrorist activities;
- acquisition of FIUConnect the secure electronic reporting solution for analytical capability;
- warrants issued to secure AML/CFT compliance; and
- developed case study on a tax avoidance scheme.

# PROLOGUE

---

A summary of the findings in Trinidad and Tobago's 4<sup>th</sup> Round Mutual Evaluation Report (4<sup>th</sup> MER) and update of the Enhanced Follow-up Process.

The 4<sup>th</sup> MER was adopted in November 2015 and published in June 2016 and can be accessed at [www.cfatf-gafic.org](http://www.cfatf-gafic.org). The Mutual Evaluation process consisted of an assessment of two components: technical compliance - whether the country's Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) legal framework meets the international standard of the FATF's 40 Recommendations; and effectiveness - the extent to which the country has achieved eleven Immediate Outcomes (IOs). Trinidad and Tobago was placed in the enhanced follow-up process due to its rating received as non-compliant in two Recommendations, partially compliant in 13 Recommendations and given a low or moderate level of effectiveness for the eleven IOs (see Table B below).

Since then, Trinidad and Tobago has made substantial progress in rectifying the identified deficiencies. In May 2019 Trinidad and Tobago submitted their 3<sup>rd</sup> Enhanced Follow-up Report (3<sup>rd</sup> EFUR) to the CFATF Plenary requesting re-ratings on technical compliance Recommendations. The CFATF Plenary in May 2019, adopted Trinidad and Tobago's 3<sup>rd</sup> EFUR, achieving upgrades in eighteen (18) Recommendations and maintaining ratings in three Recommendations that were recently revised by the FATF. The final results of this progress was published in Trinidad and Tobago's 3<sup>rd</sup> EFUR<sup>1</sup> and technical compliance re-rating on **June 26, 2019** by the CFATF, after ratification by the FATF global community. The 3<sup>rd</sup> EFUR does not address what progress Trinidad and Tobago has made to improve its effectiveness of the IOs.

A summary of Trinidad and Tobago's progress in technical compliance (excerpt pg. 24, para. 202-203) is as follows:

*"202. Overall, Trinidad and Tobago has made good progress in addressing the technical compliance deficiencies identified in its MER and has been re-rated on 18 Recommendations.*

*203. 4 Recommendations remain PC (25, 28, 35 and 38) and none NC. Trinidad and Tobago fully addressed the deficiencies in Recs. 6, 10, 16, 19, 21, 22, 23, 24, 26, 29, 32, 33, 37 and 39 which are re-rated as C. Trinidad and Tobago has also addressed most of the technical compliance deficiencies identified on Recommendations 1, 7, and 40 such that only minor shortcomings remain, and these Recommendations are re-rated as LC. Recommendation 8 is upgraded to PC, Recommendations 5 and 18 maintain the rating of C while Recommendation 2 maintains the rating of LC."*

Table A below represent the overall progress made in 2019, since 2016.

The rating of a low or moderate level of effectiveness in all eleven IOs coupled with a financial sector whose assets exceeded the threshold of US\$ 5Billion, meant that Trinidad and Tobago met the *"prioritisation criteria"* for referral to the FATF International Co-operation Review Group (ICRG). The ICRG monitoring process requires the Americas Joint Group (the Joint Group) to assess the degree and quality of progress made by Trinidad and Tobago through Follow-up Reports (FURs) at specified intervals and face-to-face meetings.

---

<sup>1</sup> <https://www.cfatf-gafic.org/documents/4th-round-follow-up-reports/trinidad-and-tobago-3>

The action plan developed by the Joint Group, which was endorsed by FATF at its October 2017 Plenary contained measures to strengthen the effectiveness of Trinidad and Tobago's AML/CFT regime and to address related technical deficiencies. In particular, the action plan included the following:

- adopting and implementing the relevant measures to enhance international co-operation;
- addressing measures for transparency and beneficial ownership;
- completing the legislative efforts to enhance the processing of Money Laundering charges before the courts;
- taking measures to enhance tracing and confiscation of criminal assets;
- enforcing Financing of Terrorism measures and adopting appropriate measures for NPOs;
- enacting the necessary amendments related to targeted financial sanctions; and
- developing, adopting, and implementing the necessary framework to counter proliferation financing.

Trinidad and Tobago has given a high-level political commitment to work with both FATF and CFATF to strengthen the effectiveness of its AML/CFT regime and to address the remaining identified deficiencies. As at September 2019, Trinidad and Tobago has submitted six progress reports and several updated reports to the Joint Group and attended four face-to-face meetings.

#### Key reforms so far include:

- adopting and implementing the relevant measures to enhance international co-operation;
- addressing measures for transparency and beneficial ownership;
- completing the legislative efforts to enhance the processing of ML charges before the courts;
- taking measures to enhance tracing and confiscation of criminal assets;
- enforcing FT measures and adopting appropriate measures for NPOs;
- enacting the necessary amendments related to targeted financial sanctions; and
- developing, adopting, and implementing the necessary framework to counter proliferation financing.

#### Notable achievements include:

1. The enactment of the **Miscellaneous Provisions (Mutual Assistance in Criminal Matters, Proceeds of Crime, Financial Intelligence Unit of Trinidad and Tobago, Customs and Exchange Control) Act, No. 2 of 2018**, which *inter alia* allows for the Central Authority Unit in the Ministry of the Attorney General and Legal Affairs to process tax requests for other jurisdictions related to criminal offence under tax laws;
2. The enactment of the **Companies (Amendment) Act, No. 6 of 2019**, to address the gaps regarding the adequacy, transparency, accuracy and timeliness of beneficial ownership information;



3. The enactment of the **Miscellaneous Provisions (Mutual Assistance in Criminal Matters, Proceeds of Crime, Financial Intelligence Unit of Trinidad and Tobago, Customs and Exchange Control) Act, No. 2 of 2018**, which *inter alia* makes the offence of money laundering both a summary and indictable offence.
4. The enactment of the **Civil Asset Recovery, Management and Unexplained Wealth Act, No. 8 of 2019** which *inter alia* created measures to enhance tracing and confiscation of criminal assets;
5. The enactment of the **Non-Profit Organisations Act, No. 7 of 2019**, which *inter alia* provides for enforcing FT measures and adopting appropriate measures for NPOs;
6. **The Anti-Terrorism (Amendment) Act, No. 13 of 2018**, provides for several offences for supporting and financing terrorist acts, terrorist and terrorist organisations and travelling to designated terrorist zones and targeted financial sanctions; and
7. **The Economic Sanctions (Implementation of United Nations Resolutions on the Islamic Republic of Iran) Order, 2018 and The Economic Sanctions (Implementation of United Nations Resolutions on the Democratic People's Republic of Korea) Order, 2018** allows for developing, adopting, and implementing the necessary framework to counter proliferation financing.

Trinidad and Tobago's progress has been recognised by FATF which in June 2019 published the following commentary:

*"Since November 2017, when Trinidad and Tobago made a high-level political commitment to work with the FATF and CFATF to strengthen the effectiveness of its AML/CFT regime and address any related technical deficiencies, Trinidad and Tobago has taken steps towards improving its AML/CFT regime, including by proclaiming laws on NPO supervision and civil asset recovery...."*

The publication concluded by encouraging Trinidad and Tobago to continue to work on implementing its action plan to address its strategic deficiencies.

A Trinidad and Tobago delegation met face-to-face and submitted a progress report to the Joint Group in September 2019<sup>2</sup>. The Joint Group assessment is that Trinidad and Tobago has made sufficient progress in addressing the identified AML/CFT deficiencies, and recommended to the FATF ICRG an on-site assessment be conducted by the Joint Group in the first quarter of 2020.

The 4<sup>th</sup> MER and the 3<sup>rd</sup> FUR can be found at [www.cfatf-gafic.org](http://www.cfatf-gafic.org)

---

<sup>2</sup> The FATF Plenary was held in October 2018 which is outside the reporting period of this Annual Report. However, the FATF agreed that Trinidad and Tobago has taken steps towards improving its AML/CFT regime, including by enacting amendments to its Anti-Terrorism Act and legislation on criminal justice reforms which will speed up consideration of ML cases in courts and encouraged Trinidad and Tobago to continue work on implementing its action plan to address its strategic deficiencies

**TABLE A**  
**TECHNICAL COMPLIANCE RATINGS**

<b>R.1</b> Assessing risks & applying a risk- based approach	<b>R.2</b> National co-operation and co-ordination	<b>R.3</b> Money Laundering offence	<b>R.4</b> Confiscation and provisional measures	<b>R.5</b> Terrorist financing offence	<b>R.6</b> Targeted financial sanctions related to terrorism & terrorist financing
<b>LC</b>	<b>LC</b>	<b>LC</b>	<b>LC</b>	<b>C</b>	<b>C</b>
<b>R.7</b> Targeted financial sanctions related to proliferation	<b>R.8</b> Non-profit organisations	<b>R.9</b> Financial institution secrecy laws	<b>R.10</b> Customer due diligence	<b>R.11</b> Record Keeping	<b>R.12</b> Politically exposed persons
<b>LC</b>	<b>PC</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>
<b>R.13</b> Correspondent banking	<b>R.14</b> Money or value transfer services	<b>R.15</b> New technologies	<b>R.16</b> Wire transfers	<b>R.17</b> Reliance on third parties	<b>R.18</b> Internal controls and foreign branches and subsidiaries
<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>
<b>R.19</b> Higher-risk countries	<b>R.20</b> Reporting of suspicious transaction	<b>R.21</b> Tipping-off and confidentiality	<b>R.22</b> DNFBPs: Customer due diligence	<b>R.23</b> DNFBPs: Other measures	<b>R.24</b> Transparency and beneficial ownership of legal persons
<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>

**TABLE A (Continued)**  
**TECHNICAL COMPLIANCE RATINGS**

<b>R.25</b> Transparency and beneficial ownership of legal arrangements	<b>R.26</b> Regulation and supervision of financial institutions	<b>R.27</b> Powers of supervisors	<b>R.28</b> Regulation and supervision of DNFBPs	<b>R.29</b> Financial intelligence units	<b>R.30</b> Responsibilities of law enforcement and investigative authorities
<b>PC</b>	<b>C</b>	<b>LC</b>	<b>PC</b>	<b>C</b>	<b>C</b>
<b>R.31</b> Powers of law enforcement and investigative authorities	<b>R.32</b> Cash couriers	<b>R.33</b> Statistics	<b>R.34</b> Guidance and feedback	<b>R.35</b> Sanctions	<b>R.36</b> International instruments
<b>LC</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>PC</b>	<b>LC</b>
<b>R.37</b> Mutual legal assistance	<b>R.38</b> Mutual legal assistance: freezing and confiscation	<b>R.39</b> Extradition	<b>R.40</b> Other forms of international co-operation		
<b>C</b>	<b>PC</b>	<b>C</b>	<b>LC</b>		

**R** = RECOMMENDATION; **C** = COMPLIANT; **LC** = LARGELY COMPLIANT; **PC** = PARTIALLY COMPLIANT; **NC** = NON COMPLIANT

**TABLE B**  
**EFFECTIVENESS LEVEL RATINGS**

<b>IO.1</b> Risk, policy and co-ordination	<b>IO.2</b> International co-operation	<b>IO.3</b> Supervision	<b>IO.4</b> Preventive measures	<b>IO.5</b> Legal persons and arrangements	<b>IO.6</b> Financial intelligence
<b>Moderate</b>	<b>Moderate</b>	<b>Moderate</b>	<b>Moderate</b>	<b>Moderate</b>	<b>Moderate</b>
<b>IO.7</b> ML Investigation and Prosecution	<b>IO.8</b> Confiscation	<b>IO.9</b> FT investigation & prosecution	<b>IO.10</b> FT preventive measures & financial sanctions	<b>IO.11</b> PF financial sanctions	
<b>Low</b>	<b>Low</b>	<b>Low</b>	<b>Low</b>	<b>Low</b>	





ISSUED IN ACCORDANCE WITH THE CENTRAL BANK ACT CHAPTER 82:01, SERIES 2018

ONE HUNDRED DOLLARS

CENTRAL BANK OF TRINIDAD AND TOBAGO

100

GOVERNOR  
AS359243



# CHAPTER I – COMBATTING MONEY LAUNDERING AND THE FINANCING OF TERRORISM

---

## 1. THE FIUTT

In compliance with Recommendation 29 of the FAFT's Recommendations, **the Financial Intelligence Unit of Trinidad and Tobago Act, Chap. 72:01 as amended (FIUA)** established the Financial Intelligence Unit of Trinidad and Tobago (FIUTT) which sets out the powers and functions of the FIUTT. See Diagram 1 below.

The FIUTT is a department within the Ministry of Finance, with its own office, resources and staff. It is an administrative type FIU specialised in intelligence gathering and analysis. The FIUTT does not have investigative powers to arrest and charge suspects or restrain properties. The FIUTT also does not have a prosecutorial role. The FIUTT's role as a financial intelligence body in Trinidad and Tobago has become an integral part and contributor to LEAs in them successfully investigating and prosecuting money laundering, financing of terrorism and other related crimes.

The FIUA was most recently amended by the **Miscellaneous Provisions (Proceeds of Crime, Anti-Terrorism and Financial Intelligence Unit of Trinidad and Tobago) Act No. 20 of 2018**. This amendment addresses the incorrect section and regulation quoted in the FIUA for suspicious transaction/activity report for Reporting Entities.

The FIUTT's powers and functions are further set out in the subsidiary legislation, the **Financial Intelligence Unit of Trinidad and Tobago Regulations, 2011 (FIUR)** as amended by **Legal Notice 403 of 2014** and the **Miscellaneous Provisions (Mutual Assistance in Criminal Matters, Proceeds of Crime, Financial Intelligence Unit of Trinidad and Tobago, Customs and Exchange Control) Act No. 2 of 2018**.

### Structure of the Organisation:

The approved staff establishment comprises of 49 officers. For efficiency, the FIUTT is organised into three layers: Executive, Operational and Support. See Diagram 2 below. A brief description of the three layers are as follows:

#### Executive:

- **Director**  
**Appointment:** By the Public Service Commission.  
**Functions:** Responsible for the overall operations of the Unit.
- **Deputy Director**  
**Appointment:** By the Public Service Commission.  
**Functions:** Supports in the overall operations of the Unit.

#### Operational:

- **Analysis Division**  
**Functions:** Responsible for the analysis of suspicious transaction reports, dissemination of intelligence reports, strategic analysis reports and international cooperation.
- **Compliance and Outreach Division**  
**Functions:** Ensures compliance with the AML/CFT laws by Supervised Entities.

- **Legal Division**  
**Functions:** Advises on legal matters and manages the enforcement aspects of the Unit's functions.

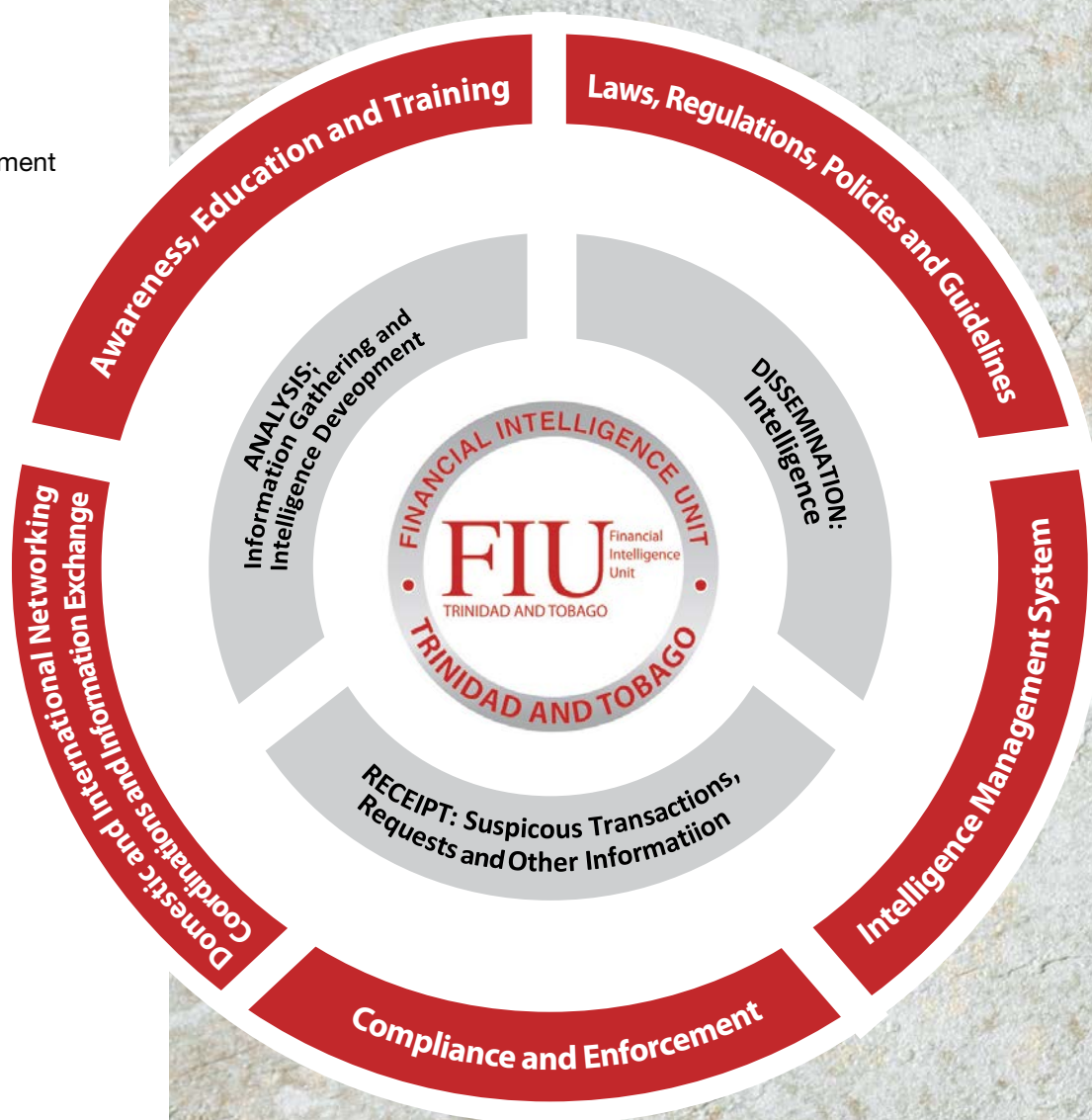
Support:

- **Administrative Division**  
**Functions:** Responsible for all the Unit's administrative functions.
- **Information and Technology Division**  
**Functions:** Responsible for all the Unit's software, electronic equipment computer and security systems.

Diagram 1 illustrates the role of the FIUTT.

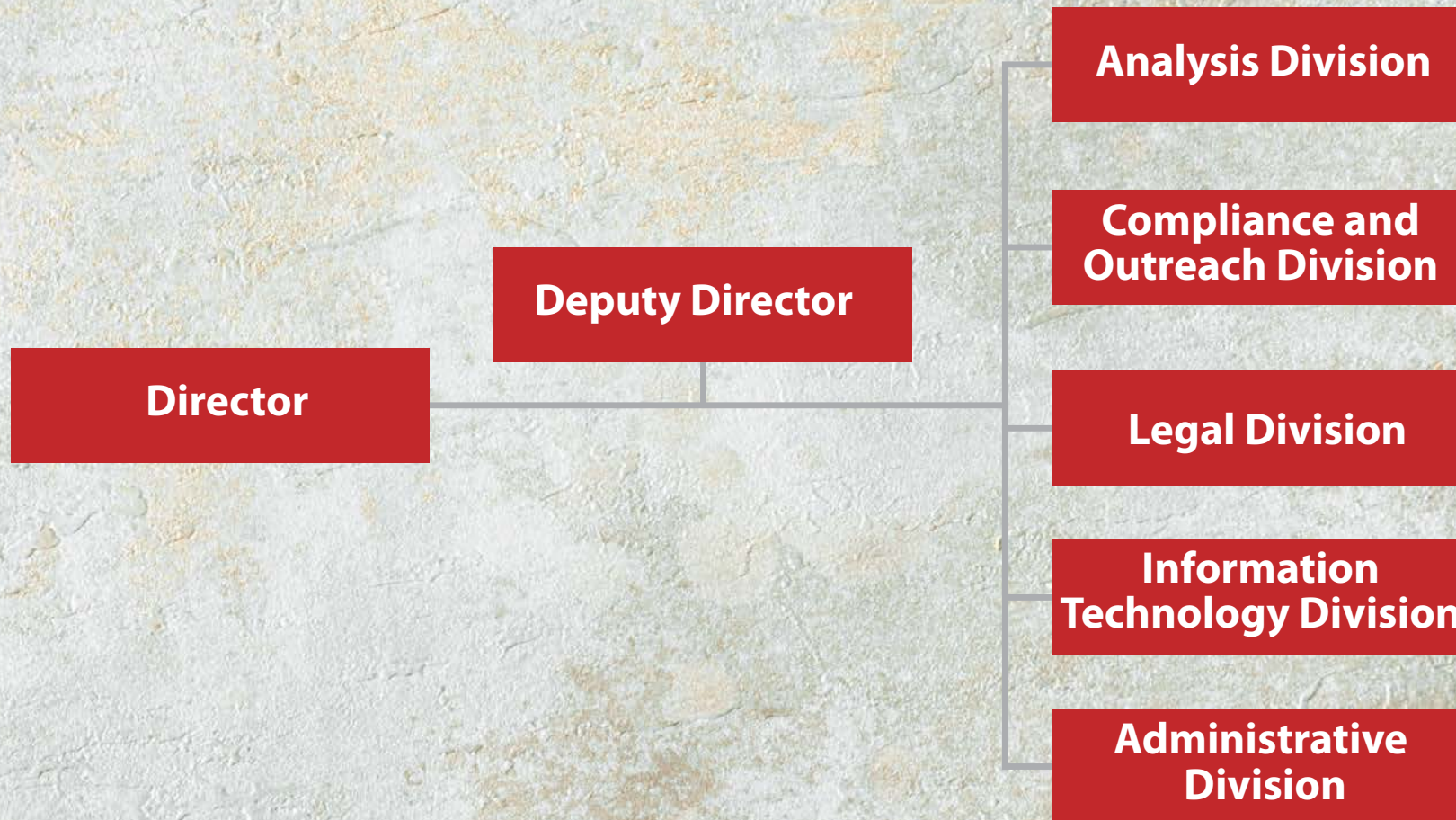
Diagram 2 shows the FIUTT's organisational structure.

**DIAGRAM 1**  
**ROLE OF THE FIUTT**





**DIAGRAM 2**  
**FIUTT'S ORGANISATIONAL STRUCTURE**





## 2. THE SUPPORTING LEGISLATIVE REGIME

Apart from the FIUA and the FIUR, the current Anti Money Laundering/Counter Financing of Terrorism (AML/CFT) legislative framework comprises the **Proceeds of Crime Act, Chap. 11:27 as amended (POCA)** and the **Anti-Terrorism Act, Chap. 12:07 as amended (ATA)** and associated regulations.

- **The POCA** establishes procedures for the confiscation of proceeds of crime and for the criminalising of money laundering. Furthermore, established under **section 56 of the POCA, the Financial Obligations Regulations, 2010 (FOR)** contains the AML/CFT measures and procedures which Reporting Entities must implement to enable them to deter and detect Money Laundering (ML) and to report suspicious transactions and/or activities to the FIUTT.
- **The ATA** criminalises terrorism and provides for the detection, prevention, prosecution, conviction and punishment of terrorist acts, Financing of Terrorism (FT) and for the confiscation, forfeiture and seizure of terrorists' assets. Furthermore, **the Financial Obligations (Financing of Terrorism) Regulations, 2011** was made under **section 41 of the ATA**. These Regulations ensure that the obligations stipulated under the FORs for ML apply equally to FT.

## 3. RECENT DEVELOPMENTS IN THE AML/CFT LEGAL REGIME

In May 2018 **the POCA** was amended by the **Miscellaneous Provisions (Mutual Assistance in Criminal Matters, Proceeds of Crime, Financial Intelligence Unit of Trinidad and Tobago, Customs and Exchange) Act No. 2 of 2018** which inter alia makes the offence of money laundering both a summary, and, an indictable offence. Additionally, in December 2018 **the POCA** was amended by the **Miscellaneous Provisions (Proceeds of Crime, Anti-Terrorism and Financial Intelligence Unit of Trinidad and Tobago) Act No. 20 of 2018** to inter alia strengthen the tipping off provisions by expanding the offence for tipping off to include anyone who discloses information or any other matter which is likely to

prejudice the filing of a STR/SAR. It also imposes a penalty on public officers for tipping off that is likely to prejudice an investigation or proposed investigation. **The POCA** was also most recently amended to make Non-profit organisations a listed business under the First Schedule of the POCA.

The FORs was amended by **Legal Notice No. 73 the Financial Obligations (Amendment) Regulations, 2019** which made amendments relative to Reporting Entities ensuring safeguards are in place for the exchange of information to prevent tipping off. Also the amendments strengthened the collection of information on the identity of the beneficiary or class of beneficiaries and verification of this information where available.

**The ATA** was strengthened by **Act No. 13 of 2018** which created several new offences, including providing property or making available property to commit a terrorist act, recruiting a person to participate in the commission of a terrorist act and knowingly agreeing to provide instruction or training for the purpose of engaging in a terrorist act. The amendment also increased the penalties for committing a terrorist act.

Furthermore, in December 2018 **the ATA** was amended by the **Miscellaneous Provisions (Proceeds of Crime, Anti-Terrorism and Financial Intelligence Unit of Trinidad and Tobago) Act No. 20 of 2018**, which established the Anti-Terrorism Unit in the Ministry of the Attorney General and Legal Affairs to carry out the responsibilities of the Attorney General pursuant to the ATA.

In December 2018, **the Economic Sanctions (Implementation of United Nations Resolutions on the Democratic People's Republic of Korea) Order, 2018** was made under section 4(1) of the Economic Sanctions Act, Chap 81:05 for the purpose of suppressing the financing of proliferation of weapons of mass destruction by providing for the implementation of targeted financial sanctions on Korea. In similar vein, **the Economic Sanctions (Implementation of United Nations Resolutions on the Islamic Republic of Iran) Order, 2018** was also made under section 4(1) of the Economic Sanctions Act, Chap 81:05 for the purpose of suppressing the financing of proliferation of weapons of mass destruction by providing for the implementation of targeted financial sanctions on Iran.

Resolutions passed in March 2019, stipulated that the Order for the Democratic People's Republic of Korea shall remain in force until such time as it is revoked, while the Islamic Republic of Iran Order in some clauses, the life of the Order was extended from October 2020 to 2025 and the remaining clauses shall remain in force until such time as it is revoked.



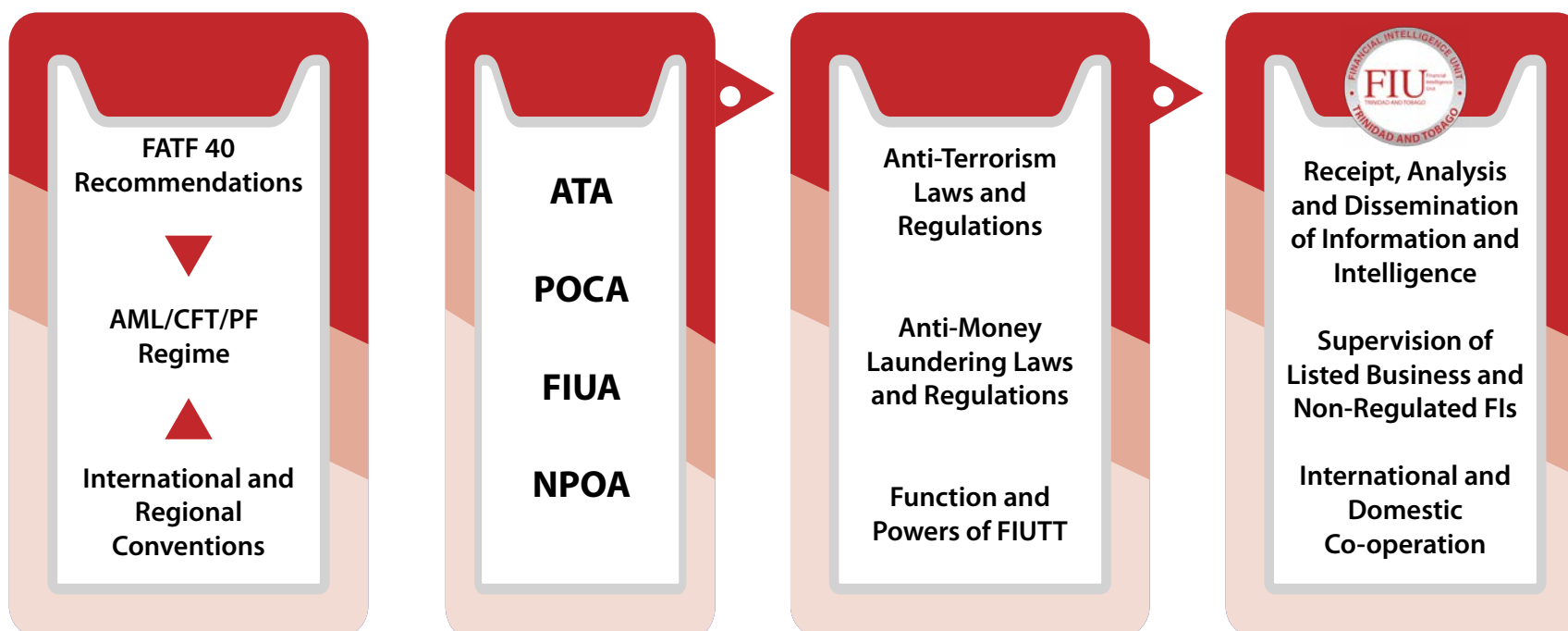
## 4. ADDITIONAL MEASURES

In this reporting period, a range of legislative and administrative actions were taken to bolster the AML/CFT regime including:

- the Income Tax (Amendment) Act, No. 18 of 2018;
- the amendment of the Companies Act by the Companies (Amendment) Act, No. 6 of 2019;
- the enactment of the Non-Profit Organisations Act, No. 7 of 2019;
- the Civil Asset Recovery and Management and Unexplained Wealth Act, No. 8 of 2019;
- the Miscellaneous Provisions (Financial Institutions, Securities and Insurance) Act, 2019; and
- Miscellaneous Provisions (Registrar General, Registration of Deeds, Conveyancing and Law of Property, Real Property, Stamp Duty and Registration of Title to Land) Bill, 2019.

Diagram 3 below illustrates the AML/CFT legal framework.

**DIAGRAM 3  
ESTABLISHMENT AND LEGAL FRAMEWORK**



## CHAPTER II – FOSTERING A CULTURE OF COMPLIANCE

---

### 1. COMPLIANCE FOR INTELLIGENCE

ML, FT and the financing of proliferation of weapons of mass destruction threatens the stability and integrity of the financial system not only of Trinidad and Tobago, but of the world. Financial intelligence continues to be pivotal to combatting these crimes and disrupting criminal networks. The FIUTT relies on financial intelligence and information to provide local and international competent authorities with intelligence to initiate and supplement ongoing investigations. Therefore, the success of the FIUTT is dependent on Financial Institutions (FIs) and Listed Businesses (LBs) implementation of effective AML/CFT/Counter Proliferation Financing (CPF) compliance systems. The AML/CFT/CPF system should include adequate customer due diligence, transaction monitoring, source of funds, record keeping and effective reporting mechanisms.

One of the core functions of the FIUTT is the supervision of Non-regulated Financial Institutions (NRFIs) and LBs (collectively called Supervised Entities). As the Supervisory Authority for Supervised Entities, the FIUTT administers a comprehensive risk based supervision regime, for monitoring the activities of 3027 Supervised Entities to ensure:

- compliance with the AML/CFT/CPF laws of Trinidad and Tobago; and
- the existence of effective systems to deter and detect ML/FT/Proliferation Financing (PF).

In the past years, the FIUTT made several adjustments to strengthen its capacity to effectively supervise with the available resources. The total registrants increased by 105% over the last nine years and as such supervision strategies needed to become more risk focused.

Diagram 4 illustrates the key elements of the FIUTT supervisory functions which are further detailed in this chapter.

### 2. COMPLIANCE OBLIGATIONS TO FIUTT

The FIUTT supervises over 3,000 entities performing activities from 15 sectors. The 15 sectors comprise those listed on the First Schedule of the POCA as well as, NRFIs (Co-operatives, Money Value Transfer Services (MVTs) and Building Societies) and NPOs. It must be noted, that during this reporting period, the FIUTT was made the AML/CFT/CPF supervisor for NPOs with a gross annual income exceeding five hundred thousand dollars.

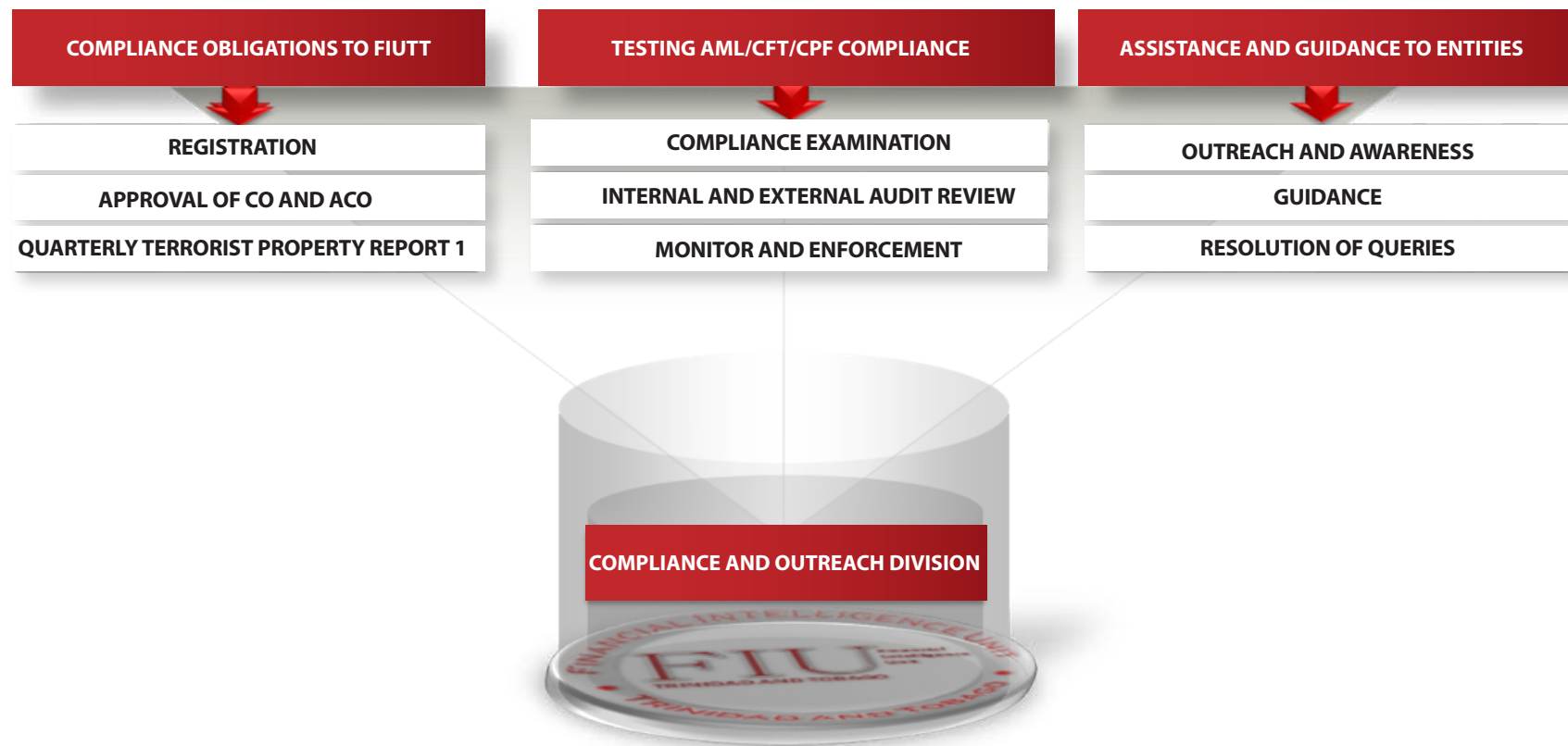
#### i. Registrations

With the exception of NPOs, it is mandatory for Supervised Entities to register within three months of commencing business activity or upon incorporation under the laws of Trinidad and Tobago. FIUTT observed a general compliance with this obligation based on the consistent annual increase in registrations. During the reporting period, 345 entities registered with the FIUTT. This represents a 15% increase from the previous year of 301 registrants. The total number of entities under the FIUTT's supervision as at September 30, 2019 is 3027.

Both Real Estate and Attorney-at-Law (AAL) sectors continue to contribute the largest increase in registrants. Notwithstanding the ongoing FIUTT's surveillance, co-operation with governmental agencies and enforcement action, the increase in registrants in these high risk sectors is an indication of:

- i. growth in the number of individuals and businesses entering those sectors;
- ii. heightened awareness by the business community;
- iii. enforcement actions taken by the FIUTT; and
- iv. enhanced due diligence measures by the banking sector.

**DIAGRAM 4**  
**SUPERVISORY FUNCTIONS OF THE COMPLIANCE AND OUTREACH DIVISION**





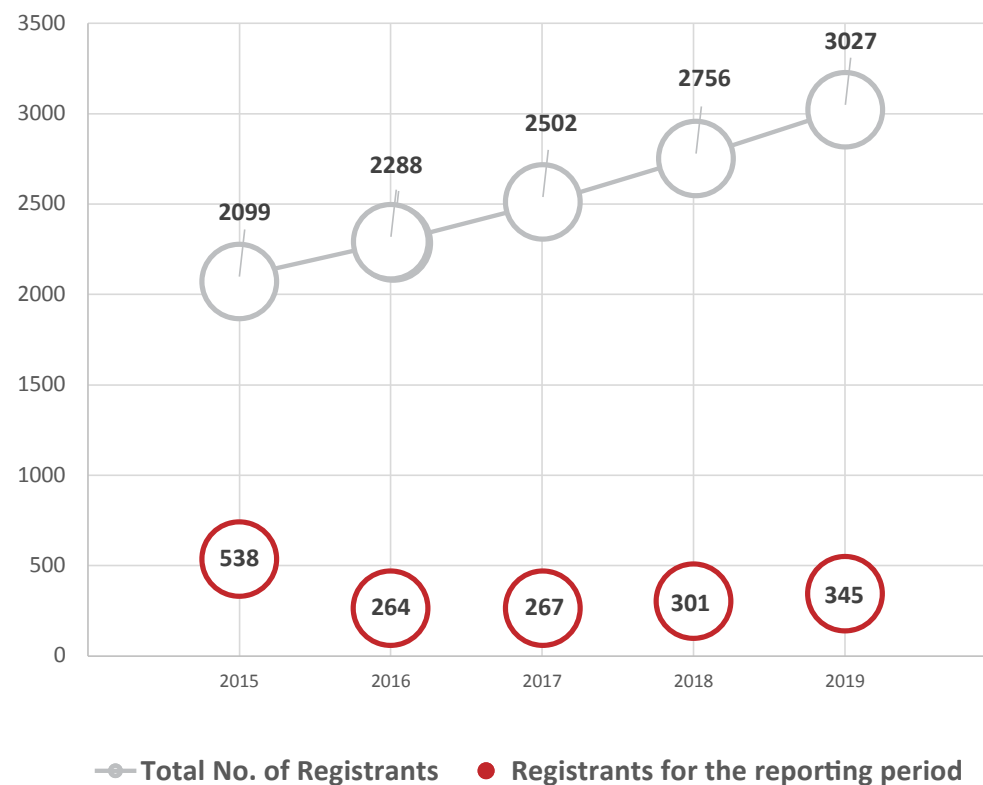
Supervised Entities that are no longer performing the required functions continue to de-register from under the FIUTT's AML/CFT supervision. In this reporting period, 75 Supervised Entities submitted this written declaration and thus were removed from the FIUTT's List of Registrants and added to the list of De-registered Entities.

Over the period 2015 - 2019, de-registrations have been constant at an average rate of 4.7% of total registrants compared to the average rate of new registrants, which is 17% for the same period. Therefore, there has been an average net increase of 13% in total registrants.

The FIUTT in accordance with its legal obligation, continues to maintain the List of Registrants and De-registrants. The lists are updated quarterly and published on the FIUTT's website. Both lists continue to be a useful reference tool to FIs and LBs, as well as, other AML/CFT regulators and LEAs in conducting their due diligence procedures.

Diagram 5 illustrates the total number of registrants annually and the total number at the end of each reporting period for the past five years.

**DIAGRAM 5**  
**TOTAL REGISTRANTS PER REPORTING PERIOD AND TOTAL REGISTRANTS FROM 2015 TO 2019**



## ii. AML/CFT/CPF Supervision of Non-Profit Organisations

FIUTT operates in a dynamic and constantly changing environment. Further to the 4th MER, Trinidad and Tobago introduced new and amended legislation in order to satisfy the requirements of FATF's Recommendation 8 and Immediate Outcome 10. The NPOA was assented to on April 23, 2019.

The FIUTT is now the AML/CFT/CPF Regulator of NPOs with a gross annual income exceeding five hundred thousand dollars (TT\$500,000.00) in accordance with section 4(1) (a) of the NPOA. To effectively supervise the NPO sector, the FIUTT works together with the Registrar General's Department in the Ministry of the Attorney General and Legal Affairs (AGLA) which is responsible for the registration of the NPOs in accordance with Section 5(3) of the NPOA.

The FIUTT continues to work closely with partner agencies and stakeholder groups to assist NPOs in complying with their AML/CFT/CPF legal obligations. This collaboration and sharing of information ensures that the sector is supervised on the basis of risk and produces more effective outcomes for Trinidad and Tobago. In this reporting period, the FIUTT published a Notice to NPOs on AML/CFT/CPF obligations and an AML/CFT/CPF Guidance Note for NPOs.

## iii. Approval of the Compliance and Alternate Compliance Officers

The Compliance Officer (CO) plays a key role in effectively implementing the AML/CFT/CPF regime of their respective entities. The CO is the official liaison between the FIUTT and the Supervised Entity to facilitate secure reporting to the FIUTT and the exchange of sensitive and confidential information. It is therefore imperative that entities appoint persons who possess the highest levels of integrity and competence to effectively execute their legal functions, which include:

- implementing and monitoring AML/CFT/CPF procedures and controls;
- ensuring the entity is compliant with AML/CFT/CPF legislation;
- receiving and analysing internal suspicious activity reports submitted by staff to determine whether a report should be submitted to the FIUTT;
- reporting to the FIUTT whether or not the entity is in possession of terrorist funds or property; and

- maintaining records to comply with requests from the FIUTT, LEAs and other Competent Authorities.

According to Regulation 4(2) of the FORs, the FIUTT has the authority to approve the CO and Alternate Compliance Officer (ACO) appointed by directors/senior management of Supervised Entities. The approval process for COs and ACOs is meticulous and includes the following activities:

- conducting background checks;
- verification of identity;
- assessment of relevant AML/CFT training;
- verification of the applicant's position within the entity; and
- other relevant information.

These measures have been implemented primarily to prevent criminals or their associates from operating in this significant position.

ML/FT/PF trends are continually evolving as criminals find more creative ways to commit and fund their illicit activities. The AML/CFT/CPF legislation is a national counter measure to illicit activities. Every Supervised Entity therefore, has an obligation to provide the CO with ongoing AML/CFT/CPF training to ensure that COs are well equipped to effectively execute their role. This requirement also applies to the ACO who discharges the AML/CFT/CPF functions in the absence of the CO.

In this reporting period, the FIUTT received and processed 418 applications for the approval of designated COs and ACOs. This represents a 72% increase from the previous reporting period. This significant increase can be attributed to the FIUTT's continued monitoring of Supervised Entities. The following actions were adopted:

- sensitising Supervised Entities on the importance of the role and functions of the CO and ACO; and
- written notification to non-compliant entities advising them of their obligation to designate a CO and ACO and seek the FIUTT's approval including:
  - o email communication;
  - o feedback from compliance examinations; and
  - o enforcement actions.

Of the CO and ACO applications received and processed, 315 were approved. During the initial stages of processing the applications received, the FIUTT observed applications were either submitted in error, were incomplete or pending further documentation. In such cases the Supervised Entities were advised accordingly.

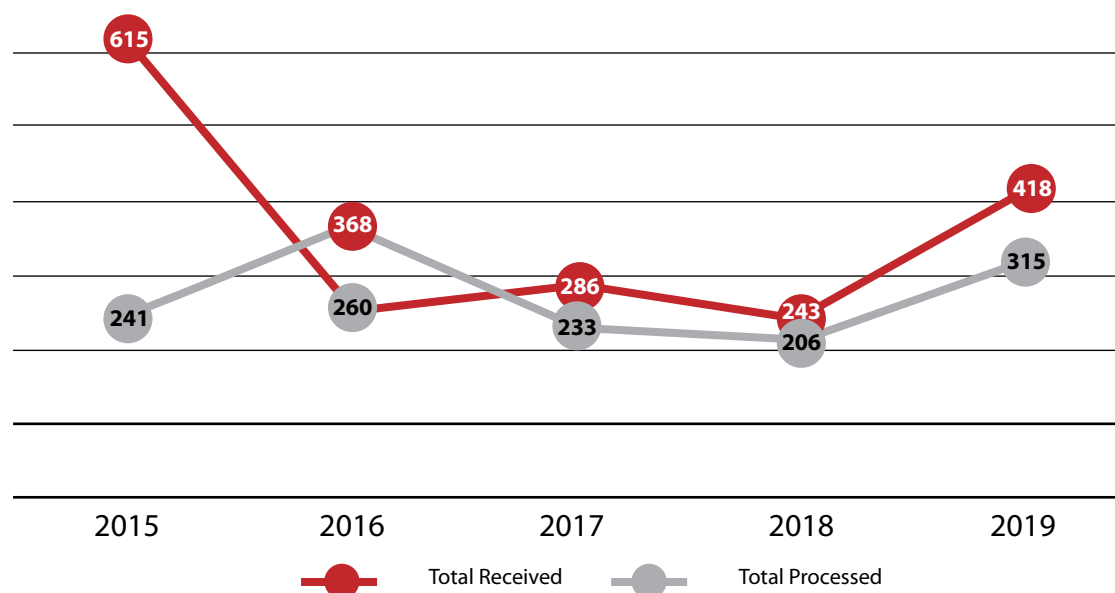
Diagram 6 illustrates CO and ACO applications received and approved for the period 2015 to 2019.

#### iv. Quarterly Terrorist Reports

The FIUTT continues its focus on combatting terrorism and the financing of terrorism. FI's, including NRFIs, have an obligation to consult the ISIL (Da'esh) & Al-Qaida Sanctions United Nations Security Council Resolution 2253 List and the Trinidad and Tobago Consolidated List of Court Orders when:

- on-boarding new customers;
- during retrospective due diligence processes; and
- quarterly, to ascertain whether or not they are in possession of terrorist property.

**DIAGRAM 6**  
**CO AND ACO APPLICATIONS RECEIVED AND APPROVED FROM 2015 TO 2019**





The findings of these checks are reported to the FIUTT in accordance with their obligations under Section 33(3) of the ATA.

During this reporting period, the FIUTT noted an increase in the quality and quantity of Quarterly Terrorist Property Report (QTR) submissions by FIs. The sectors with the highest level of compliance were the Insurance and Banking sectors. However, the Co-operative Societies sector, particularly Credit Unions (CUs), demonstrated minimal improvement when compared to the previous reporting period. These noticeable trends may be due to the increased use of technology by FIs in conducting the required checks and the FIUTT's continued efforts in the following areas:

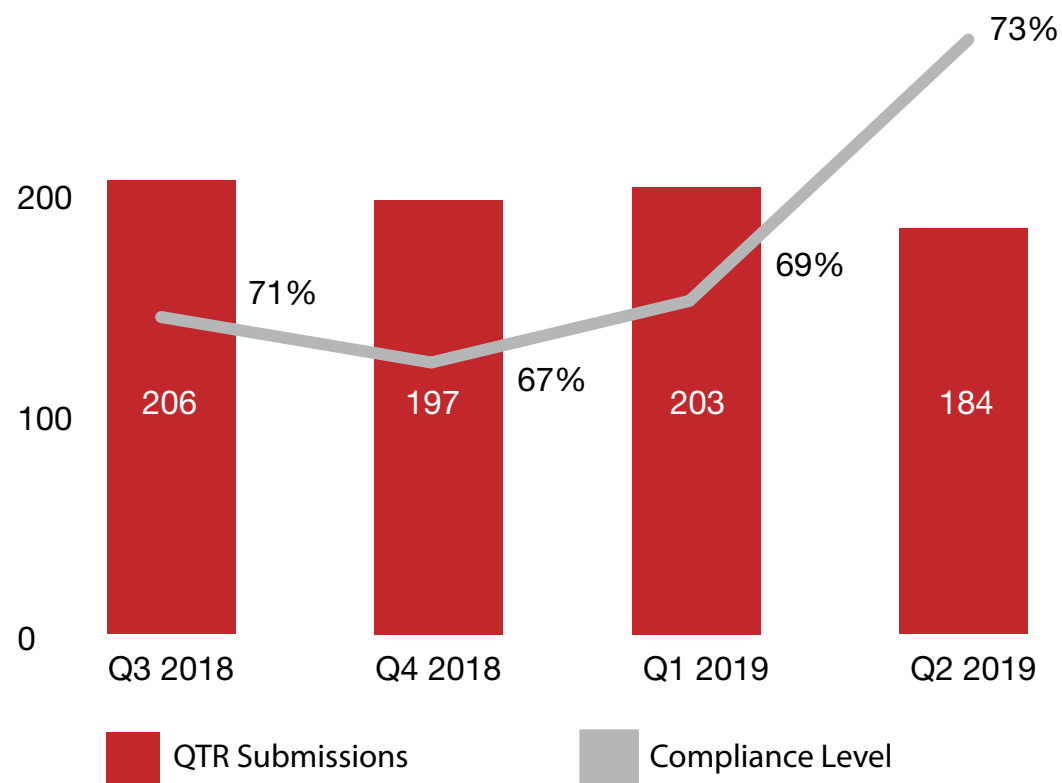
- enforcement for non-compliance;
- email notification to Reporting Entities of updates to the lists of designated individuals and entities;
- outreach and awareness seminars;
- stakeholder collaboration and engagement; and
- circulation of guidelines.

It is significant to note from the quarterly submissions analysed, FIs and NRFIs have gone beyond their obligation by voluntarily consulting other sanctions lists. This demonstrates an increased understanding of their FT risks and the effective implementation of internal controls by FIs and NRFIs.

Legislative amendments during this reporting period, amended the definition of an insurance company (a financial institution) under Section 2 of the POCA, by deleting insurance companies and brokers involved in the business of non-life insurance products. Therefore, insurance companies and agents involved in non-life insurance products are no longer required to comply with the submission of QTRs in accordance with Section 33(3) of the ATA. This resulted in a reduction in the number of FIs expected to report QTRs.

Diagram 7 illustrates QTR1 Compliance Levels.

**DIAGRAM 7**  
**QTR1 COMPLIANCE LEVELS**

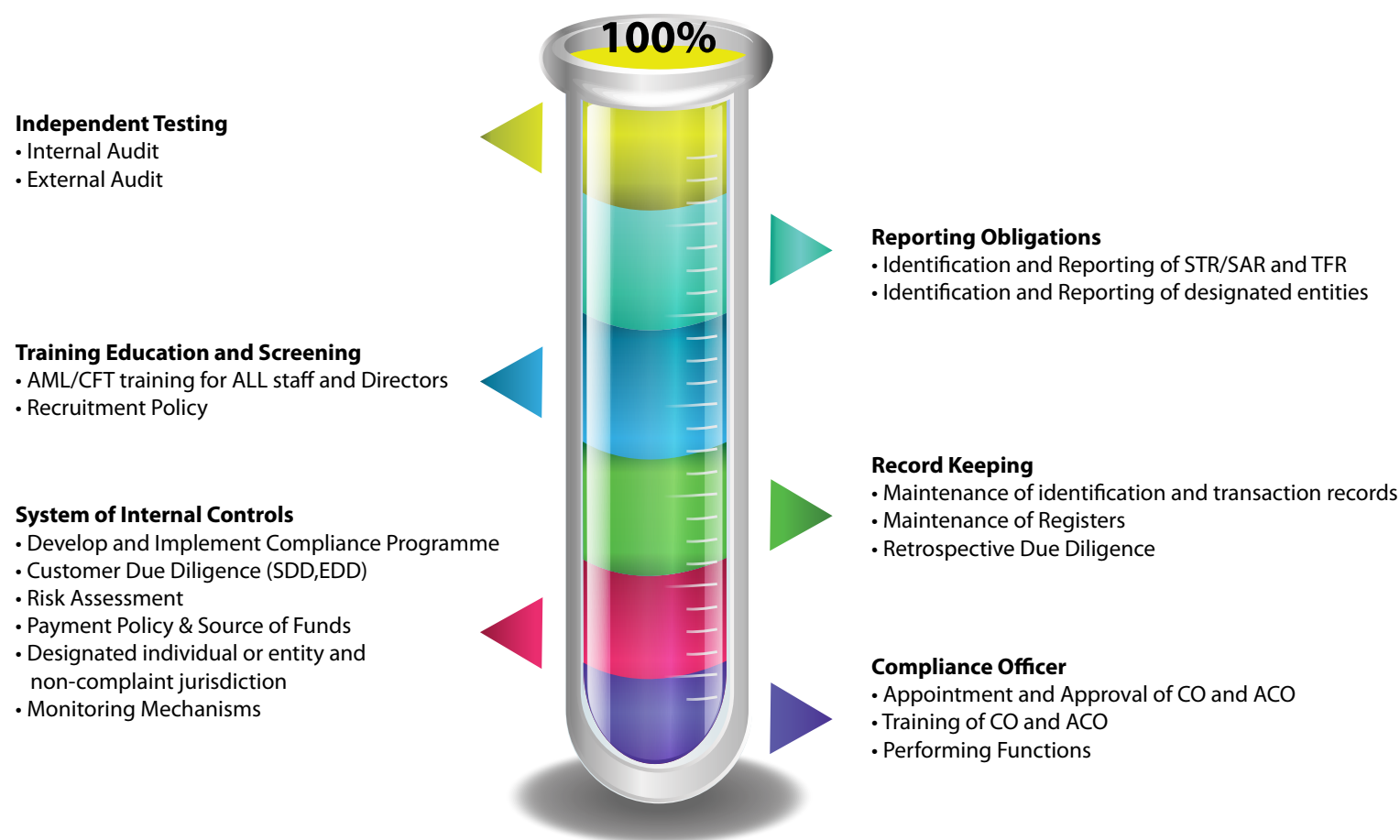


### 3. TESTING AML/CFT/CPF COMPLIANCE

AML/CFT/CPF policies approved by senior management must be relevant at all times. These policies should be effectively implemented and tested to ensure systems result in quality intelligence to the FIUTT.

The scope for compliance testing of AML/CFT/CPF systems is demonstrated below in Diagram 8.

**DIAGRAM 8**  
**SCOPE FOR COMPLIANCE TESTING**



## **i. Internal and External Audit**

The Compliance Programme, which contains the AML/CFT/CPF policies and procedures approved by senior management, must be reviewed at least annually to test and evaluate compliance with the relevant laws and alignment with the business risk profile. Supervised Entities were informed that an external audit report conducted by an independent AML/CFT professional is mandatory. Where the business has an internal audit function, both the internal audit as well as the external audit are used to test compliance. The external audit report submitted to the FIUTT is reviewed noting the findings, recommendations and proposed actions.

## **ii. Compliance Examinations**

The FIUTT conducts risk based compliance examinations which are either on-site or off-site (desk based) and are evidence-based. The objective of the examinations is to assess the effectiveness of AML/CFT/CPF systems implemented by the Supervised Entities. Further to the National Risk Assessment (NRA), the FIUTT continually assesses the risk profile of Supervised Entities based on STR/SAR analysis, compliance examination findings, adverse media findings and industry trends. Following the Economic Sanction Orders made under the Economic Sanctions Act, Chapter 81:05, the scope of compliance examinations was expanded to test implementation of this new obligation by Supervised Entities. Entities were advised of the new requirement under their reporting obligation and recommendations provided to include mitigating measures in the customer due diligence and transaction monitoring processes.

During this reporting period, 156 compliance examinations were conducted. The focus continued on the higher risk sectors such as AAL, ACT, PMC, MVS, Real Estate and CU. 83% of compliance examinations conducted during the reporting period were on entities in the higher risk sectors.

Notwithstanding a minimal decrease from the previous reporting period, due to resource constraints, the risk based focus was maintained. Consequently, 25 entities were subjected to second round compliance examinations to confirm implementation of remedial measures and overall compliance. Additionally, 14

hybrid compliance examinations were conducted on higher risk entities, where conditions were not adequate for an on-site examination. As at September 30, 2019 a total of 855 compliance examinations have been conducted.

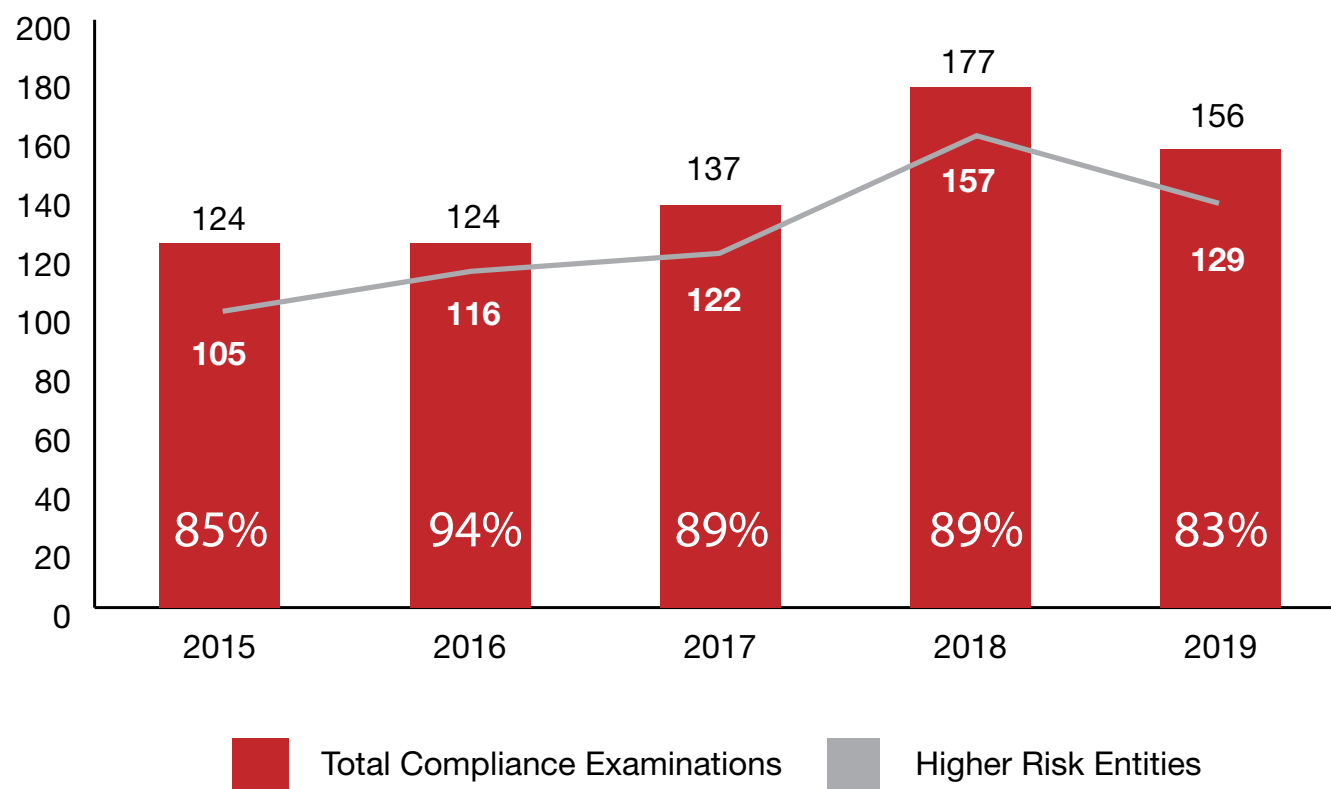
Verbal and written feedback provided by the FIUTT informs the entities of weaknesses identified in their AML/CFT/CPF systems and provides recommendations to rectify with specific timelines to provide evidence of remedial measures. Failure by the Supervised Entities to rectify the deficiencies identified within the specified timeframe given by the FIUTT will result in enforcement action.

Diagram 9 shows the total compliance examinations conducted and compliance examinations conducted in higher risk sectors for the period 2015 to 2019.

Diagram 10 illustrates the activities involved throughout the conduct of a compliance examination - from pre-examination stages to possible enforcement action.



**DIAGRAM 9**  
**TOTAL COMPLIANCE EXAMINATIONS CONDUCTED AND COMPLIANCE EXAMINATIONS**  
**CONDUCTED ON HIGHER RISK SECTORS FROM 2015 TO 2019**



**DIAGRAM 10**  
**COMPLIANCE EXAMINATIONS ACTIVITIES**



### iii. Monitoring for Compliance and Enforcement

Supervised Entities are continuously monitored for compliance with the AML/CFT/CPF obligations outlined in law. The FIUTT implements a risk based approach in all aspects of its monitoring and supervision of Supervised Entities for compliance, based on the following measures:

- surveillance and collaboration with stakeholders to ascertain those businesses required to register with the FIUTT;
- subsequent to the conduct of a compliance examination to ascertain whether remedial measures are submitted within specified timeframe as well as the quality of such submissions;
- assessment of higher risk sectors to determine appointment of a suitable CO and ACO to ensure implementation of AML/CFT/CPF measures;
- assessment of internal and external audits submitted to the FIUTT; and
- submissions of QTRs.

Where entities are found to be in breach of compliance, the FIUTT commences enforcement procedures for:

- failure to register with the FIUTT;
- failure to implement remedial measures post compliance examination;
- failure to submit QTRs; and
- failure to appoint and have the CO and an ACO approved.

During this reporting period, 141 entities were identified as non-compliant and enforcement procedures taken. These procedures commenced with written notification of the breach requiring compliance within a specified timeframe. Where the entity fails to comply, the matter is escalated to the FIUTT's Legal division that arranges for a hearing so the beneficial owner or directors have an opportunity to make representations before the Director of the FIUTT.

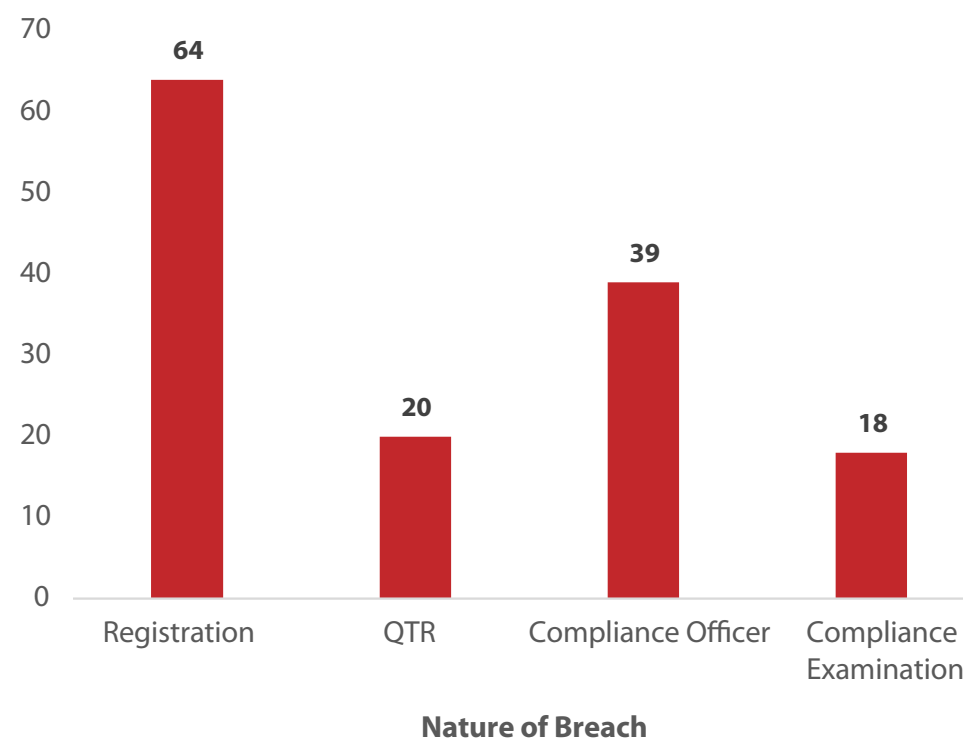
Diagram 11 illustrates the number of entities subject to enforcement action during the reporting period.

It was noted that of the 141 entities identified as non-compliant, 25% were from the Real Estate sector and 23% from the MVS sector. The major breach was failure to register with the FIUTT.

Based on the nature of deficiencies found at the initial compliance examination, the FIUTT conducted a follow up compliance examination to assess implementation of

remedial measures. The FIUTT identified significant improvements with customer due diligence, record keeping and external audit obligations. However, deficiencies identified regarding declaration of source of funds, transaction monitoring and internal reporting systems were communicated to the entities for immediate rectification.

**DIAGRAM 11**  
**ENTITIES SUBJECT TO ENFORCEMENT**



## 4. ASSISTANCE AND GUIDANCE TO ENTITIES

### i. Outreach

The FIUTT recognises that fostering strategic alliances is pivotal to our success. A key area of the FIUTT's legislative mandate is to provide guidance to Supervised Entities on their AML/CFT/CPF obligations through outreach and awareness. The FIUTT continues its engagement with stakeholders through strategic outreach initiatives.

The FIUTT continues its efforts to improve the detection, analysis and reporting of transactions relating to ML/FT/PF through the facilitation of awareness seminars and workshops for entities in all sectors. Seminar topics were developed based on FATF standards, Trinidad and Tobago's Mutual Evaluation Report, local and international trends and typologies and FIUTT's findings from compliance monitoring activities. Topics addressed during this reporting period included:

- AML strategies;
- CFT and proliferation of weapons of mass destruction and its financing;
- Human Trafficking in Trinidad and Tobago: Vulnerability, Impact and Action;
- The Role of the Registrar General in the AML/CFT Regime of Trinidad and Tobago;
- Effective Suspicious Transaction Reporting; and
- Implementing risk management strategies.

The FIUTT partnered with key stakeholders in both the public and private sectors. This allowed the FIUTT to widen its audience by facilitating seminars in conjunction with key stakeholders such as: the Law Association of Trinidad and Tobago, Central Finance Facility, Trinidad and Tobago Manufacturers Association and the Association of Real Estate Agents. Sessions were facilitated with the Ministry of the Attorney General and Legal Affairs and the National AIDS Co-ordinating Committee in the Office of the Prime Minister, targeting NPOs vulnerable to ML/FT/PF in the sector.

Sectors such as Attorneys-at-Law, Accountants, Motor Vehicles Sales, Private Members' Clubs, National Lotteries On-Line Betting Games, Real Estate Agents and CUs were facilitated at these focussed sessions. During this reporting period, 1,676 compliance professionals and other stakeholders participated in 20 seminars, which incorporated a workshop component where trends and typologies in ML/FT/PF cases were utilised.

With the passage of the NPO legislation, the FIUTT embarked on a more targeted approach to the outreach and monitoring of the NPO sector, commencing with a series of sessions titled "Sensitisation Session for Non-Profit Organisations." These sessions were geared to bringing awareness to the ML/FT/PF risks posed by the sector and the importance of adopting measures to deter, detect and report suspicious activities/transactions to the FIUTT.

### Tobago Annual AML/CFT/CPF Conference

As is customary, the FIUTT conducted its annual AML/CFT seminar in Tobago. On May 20, 2019 the 9th Annual AML/CFT/CPF Conference was held at the Magdalena Grand Beach and Golf Resort. Our theme for this conference was "Combatting ML and FT in Trinidad and Tobago: Where are we now?" Participants from various sectors in Tobago attended and were exposed to valuable and practical presentations from representatives of FIUTT, the Registrar General Department of AGLA, and the Counter Trafficking Unit of the Ministry of National Security.

Table 1 provides a summary of these seminars by sectors.

### ii. Guidance to Stakeholders

Consistent with our legislative directive to provide guidance and support to Supervised Entities, the FIUTT produced and published a number of Notices and Guidance Notes on AML/CFT/CPF obligations. In this reporting period, the following Guidance Notes and Notices addressed pertinent areas to achieve a higher level of compliance:

- Suspicious Transaction/Activity Reporting Standards (amended);
- Non – Regulated Financial Institutions and Listed Businesses on "how to structure an AML/CFT/CPF Compliance Programme (amended);
- AML/CFT/CPF Guidance Note for NPOs;
- Sanction Orders made under the Economic Sanctions Act; and
- Guidance Note to Reporting Entities on amendments made to the ATA, FIUA and Regulations.

The FIUTT effectively utilised its website, email blast to COs, one-on-one stakeholder engagement and awareness sessions to convey information to the Reporting Entities.



### iii. Feedback to Enquiries

The FIUTT continues to receive and respond to queries by Supervised Entities and the general public. Supervised Entities usually seek clarification on their legal obligations subsequent to a compliance examination when taking corrective measures. Queries are also received when business customers attempt to conduct transactions with financial institutions. The customer would query the FI's due diligence procedures, or the FI's query is usually relative to clarification on the suspicious indicators.

For the period under review, the FIUTT received and addressed several queries in relation to:

- nature of business that requires supervision by the FIUTT;
- businesses not appearing on the FIUTT's List of Registrants;
- CO and ACO criteria for approval or extent of functions performed;
- clarification on internal controls being developed or implemented; and
- compliance examination deficiencies communicated by the FIUTT.

The FIUTT values the importance of partnership with the private sector in understanding their obligations and remains ready to provide assistance and clarity on AML/CFT obligations.

## 5. MANAGEMENT OF RESOURCES

As with most organisations, the FIUTT is not without its challenges. ML and FT trends continue to evolve and businesses are becoming more sophisticated. The Compliance and Outreach Division function must now include research and requires enhanced analytical and technological capabilities. Additionally, with the 15% increase in Supervised Entities, particularly in the higher risk sectors, the FIUTT's supervision responsibility increased to include the NPO sector. Continuous development in human and technological resources is therefore imperative.

Resources have been managed using risk based strategies to avoid any compromise in the effective supervision of Supervised Entities, which now includes the NPO sector. Measures to fully address the findings of the 4th MER, with the increase in NRFI, LBs and now NPOs, have compounded the need for increased human and other resources for the effective functioning of the Compliance and Outreach Division.

The ultimate goal of the FIUTT regarding its supervision function, is to improve the implementation of compliance obligations and the quality and quantity of suspicious transaction reporting by Supervised Entities. This can be achieved by:

- i. employing more cogent and expedient recruitment and human resource development processes;
- ii. widening the range of sanctioning powers; and
- iii. enhancing the technological resources to accommodate electronic submissions of compliance documents.

**TABLE 1**  
**2019 OUTREACH AND AWARENESS SEMINARS**

No.	DATE	SECTOR	Nature of Seminar	Co-ordinating Agency	PARTICIPANTS
1	<b>October</b>	NATIONAL LOTTERIES ON-LINE BETTING GAMES	Effective Identification and reporting of Suspicion	NLCB	319
2		AAL	Establishing the Attorney-Client relationship for land transactions having regard to AML/CFT requirements	Law Association of Trinidad and Tobago	235
3	<b>November</b>	NATIONAL LOTTERIES ON-LINE BETTING GAMES	Effective Identification and reporting of Suspicion	NLCB	253
4		REAL ESTATE	Vulnerabilities of the Real Estate Sector to Money Laundering and Terrorist Financing" and "Implementing Internal Controls using a Risk Based Approach"	AREA	99
5		NATIONAL LOTTERIES ON-LINE BETTING GAMES	Effective Identification and reporting of Suspicion	NLCB	21
6	<b>January</b>	CU	Role and Functions of the FIUTT/ Value of Financial Intelligence	Central Finance Facility	29
7	<b>February</b>	CO-OPERATIVE DIVISION	CU and AML/CFT Compliance	Commissioner of Cooperatives Development Division	40
8	<b>March</b>	FIs	Identifying Suspicious Transactions related to terrorist financing	Financial Services Regulatory Commission	120
9		ALL SECTORS	Effectively Reporting Suspicious Transactions/ Activities; Implementing Counter measures to address FT and PF threats in Trinidad and Tobago	FIUTT	63
10	<b>May</b>	TTMA BOARD MEMBERS	Illicit Trade (Trade based ML, typology and trends)	TTMA	10
11		ALL SECTORS	Countering Financing of Terrorism and Proliferation Financing in T&T, The Role of Registrar General in the AML/CFT Regime, Human Trafficking in T&T, Effective Suspicious Transactions/Activities Reporting	FIUTT	86

**TABLE 1 (Continued)**  
**2019 OUTREACH AND AWARENESS SEMINARS**

No.	DATE	SECTOR	Nature of Seminar	Co-ordinating Agency	PARTICIPANTS
12	<b>July</b>	ACCT, AAL and REAL ESTATE	“Terrorist Financing and Proliferation Financing – An Overview”, “Implementing Risk Management Strategies – An AML/CFT perspective” and “Protecting your Business - Effectively Reporting to the FIUTT”	FIUTT	48
13	<b>August</b>	NPOs	Sensitisation Session for Non-Profit Organisations	FIUTT	16
14		NPOs	NPO Sector in the AML/CFT Regime	AGLA	12
15		JW, GAMING and POOL BETTING, PMC AND MVS	“Terrorist Financing and Proliferation Financing – An Overview”, “Implementing Risk Management Strategies – An AML/CFT perspective” and “Protecting your Business - Effectively Reporting to the FIUTT”	FIUTT	43
16		NPOs	Sensitisation Session for Non-Profit Organisations	FIUTT	40
17		NPOs	Sensitisation Session for Non-Profit Organisations	FIUTT	4
18		NPOs	NPO Sector in the AML/CFT Regime	AGLA	140
19		NPOs	Sensitisation Session for Non-Profit Organisations	FIUTT	15
20	<b>September</b>	ALL SECTORS	“Terrorist Financing and Proliferation Financing – An Overview”, “Implementing Risk Management Strategies – An AML/CFT perspective” and “Protecting your Business - Effectively Reporting to the FIUTT”	FIUTT	59
21		NPOs	Sensitisation Session for Non-Profit Organisations	FIUTT	9
22		NPOs	Financial Sensitisation Session	FIUTT/NACC	15
					<b>1,676</b>

## 9<sup>TH</sup> ANNUAL TOBAGO CONFERENCE HELD AT THE MAGDALENA GRAND HOTEL TOBAGO

---



*L to R Mr. Jerome Ramdular, Counter Trafficking Unit, Ms. Nicole Singh, Registrar General Department, Ms. Avelon Perry, Director Compliance and Outreach Division FIUTT, the Hon. Kelvin Charles, Chief Secretary and Secretary of Education, Innovation and Energy in the Tobago House, Ms. Claire Davidson-Williams Permanent Secretary, Central Administrative Services, (CAST) Tobago and Mr. Kevin Radix, Supervisor, Compliance and Outreach Division FIUTT.*



## 9<sup>TH</sup> ANNUAL TOBAGO CONFERENCE HELD AT THE MAGDALENA GRAND HOTEL TOBAGO

---



*A section of the audience at the Magdalena Grand Beach and Golf Resort.*

## OUTREACH AND AWARENESS SESSION FOR MOTOR VEHICLE SALES, JEWELLERS, GAMING HOUSE/ POOL BETTING AND PRIVATE MEMBERS' CLUBS SECTORS PORT OF SPAIN

---



*A section of the audience attending at Level 3, Ministry of Finance Building, Port of Spain.*



## GENERAL OUTREACH AND AWARENESS SESSION HELD AT THE CITY HALL, SAN FERNANDO CITY CORPORATION

---



*A section of the participants at the City Hall, San Fernando City Corporation.*

## OUTREACH AND AWARENESS SESSION FOR ACCOUNTANTS, ATTORNEYS-AT-LAW AND REAL ESTATE AT THE UNIVERSITY OF TRINIDAD AND TOBAGO CHAGUANAS CAMPUS

---



*Members of the audience at the University of Trinidad and Tobago Chaguanas Campus.*



# CHAPTER III – FINANCIAL INTELLIGENCE

---

## 1. CORE FUNCTIONS

### i. Overview

The FIUTT continues to use its distinct position in Trinidad and Tobago's AML/CFT/CPF infrastructure to enhance resilience in the overall financial system. As its core function, the FIUTT produces operational and strategic financial intelligence which supports local and foreign law enforcement, foreign FIUs and other competent authorities. The strategic financial intelligence products, however, support policy/decision-makers, and guide Reporting Entities in identifying trends and suspicious indicators. In addition, both intelligence products provide guidance to local and foreign competent authorities with their investigation and prosecution of ML, FT and related criminal activity.

FIUTT's primary source of information is received from FIs, NREs and LBs (collectively called Reporting Entities) with AML/CFT/CPF obligations. The information provided from Reporting Entities together with other data sources are meticulously analysed. Intelligence products from these analyses are then shared with FIUTT's AML/CFT stakeholders in support of their operations. The FIUTT is mandated to disseminate intelligence products to competent authorities as identified within the FIUA.

This chapter elaborates on the STRs/SARs received, the analysis conducted on those STRs/SARs, and Intelligence Reports disseminated. In addition, this chapter contains progress made with stakeholder co-operation and the achievements of the Analysis Division.

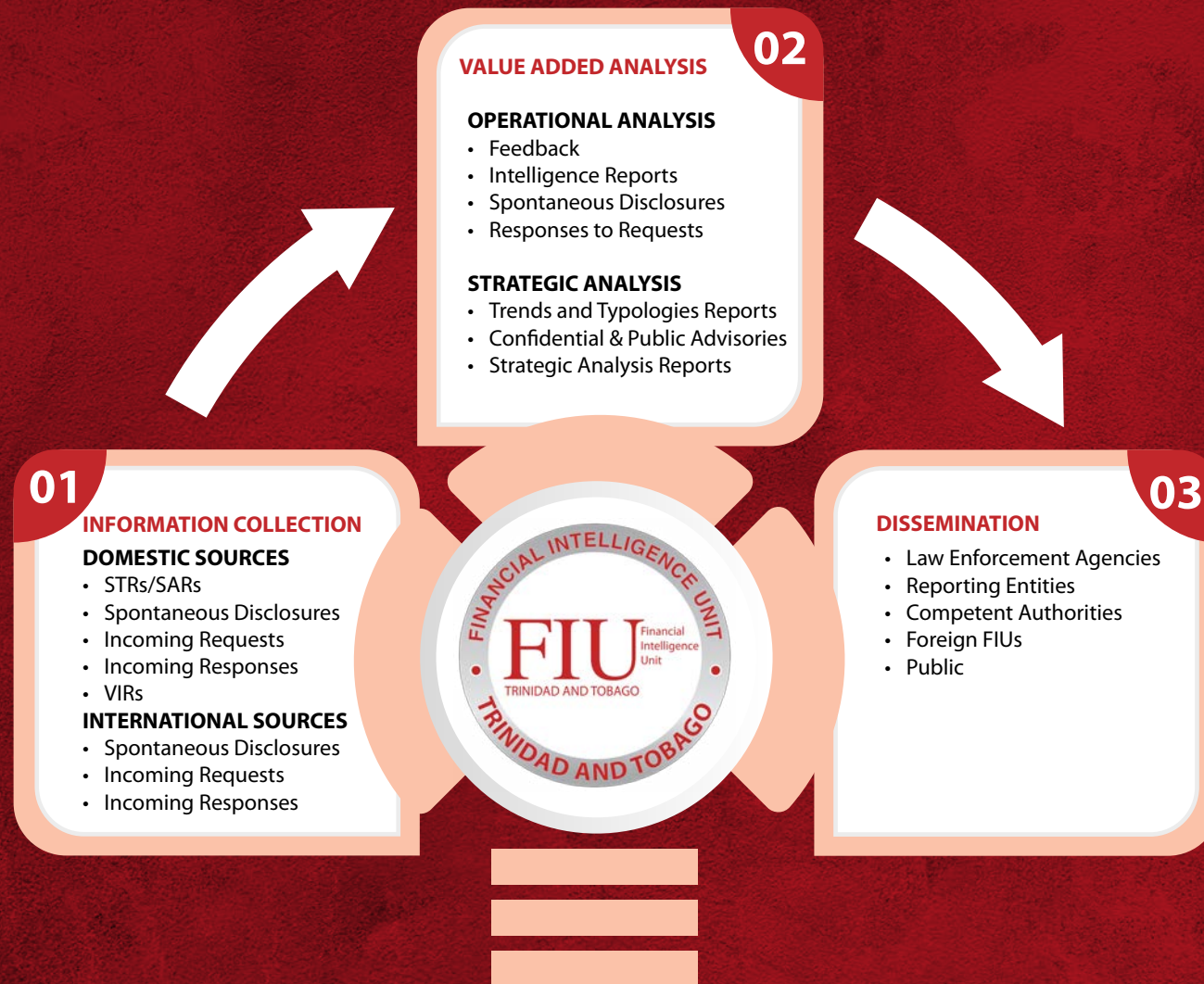
### ii. Information Collection

Reporting Entities are required by law to report any suspicious transactions and/or suspicious activities. The STRs/SARs filed by the Reporting Entities is the main input to the FIUTT analytical process. In addition to the STRs/SARs, the FIUTT receives information from both local and international sources through Spontaneous Disclosures, Voluntary Information Reports (VIRs), Cross-border currency declarations, database checks and information exchange from foreign FIUs, LEAs and the intelligence community.

Diagram 12 below illustrates the process through which information is collected and analysed by the Analysis Division at the FIUTT.



DIAGRAM 12  
INFORMATION AND ANALYSIS PROCESS





### iii. Value Added Analysis

Value is added to the information received by the FIUTT by using structured analytical techniques such as network analysis, asset tracing, link analysis and data matching techniques to conduct both operational and strategic analysis.

**Operational analysis** scrutinises the activities of targeted subjects (e.g. persons, assets, organised criminal networks) to; (a) follow the money-trail; (b) identify assets, and (c) determine links between that subject and the proceeds of crime. Information on assets, activity patterns and associates of the targeted subject are brought to light, resulting in new value-added information which guides law enforcement activities.

**Strategic analysis** on the other hand, identifies trends and patterns in ML, FT and related crimes, which then sets the stage for intelligence-led policing and the formulation and implementation of policies to combat criminal activity. In this reporting period, the FIUTT initiated work on Strategic Analysis products in the areas of FT, Drug Trafficking and Human Trafficking.

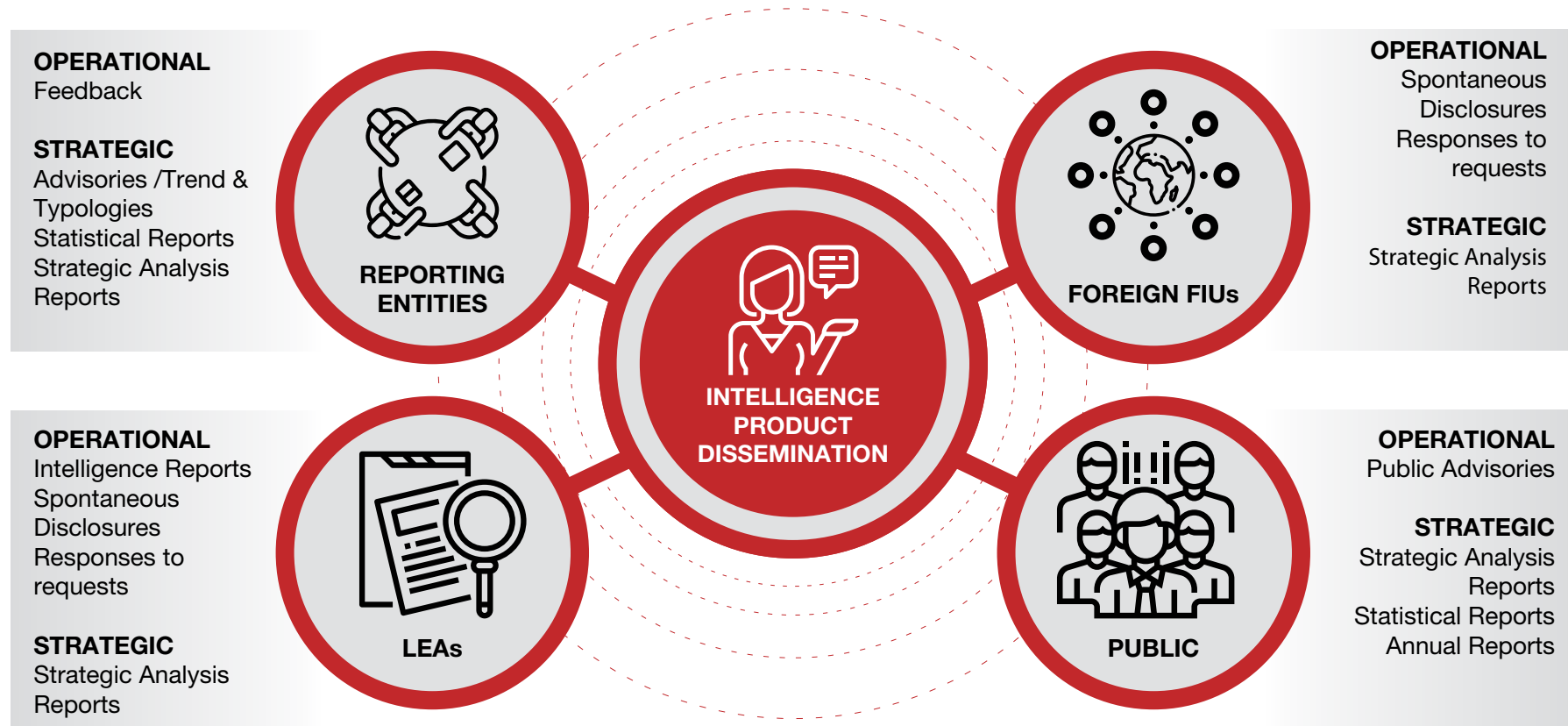
### iv. Intelligence Dissemination

Both operational and strategic Intelligence products developed through the use of detailed analytical techniques are disseminated to relevant local or foreign authorities to assist in the investigation of criminal conduct. FIUTT operational reports often assist LEAs, Foreign FIUs and other competent authorities with guidance for asset tracing, targeted subject interviews, restraint and production orders. These areas allow for LEAs to improve coordination, management and prioritisation of their resources.

Other products which include strategic reports, confidential and public advisories, typologies and notices, provide guidance to policy makers, supervised entities, and the general public. These products identify ML/FT/PF risks and make recommendations to mitigate against prevalent financial crimes.

Diagram 13 shows the receivers of FIUTT's operational and strategic intelligence products from the FIUTT.

**DIAGRAM 13**  
**DISSEMINATION OF ANALYTICAL PRODUCTS**





## v. Receiving STRs/SARs

In this reporting period, the FIUTT received a total of 1,019 STRs/SARs. The most active Reporting Entities continued to be the Banks and the MVTs, accounting for 82% of the total STRs/SARs received. Submissions from the Banking sector increased from 463 to 536 or by 16% while STRs/SARs received from the MVTs providers decreased by 32%. See Table 2. However, the FIUTT noted an overall increase in submissions from the Co-operative Societies, Real Estate and Jewellers sectors. Special attention will be paid to those sectors which showed a decrease in STR/SAR submissions, as well as those sectors which did not file STRs/SARs.

Diagram 14 gives a comparative view of total STRs/SARs submissions from 2015 to 2019.

Table 3 details the STRs/SARs received from October 2018 to September 2019 classified by the categories of Reporting Entities, the monetary value and the number of completed and attempted STRs/SARs.

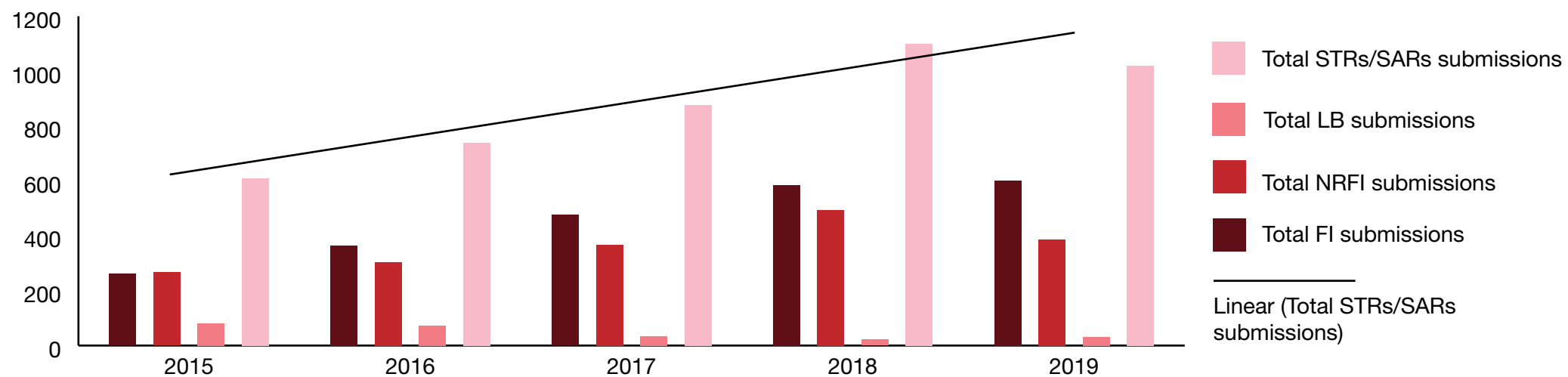
**TABLE 2**  
**COMPARISON OF THE NUMBER OF STRs/SARs DISCLOSURES FROM 2017-2019**

REPORTING ENTITIES	2017	2018	2019
Banking	387	463	536
Exchange Bureau	6	10	2
Finance Co.	5	4	4
Insurance Co.	47	70	31
Investment Co.	26	25	22
Mortgage Co.	5	11	6
Security Dealers	0	0	0
Total FI submissions	476	583	601
Co-operative Societies	42	51	84
Money/Value Transfer Services	325	443	302
Total NRFI submissions	367	494	386

REPORTING ENTITIES	2017	2018	2019
Accountants	0	0	0
Attorneys-at-Law	13	6	7
Jewellers	0	0	9
Motor Vehicle Sales	12	7	2
National Lotteries Online Betting Game	0	1	0
NPOs <sup>3</sup>	-	-	0
Real Estate	4	5	13
Private Members' Club	5	3	1
Gaming House	0	0	0
Total LB submissions	34	22	32
<b>TOTAL STRs/SARs submissions</b>	<b>877</b>	<b>1,100</b>	<b>1,019</b>

<sup>3</sup>Pursuant to the NPOs Act No. 7 of 2019, NPOs with a gross annual income exceeding five hundred thousand dollars are now classified as a Listed Business and will be supervised by the FIUTT for AML/CFT/CPF.

**DIAGRAM 14**  
**TOTAL STRs/SARs BY REPORTING ENTITIES FROM 2015 TO 2019**



**TABLE 3**  
**STRS/SARS**  
**SUBMISSIONS FROM**  
**OCT. 2018 TO SEPT. 2019**

<b>INDICATOR</b> <i>[monetary values are quoted in TT\$]</i>	<b>CATEGORIES OF REPORTING ENTITIES AND MONETARY VALUES</b>						
	<b>Financial Institutions</b>						
	<b>Banks</b>	<b>Securities</b>	<b>Finance Co.</b>	<b>Mortgage Co.</b>	<b>Exchange Bureau</b>	<b>Insurance Co.</b>	<b>Investment Co.</b>
<b>No. of Completed ML STRs/SARs</b>	458	0	4	6	2	25	17
<b>Value of Completed ML STRs/SARs</b>	669,794,095	0	155,598	449,650	163,678	1,693,766	106,303,449
<b>No. of Completed FT STRs/SARs</b>	10	0	0	0	0	0	0
<b>Value of Completed FT STRs/SARs</b>	604,820	0	0	0	0	0	0
<b>Value of Completed ML &amp; FT STRs/SARs</b>	<b>670,398,915</b>	<b>0</b>	<b>155,598</b>	<b>449,650</b>	<b>163,678</b>	<b>1,693,766</b>	<b>106,303,449</b>
<b>No. of Attempted ML Transactions</b>	68	0	0	0	0	6	4
<b>Value of Attempted ML Transactions</b>	610,518,691	0	0	0	0	209,407,797	101,228,666
<b>No. of Attempted FT Transactions</b>	0	0	0	0	0	0	1
<b>Value of Attempted FT Transactions</b>	0	0	0	0	0	0	6,732
<b>Value of Attempted ML &amp; FT STRs/SARs</b>	<b>610,518,691</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>209,407,797</b>	<b>101,235,398</b>
<b>Total no. of STRs/SARs</b>	536	0	4	6	2	31	22
<b>Total Value in TT\$ of STRs/SARs</b>	<b>1,280,917,606</b>	<b>0</b>	<b>155,598</b>	<b>449,650</b>	<b>163,678</b>	<b>211,101,563</b>	<b>207,538,847</b>

Non-Regulated Financial Institutions		Listed Business									
Co-operative Societies	Money Value Transfer Services	Attorneys-at-Law	Accountants	Jewellers	Motor Vehicle Sales	National Lotteries	Non-Profit Organisations	Real Estate	Private Members' Club	Total Year 2019	Total Year 2018
82	216	6	0	9	2	0	0	9	1	837	864
17,095,291	8,607,351	6,164,900	0	238,055	608,063	0	0	34,994,729	10,000	846,278,625	685,903,083
0	86	0	0	0	0	0	0	0	0	96	166
0	885,812	0	0	0	0	0	0	0	0	1,490,632	6,654,259
17,095,291	9,493,163	6,164,900	0	238,055	608,063	0	0	34,994,729	10,000	847,769,257	692,557,342
2	0	1	0	0	0	0	0	4	0	85	69
403,000	0	535,000	0	0	0	0	0	7,727,440	0	929,820,594	289,183,001
0	0	0	0	0	0	0	0	0	0	1	1
0	0	0	0	0	0	0	0	0	0	6,732	1,060
403,000	0	535,000	0	0	0	0	0	7,727,440	0	929,827,326	289,184,061
84	302	7	0	9	2	0	0	13	1	1,019	1,100
17,498,291	9,493,163	6,699,900	0	238,055	608,063	0	0	42,722,169	10,000	1,777,596,583	981,741,403



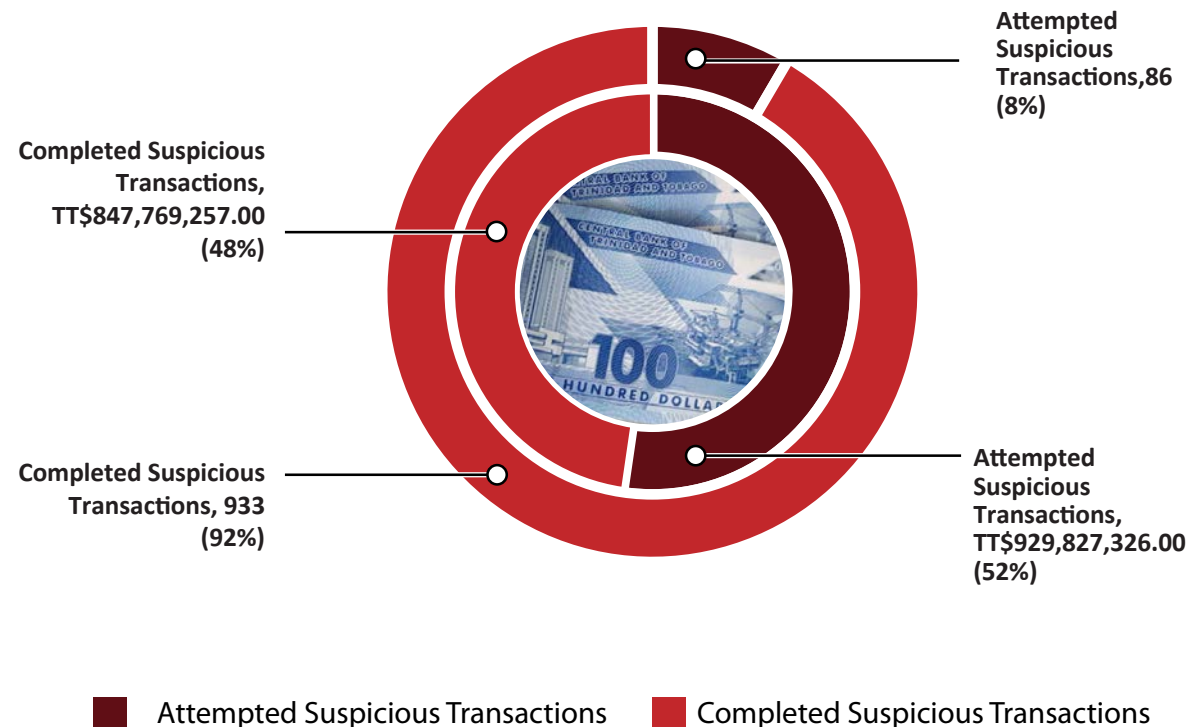
## vi. STRs/SARs by Dollar Value

The total monetary value of the 1,019 STRs/SARs received in this reporting period, amounted to TT\$1,777,596,583. Of the 1,019 STRs/SARs, 933 were completed transactions, whilst 86 STRs/SARs were attempted transactions. The monetary value of the 933 STRs/SARs was TT\$847,769,257 and represented an increase of 22%, when compared with the previous reporting period. The monetary value of the

86 attempted STRs/SARs was TT\$929,827,326 and represented a significant 222% increase from the previous reporting period.

Diagram 15 highlights the number of completed and attempted suspicious transactions and their corresponding monetary values.

**DIAGRAM 15**  
**COMPLETED/ATTEMPTED SUSPICIOUS TRANSACTIONS**



## 2. ATTEMPTED TRANSACTIONS

The monetary value of the attempted transactions was greater than the monetary value of the completed transactions by over TT\$82M. The number of suspicious transactions which were stopped by Reporting Entities in 2019, amounted to 86, whilst in 2018, 70 suspicious transactions were stopped. A review of the number of STRs/SARs relating to attempted transactions from 2015 – 2019 shows a steady increase in the number of suspicious transactions stopped by Reporting Entities.

There was a substantial increase in the monetary value of the attempted suspicious transactions, when compared with 2018. The monetary value of the 86 attempted STRs/SARs accounted for 52% of the total monetary value of all the STRs/SARs. The Reporting Entities awareness of ML/FT indicators and trends, and also their enhanced monitoring of customers, were the main factors of suspicious transactions being stopped at placement of ‘suspected’ illicit funds into the financial system.

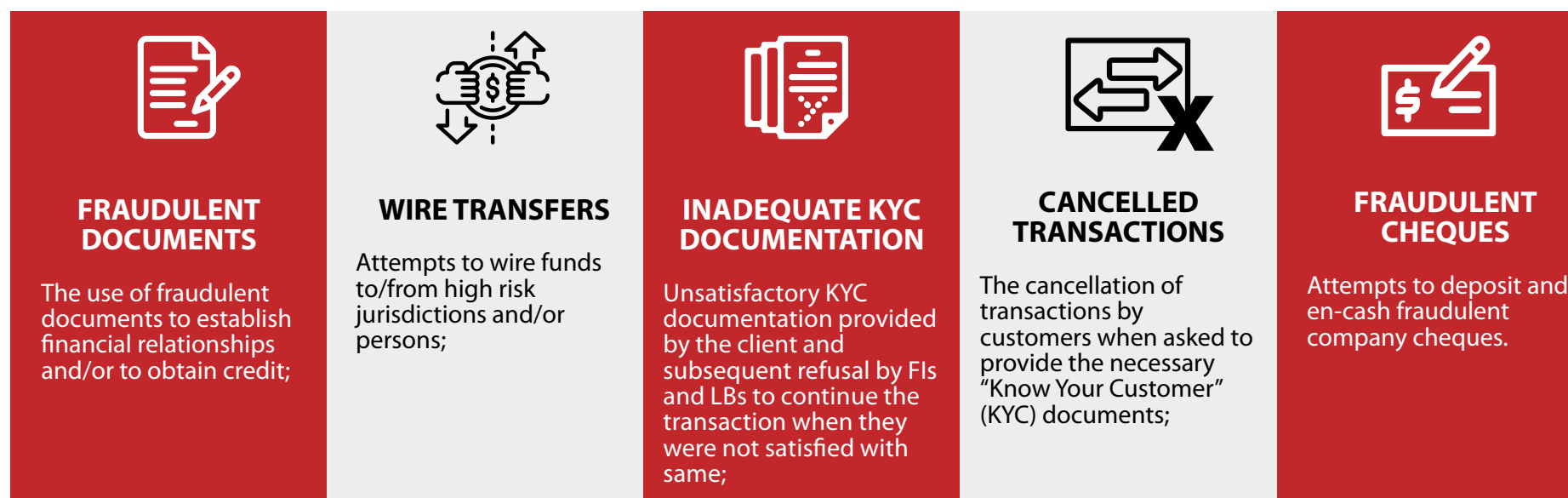
ML/FT indicators observed in the attempted suspicious transactions are highlighted in Diagram 16 below.

Table 4 shows the number and value of attempted transactions from 2015 to 2019.

**TABLE 4**  
**NUMBER AND VALUE OF ATTEMPTED**  
**SUSPICIOUS TRANSACTIONS FOR 2015 TO 2019**

YEAR	NO. OF ATTEMPTED TRANSACTIONS	VALUE OF ATTEMPTED TRANSACTIONS (TT\$)
2019	86	929,827,326
2018	70	289,184,061
2017	53	13,644,296,764
2016	54	341,973,913
2015	43	81,620,510

**DIAGRAM 16**  
**INDICATORS OBSERVED IN THE ATTEMPTED SUSPICIOUS TRANSACTIONS**



## vii. Analysing STRs/SARs and Dissemination

In this reporting period, the FIUTT completed analysis on 943 STRs/SARs; a 4% increase when compared with 2018. The STRs/SARs analysed generated a total 244 intelligence reports; of which 204 were suspected ML cases and 40 suspected FT cases. Of the 244 reports generated and subsequently disseminated, 52 were Spontaneous Disclosures<sup>4</sup>. Nine Spontaneous Disclosures were submitted to local competent authorities whilst 43 were shared with foreign LEAs and FIUs.

Diagram 17 illustrates dissemination to LEAs from 2018 to 2019.

There was a 24% decrease in Intelligence Reports disseminated for this reporting period, when compared with 2018. This could be attributed to an increase in related STRs/SARs, as well as, collaborative work undertaken alongside local LEAs on proactive financial investigations. The conduct of such analyses requires dedication to the case, thorough examinations and frequent collaboration. In addition, the FIUTT completed four strategic analysis projects in this period. Strategic analysis projects are time consuming and resource intensive undertakings.

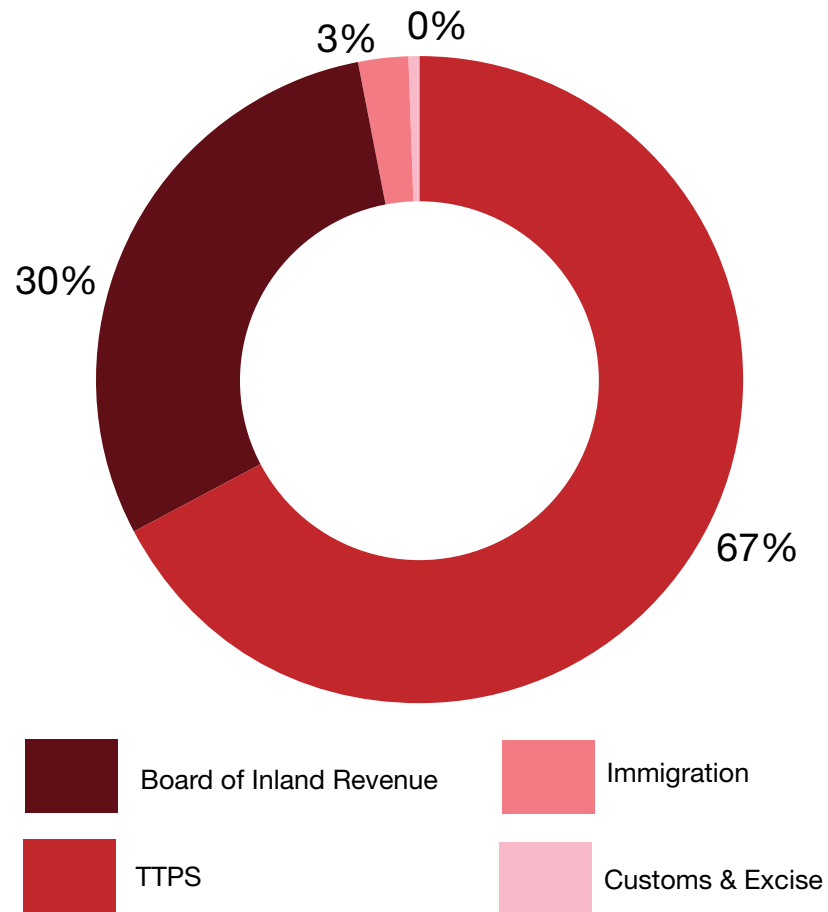
Table 5 shows the actions taken on STRs/SARs.

**TABLE 5**  
**ACTION TAKEN ON STRs/SARs**

OCT. 1, 2018 TO SEPT. 30, 2019									
RECEIVED	ANALYSED	INTELLIGENCE REPORTS DISSEMINATED							TOTAL
1019	943	Local						Foreign	244
			TTPS	BIR	IMM	C&E	INTELLIGENCE AGENCIES	CBTT	
		ML	113	59	5	1	1	1	24
		FT	21	0	0	0	0	0	19
		<b>TOTAL</b>	<b>134</b>	<b>59</b>	<b>5</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>43</b>

<sup>4</sup>FATFs Recommendation 29.5 states, “The FIU should be able to disseminate, spontaneously and upon request, information and the results of its analysis to relevant competent authorities...” Further in its Rec. 40.1, the FATF states, “Countries should ensure that their competent authorities can rapidly provide the widest range of international co-operation in relation to money laundering, associated predicate offences and terrorist financing. Such exchanges of information should be possible both spontaneously and upon request.”

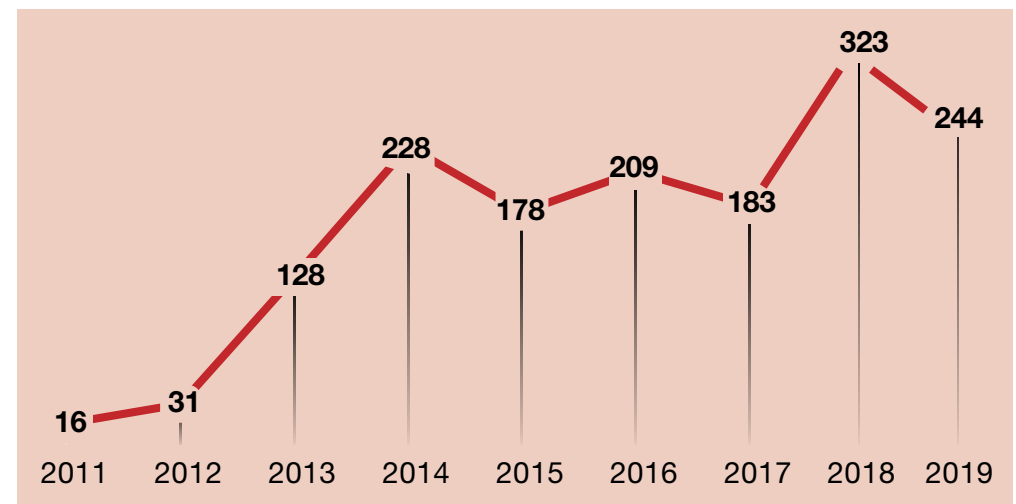
**DIAGRAM 17**  
**DISSEMINATION TO LEAS 2018 TO 2019**



Over the years, the FIUTT has taken strides to increase its output and quality of Intelligence Reports to both foreign FIUs and LEAs, as well as, local LEAs. For the period 2011 to 2019, a total of 1,538 Intelligence Reports including Spontaneous Disclosures, were disseminated. Of these reports, 1,224 or 80% were disseminated to local LEAs and 314 or 20% were sent to foreign FIUs and foreign LEAs.

Diagram 18 shows the total number of Intelligence Reports disseminated by the FIUTT from 2011 to 2019.

**DIAGRAM 18**  
**INTELLIGENCE REPORTS DISSEMINATED 2011 TO 2019**





Of the 1,224 disseminated to local LEAs, the Commissioner of Police and the Chairman of the Board of Inland Revenue together received 96% of the Intelligence Reports. The Commissioner of Police received 67% or 817 reports whilst the Chairman of the Board of Inland Revenue received 29% or 356 reports. The remaining 4% was disseminated to the Comptroller of Customs and Excise Division and the Chief Immigration Officer for investigations.

Diagram 19 shows the breakdown of Intelligence Reports disseminated to Local LEAs from 2011 to 2019.

#### viii. STRs/SARs Submissions by Geographic Location of Reporting Entities

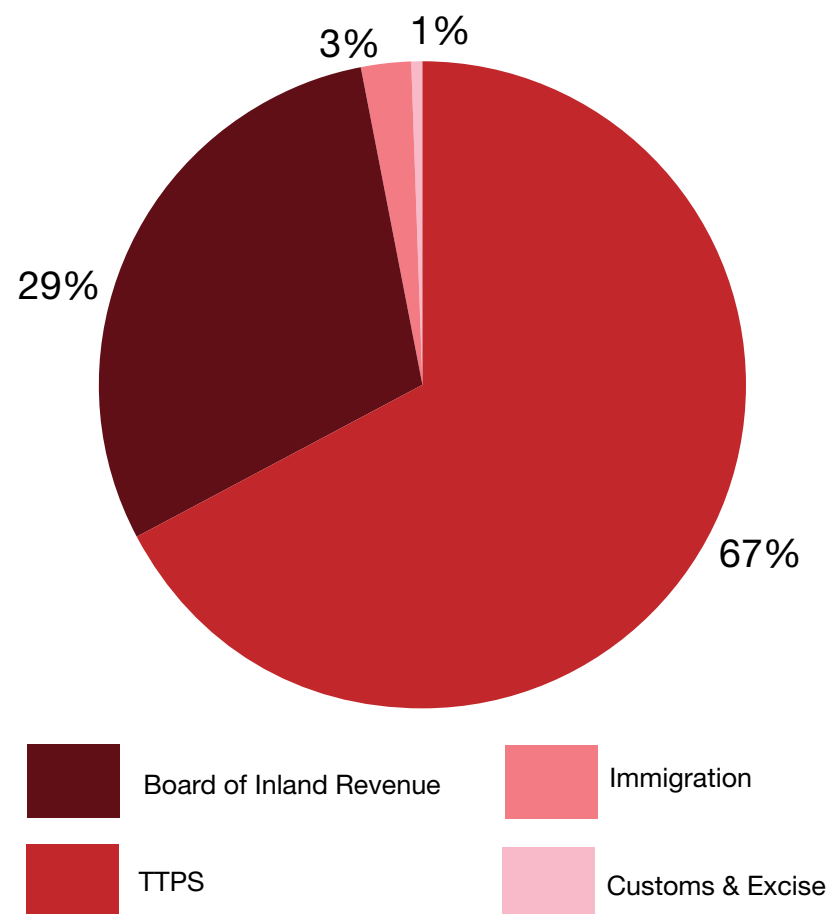
Reporting Entities in San Fernando and Environs submitted 36% or 362 of the STRs/SARs in this reporting period. This represents an increase of 77%, from the 205 STRs/SARs submitted in the previous reporting period. Port of Spain and environs accounted for 27% or 276 of the STRs/SARs submitted, a 23% decline when compared to the previous reporting period.

Declines were noted in the submissions from Reporting Entities located in Western Trinidad and South Western Trinidad by 81% and 48% respectively. STR/SAR submissions from Northern and Central Trinidad declined by 20% and 16% respectively.

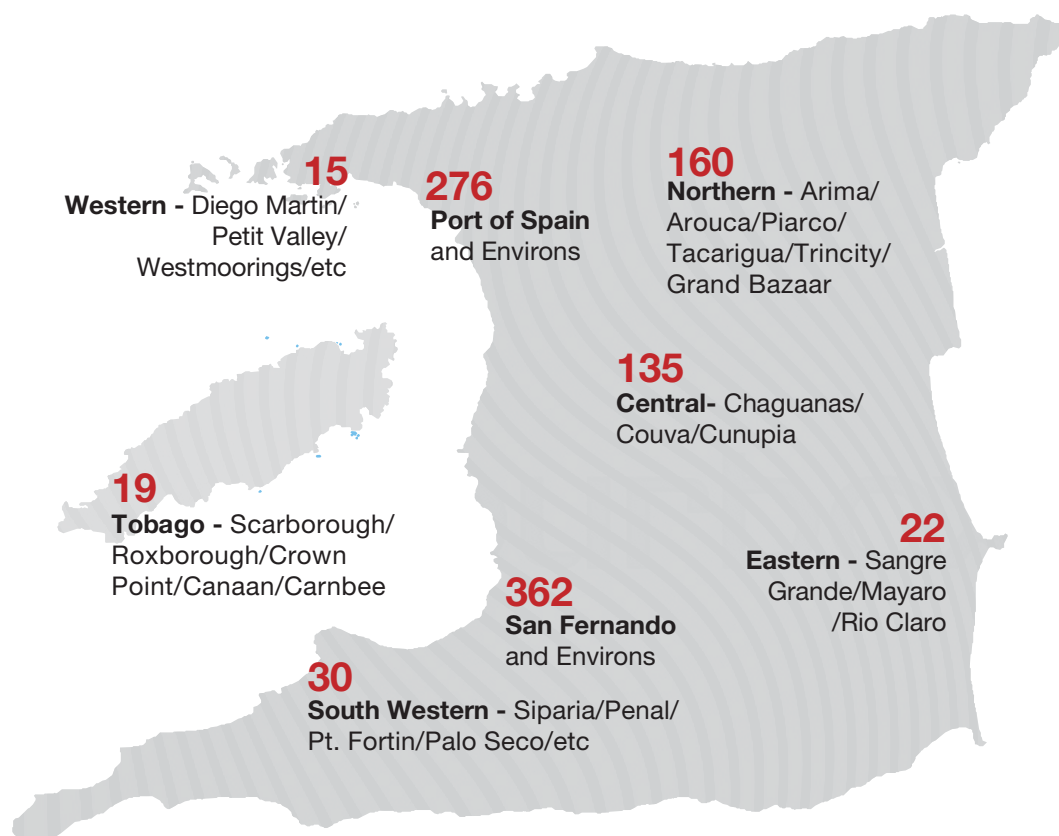
Tobago and Eastern Trinidad accounted for 4% of the total STRs/SARs submitted.

Diagram 20 illustrates STRs/SARs by geographic location of Reporting Entities.

**DIAGRAM 19**  
**INTELLIGENCE REPORTS DISSEMINATED**  
**TO LOCAL LEAS FROM 2011 TO 2019**



**DIAGRAM 20**  
**STRs/SARs BY GEOGRAPHIC LOCATION OF**  
**REPORTING ENTITIES 2018 TO 2019**



<sup>5</sup> 'Suspicious activity', means that after analysis by the FIUTT, the STR/ SAR failed to meet the statutory threshold for reporting and no link to criminal activity was established, or; no elements of 'reasonable grounds for suspicion' of ML/FT were detected.

## ix. STRs/SARs Submissions by Occupation/Profession of Subjects

A key and critical data source in determining net-worth, life-style and the likely source of funds of Subjects is their occupation/profession. The analysis of the occupation/profession most commonly identified are detailed below.

In this reporting period, Self-employed/Entrepreneurs were the most featured occupation/profession, followed by Business-Traders (Business Owners, Company Directors). Self-employed/Entrepreneurs accounted for 17% or 197 persons reported in STRs/SARs followed by Business-Traders/Companies which accounted for 11% or 127 entities.

STRs/SARs containing Subjects employed in the Hotel/Restaurant/Leisure industry accounted for 8% or 91 persons in this reporting period. This represents a significant increase when compared to the 14 persons reported in the previous reporting period.

52 STRs/SARs were filed on Law Enforcement/Security Personnel. This represents a 13% increase from the previous reporting period. Additionally, ten STRs/SARs were submitted which identified 11 Politically Exposed Persons (PEPs). The total value of suspicious activity in the ten STRs/SARs on PEPs was TT\$1,367,285. While the number of PEPs reported showed a minor increase, there was an 86% decline in the total monetary value of suspicious transactions reported.

## x. STRs/SARs Trend Analysis - Suspected Criminal Conduct

Suspected ML continues to rank highest among the six most common reasons for Reporting Entities submitting STRs/SARs to the FIUTT. In this reporting period, the six most common suspected criminal conduct were:

- money laundering – 286;
- fraud and forgery – 193;
- suspicious financial activity<sup>5</sup> – 168;
- tax evasion – 134;
- financing of terrorism – 97; and
- drug trafficking – 71.

These six suspected criminal conduct categories accounted for 93% of the total number of STRs/SARs submitted and 99% of the total monetary value of all the STRs/SARs submitted.

ML was suspected in 28% or 286 STRs/SARs submitted, followed by fraud and forgery which also accounted for 19% or 193 STRs/SARs submitted. Suspicious financial activity accounted for 16% or 168 of the total STRs/SARs submitted.

With respect to the monetary value of the STRs/SARs received, tax evasion accounted for 39% of the total value of STRs/SARs submitted. Tax evasion, fraud and forgery and ML accounted for over 96% of the total monetary value of STRs/SARs submitted during the review period.

In this reporting period, ML accounted for 19% of the total monetary value of STRs/SARs submitted, fraud and forgery accounted for 39% and Suspicious Activity accounted for 2% of the total monetary value of STRs/SARs submitted. A most significant increase was noted for STR/SAR submissions related to Suspected Tax Evasion.

#### • Tax Evasion

In this reporting period, the FIUTT received 134 STRs/SARs on suspected Tax Evasion, compared to 75 in the previous reporting period. This represents a 79% increase of Tax Evasion related STRs/SARs. The FIUTT in conducting its analysis noted that the increase in Tax Evasion related STRs/SARs was attributed to the following identifiable activities:

- co-mingling of business proceeds with personal funds;
- deposits of cash into personal accounts instead of business accounts for cash-intensive businesses;
- employees of cash-intensive businesses used to open personal accounts,

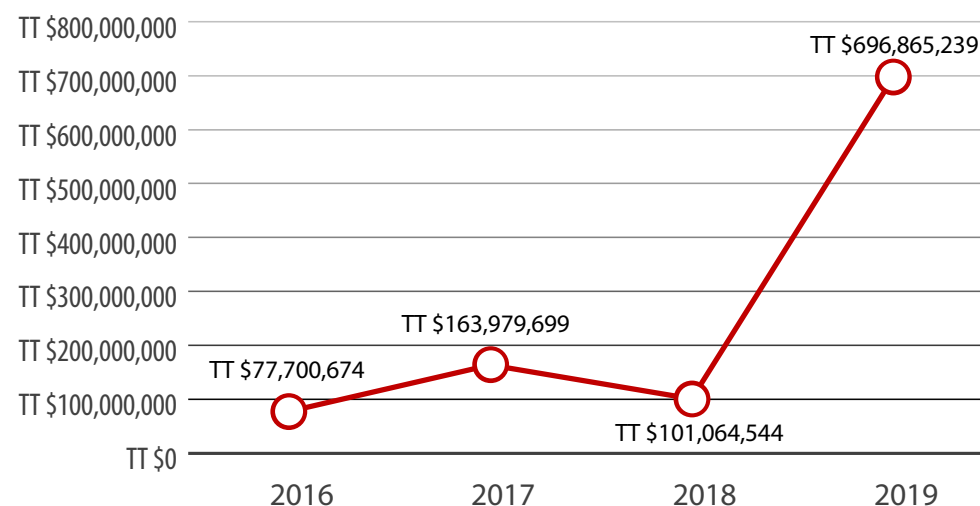
and remit funds to foreign jurisdiction through their personal accounts;

- the formation of complex legal structures to obscure source of funds;
- the remittances of significant amount of funds to foreign jurisdictions by Non-nationals domiciled in Trinidad and Tobago.

30% of the persons identified as the Subjects reported in the Tax Evasion STRs/SARs were Non-nationals from Asia, Africa and the Middle East. In this reporting period, tax evasion accounted for 39% of the total monetary value of STRs/SARs submitted. This represented an increase of over TT\$595 Million, from the previous reporting year.

A comparative look at the total monetary value of STRs/SARs relating to Suspected Tax Evasion from 2016 to 2019, is presented below in Diagram 21.

**DIAGRAM 21**  
**SHOWS THE INCREASES IN THE TOTAL MONETARY VALUE**  
**OF STRs/SARs RELATING TO SUSPECTED TAX EVASION 2016 TO 2019**



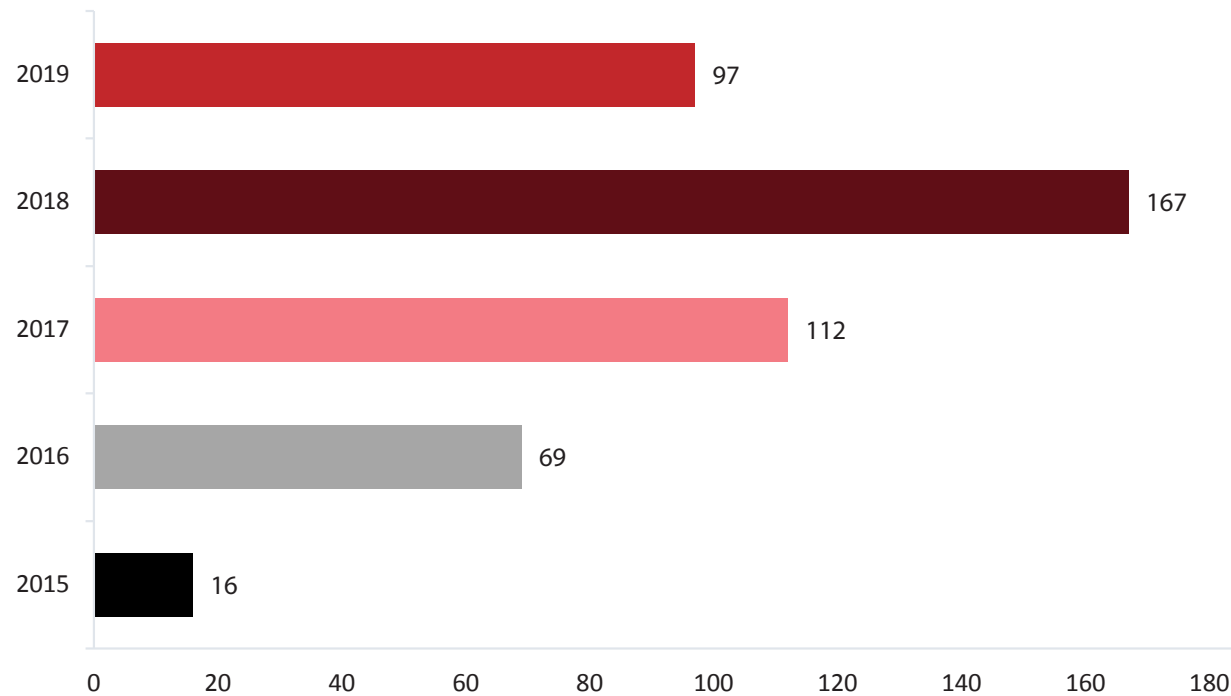
- **Financing of Terrorism**

In this reporting period, the FIUTT received 97 STRs/SARs on suspected FT compared to 167 in the previous reporting period. This represents a 42% decrease of FT related STRs/SARs. The FIUTT in conducting its analysis noted that the decline in FT related STRs/SARs may be attributable to the decline of the Islamic State of Syria and Iraq's (ISIS) territorial stronghold.

Diagram 22 presents a comparative view of FT related STRs/SARS submitted during 2015 to 2019.

While the level of funding suspected of leaving Trinidad and Tobago to fund terrorism and/or terrorist organisations declined significantly, Reporting Entities, are continuing their heightened awareness of FT threats. Reporting Entities have identified a possible trend utilising outbound transactions to the known conflict zones in Syria and Iraq and countries in close proximity to those conflict zones, to one of inbound transactions from countries in close proximity to the conflict zones. In light of this, the FIUTT undertook a Strategic Analysis Project aimed at identifying possible reasons for the changes in the modus operandi from suspected outbound transactions to suspected inbound transactions to Trinidad and Tobago.

**DIAGRAM 22**  
**COMPARISON OF THE NUMBER OF FT RELATED**  
**STRs/SARs FROM 2015 TO 2019**

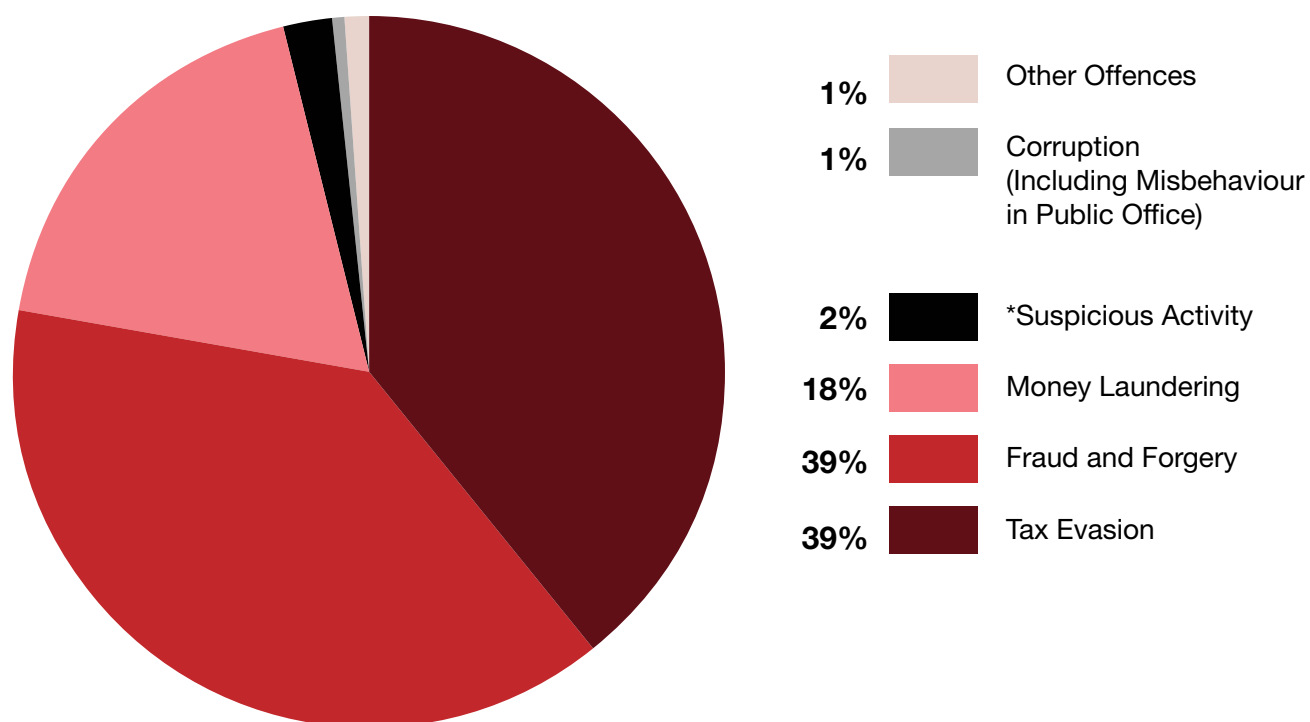




Overall, 40 Intelligence Reports linked to suspected Foreign Terrorist Fighters (FTFs), FT and terrorism were disseminated to local and foreign LEAs and to foreign FIUs. The persons identified were from various socio-economic backgrounds and included both male and female. The FIUTT continues to prioritise the analysis, responses to requests from LEAs and the dissemination of reports relating to FT activities in a timely manner.

Table 6 and Diagram 23 below provide a breakdown of the number of STRs/SARs and the dollar values of suspected criminal conduct as disclosed from STRs/SARs analysis in this reporting period.

**DIAGRAM 23**  
**SUSPECTED CRIMINAL CONDUCT BASED ON**  
**TOTAL DOLLAR VALUE OF STRs/SARs**



**TABLE 6**  
**SUSPECTED CRIMINAL CONDUCT**

SUSPECTED CRIMINAL CONDUCT	NUMBER OF STRs	VALUE OF COMPLETED STRs/SARs (in TT\$)	VALUE OF ATTEMPTED STRs/SARs (in TT\$)	TOTAL DOLLAR VALUE OF STRs/SARs (in TT\$)
Money Laundering	286	223,209,883	106,142,991	329,352,874
Fraud and Forgery	193	78,020,409	607,702,385	685,722,794
Suspicious Activity	168	31,600,249	6,850,218	38,450,467
Tax Evasion	134	487,810,239	209,055,000	696,865,239
Financing of Terrorism	97	1,490,632	6,732	1,497,364
Drug Trafficking	71	3,292,941	0	3,292,941
Human Trafficking	23	1,932,056	0	1,932,056
Breach of Exchange Control	16	5,898,242	70,000	5,968,242
Corruption (Including Misbehaviour in Public Office)	14	9,657,998	0	9,657,998
Participation in an Organized Criminal Group	10	308,581	0	308,581
Kidnapping	4	4,244,937	0	4,244,937
Murder	2	303,090	0	303,090
Robbery or Theft	1	0	0	0
<b>TOTAL</b>	<b>1,019</b>	<b>847,769,257</b>	<b>929,827,326</b>	<b>1,777,596,583</b>

### 3. REQUESTS FOR INFORMATION

#### i. Written Information Requests

In this reporting period, the FIUTT made 2,983 requests for information to Reporting Entities and Government Authorities for analytical purposes. This is in comparison to the 2,290 requests made during the previous reporting period which represents an increase of 30%.

A breakdown of the entities that received production of information requests are depicted in Diagram 24.

#### ii. Electronic Access to Information

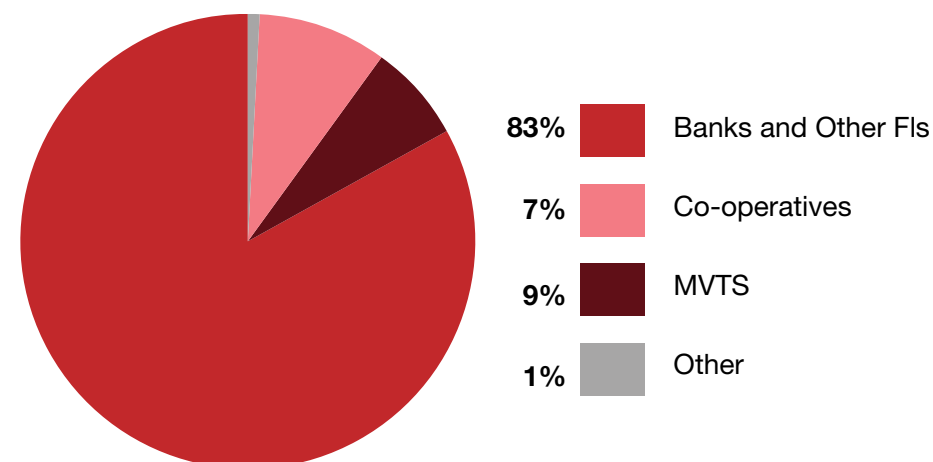
For this reporting period, the FIUTT made approximately 20,000 electronic requests for information held in external databases of public authorities and private entities. The majority of these requests were conducted on databases held by public authorities in order to verify beneficial owners, verify KYC documentation, trace assets and identify suspected criminals and their associates.

#### iii. Feedback To Reporting Entities and Special Feedback

In accordance with Section 10 of the FIUA, the FIUTT provided feedback on 531 STRs/SARs received. 508 were Special Feedback<sup>6</sup> and 23 Deficiency Feedback Letters. There was a 45% decrease in Deficiency Feedback<sup>7</sup> Letters which can be attributed to the following:

- feedback on multiple STR/SAR submissions, were provided in one letter;
- face-to-face meetings with the Reporting Entities to improve the public-private partnership project resulted in quality STR/SAR submissions;
- the FIUConnect initiative which has established an e-filing system for Reporting Entities. This reduced the need for deficiency feedback letters.

DIAGRAM 24  
FIUTT REQUESTS FOR INFORMATION BY SECTOR



<sup>6</sup> Special Feedback – states the action taken on the STR/SAR submitted by the Reporting Entity and the outcome of the matter. These actions include: “Report forwarded to LEA”, a directive for “Continued Monitoring” or “Filed for Intelligence”;

<sup>7</sup> Deficiency Feedback – assists the Reporting Entity in improving the quality or timeliness of its submissions.

## 4. USE OF FIUTT'S INTELLIGENCE

The FIUTT plays a vital role in assisting LEAs by providing operational and strategic reports relative to criminal trends, typologies and emerging threats, which may be unknown to law enforcement. Additionally, the FIUTT supports law enforcement by providing intelligence on specific subjects as requested by LEAs. This is of primary importance when LEAs conduct pro-active parallel financial investigations when pursuing ML/FT and other criminal conduct. This intelligence is provided to LEAs to guide and support the investigative avenues, charges being proffer, securing convictions, forfeiting criminal property and the confiscation of criminal proceeds.

### FIUTT's Intelligence Used In:

- **Money Laundering Charges**

The criminal conduct which led to the ML charges were:

- o conspiracy to defraud;
- o misconduct in Public Office;
- o illegal Gambling;
- o conspiracy to engage in ML;
- o keeping a brothel and aiding and abetting prostitution; and
- o fraud

The TTPS proffered 58 ML charges against 18 persons during this reporting period. Some of the charges were laid jointly. The charges included, Larceny, Stand-alone ML, Fraud (Obtaining money by False Pretences), Illegal gambling, Keeping a brothel, Aiding and Abetting Prostitution, Conspiracy to Engage in ML, Misconduct in Public Office and Conspiracy to Defraud. The charges were laid by various specialised Units within the TTPS which included, the Financial Investigation Branch (FIB), the Fraud Squad, and the Anti-Corruption Investigations Bureau (ACIB).

*Source: TTPS - The Financial Investigation Branch (FIB), the Fraud Squad, and Anti-Corruption Investigations Bureau (ACIB)*

- **Cash Seizures by LEAs**

Section 38 of the Proceeds of Crime Act Chap. 11:27 authorises the seizure of cash, in excess of the prescribed sum (TT\$20,000.00 or the equivalent) by LEAs. For the period under review, the FIUTT provided intelligence to law enforcement in support of their investigation of seized cash. The Financial Investigations Branch (FIB) of the TTPS investigated 40 cases where cash seized amounted to TT\$3,953,070.00 and US\$325,312.00. The TTPS in this reporting period, was successful in forfeiting TT\$791,106.00 and US\$28,943.00, which was placed into the Seized Assets Fund.

*Source: TTPS - The Financial Investigation Branch (FIB), the Fraud Squad, and Anti-Corruption Investigations Bureau (ACIB)*

- **Intelligence on FT**

Financial Intelligence continues to form a significant component of terrorism/financing of terrorism investigations. The prevalence of the threat of terrorism locally and abroad could result in the loss of life as well as severe social and economic costs. The FIUTT continues to prioritise all competent authorities' requests for financial intelligence related to FT. During this reporting period, the FIUTT assisted in providing financial intelligence to 47 investigations into terrorism offences by local and foreign competent authorities.

- **Feedback to the FIUTT on intelligence disseminated**

Feedback received from domestic LEAs, indicated that the intelligence provided by the FIUTT continues to be of good quality, identified new suspects, was used to launch new investigations, identified new assets and was shared with other LEAs (after permission to share was granted by the FIUTT).

Some Feedback quotes from LEAs included:

- o "Disclosure provided new information regarding known and unknown subjects.";



- o “The information was actionable and led to trace checks and pending interview with subjects.”;
- o “Disclosure triggered a new investigation.”; and
- o “Good quality and good work by FIUTT.”

#### • **Permission to Share**

The FIUTT requires that permission is first sought by the requesting agency before the intelligence provided by the FIUTT is disseminated to relevant third parties. This is in keeping with the FIUTTR, international standards set by the FATF and the Egmont Group of FIUs. In this reporting period, the receiving agency requested ‘Permission to Share’ the intelligence with other LEAs in 23 cases. This is an indication that the intelligence provided by the FIUTT was of sufficient value to be used for investigative purposes by the receiving agency.

## 4. STRATEGIC ANALYSIS

### i. Strategic Analysis Projects

The FIUTT completed four strategic analysis products for dissemination to law enforcement and other competent authorities in this reporting period. The subject matter for these strategic reports included:

- drug trafficking involving local nationals;
- drug trafficking foreign nationals;
- human trafficking and its financial flows; and
- threats posed by returning FTFs.

The FIUTT was successful in having engaged private sector stakeholders in producing these strategic intelligence reports. The FATF has provided guidance on

Public Private Sector initiatives to strengthen stakeholder commitment to the AML/CFT regime within jurisdictions.

From the analysis conducted, the FIUTT identified the following indicators, trends and patterns of criminal conduct and produced the typologies summarised below.

#### • **Indicators of drug trafficking**

- o large cash transactions conducted over a short period of time;
- o multiple funds transfers involving a high-risk drug country;
- o multiple funds transfer to common beneficiaries and/or to persons located within the same geographical area;
- o individuals working together to break up one transaction into two or more transactions;
- o transactions accompanied by information which appear false or contradictory.

#### • **Indicators of human trafficking**

- o cash deposits through multiple ATM machines;
- o regular ATM cash deposits by third parties that have no reasonable explanation;
- o wire transfers sent to persons in geographical locations that are known source countries for HT;
- o payments being made for media advertising (spas/brothels, escorts, etc.);
- o foreign nationals with no local account holding history, conducting high volumes of cash transfers to high risks territories;

- o multiple payments for bookings of hotels and taxis locally by customers not known to be involved in business activities that require such transactions;
- o use of third parties to place funds into accounts;
- o setting up of cash intensive businesses (Night/Recreation Clubs, Bars, etc.) – with adjoining brothel services; and
- o intra-island wire transfers that make no economic sense.

#### • Trends

- o excessive volume and frequency of ATM withdrawals being conducted in foreign jurisdictions, whilst the account holder is physically present in Trinidad and Tobago;
- o commingling of accounts between individuals and their private company financial accounts for tax evasion;
- o repatriation of funds via wire transfers and money remittances to foreign jurisdictions by non-nationals who are resident in Trinidad and Tobago;
- o use of third parties to deposit business proceeds into personal accounts on behalf of employers;
- o use of third parties to transmit funds to foreign jurisdictions; and
- o suspected breach of the Exchange Control Act.

## ii. Typology:

#### • Typology: “Suspected Tax Evasion”

This typology concerns cases where foreign nationals, domiciled in Trinidad and Tobago exploit the financial system to avoid payment of the requisite taxes in Trinidad and Tobago. Income earned in Trinidad and Tobago is remitted to the

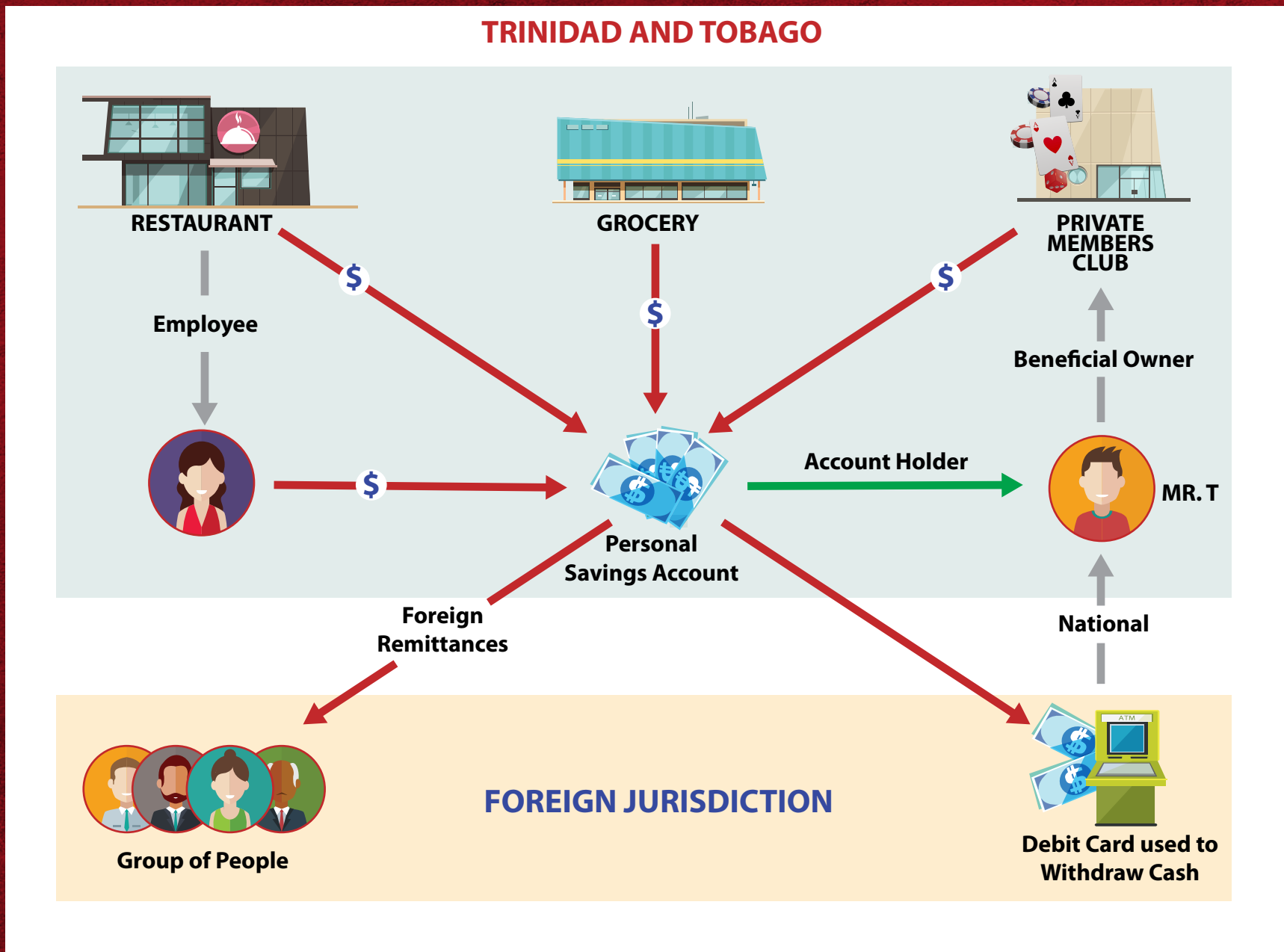
homeland of the foreign nationals under the façade of the repatriation of funds to their diaspora.

FIUTT’s analysis of such cases revealed the following:

- existence of cash-intensive companies incorporated within Trinidad and Tobago where the foreign Nationals are the principal parties and/or beneficial owners;
- existence of bank accounts held by nationals of foreign jurisdictions in financial institutions within Trinidad and Tobago;
- cash in TT\$ and US\$ currencies which represent business proceeds being deposited into the personal accounts of the foreign nationals;
- frequent and large wire transfers out of Trinidad and Tobago to the homeland of foreign nationals with stated purposes such as: “gift for family”, “medical”, “to help build house” and “living expenses”.
- use of third party to remit funds to the homeland of foreign nationals. In a number of cases employees of cash-intensive companies were used to open accounts, and remit funds to foreign jurisdiction through their personal accounts;
- unwillingness by the foreign nationals to provide information regarding the transactions and updated KYC information when requested by the financial institutions;
- excessive volume and frequency of ATM cash withdrawals being conducted foreign jurisdictions while the card holder appear to be in Trinidad and Tobago; and
- short timeframe between the date the account was opened and the date it was closed.

Diagram 25 illustrates the Suspected Tax Evasion techniques employed by Non-nationals.

DIAGRAM 25  
SUSPECTED TAX EVASION TECHNIQUES EMPLOYED BY NON-NATIONALS



- **Typology: “Suspected abuse of Non-Profit Organisations, relative to the Financing of Terrorism”**

A faith-based charitable organisation (“the NPO”) was established to fund the renovation of local places of worship of the same faith as the NPO. Accounts were opened at Bank A to facilitate the collection of donations from local persons of the same faith. The NPO subsequently conducts fund-raising activities in order to assist victims of natural disasters in foreign jurisdictions. Cash deposits to the NPO’s account at Bank A increased exponentially. The NPO partnered with other foreign agencies to provide relief to persons affected by natural disasters. Funds were subsequently remitted from the NPO’s account to foreign agencies. Ensuing fund transfers were declined by Bank A as a result of due diligence conducted which revealed that the foreign agencies were linked to suspected global terrorist organisations. It was later revealed that the director of the NPO was also linked to several other NPOs within Trinidad and Tobago. The director of the NPO was later identified as travelling internationally from Trinidad and Tobago with large amounts of cash on his person. The ultimate destination and/or beneficiary of these funds could not be verified.

#### **Indicators to the suspected abuse of Non-Profit Organisations**

- significant cash deposits within a short period of time where the true source and legitimacy of the source(s) cannot be determined;
- the NPO’s accounts are used to conduct suspicious or large, complex or unusual transactions;
- one of the foreign agencies being from a country listed as a high risk jurisdiction by the FATF;
- large wire transfers to foreign agencies whom are suspected of being involved in the financing of terrorism;
- official of the NPO travelling to foreign jurisdictions with large amounts of foreign currency on his person circumventing the tracing of funds via the financial system.

Diagram 26 illustrates the suspected abuse of an NPO, relative to FT.

## **5. ACHIEVEMENTS OF ANALYSIS DIVISION**

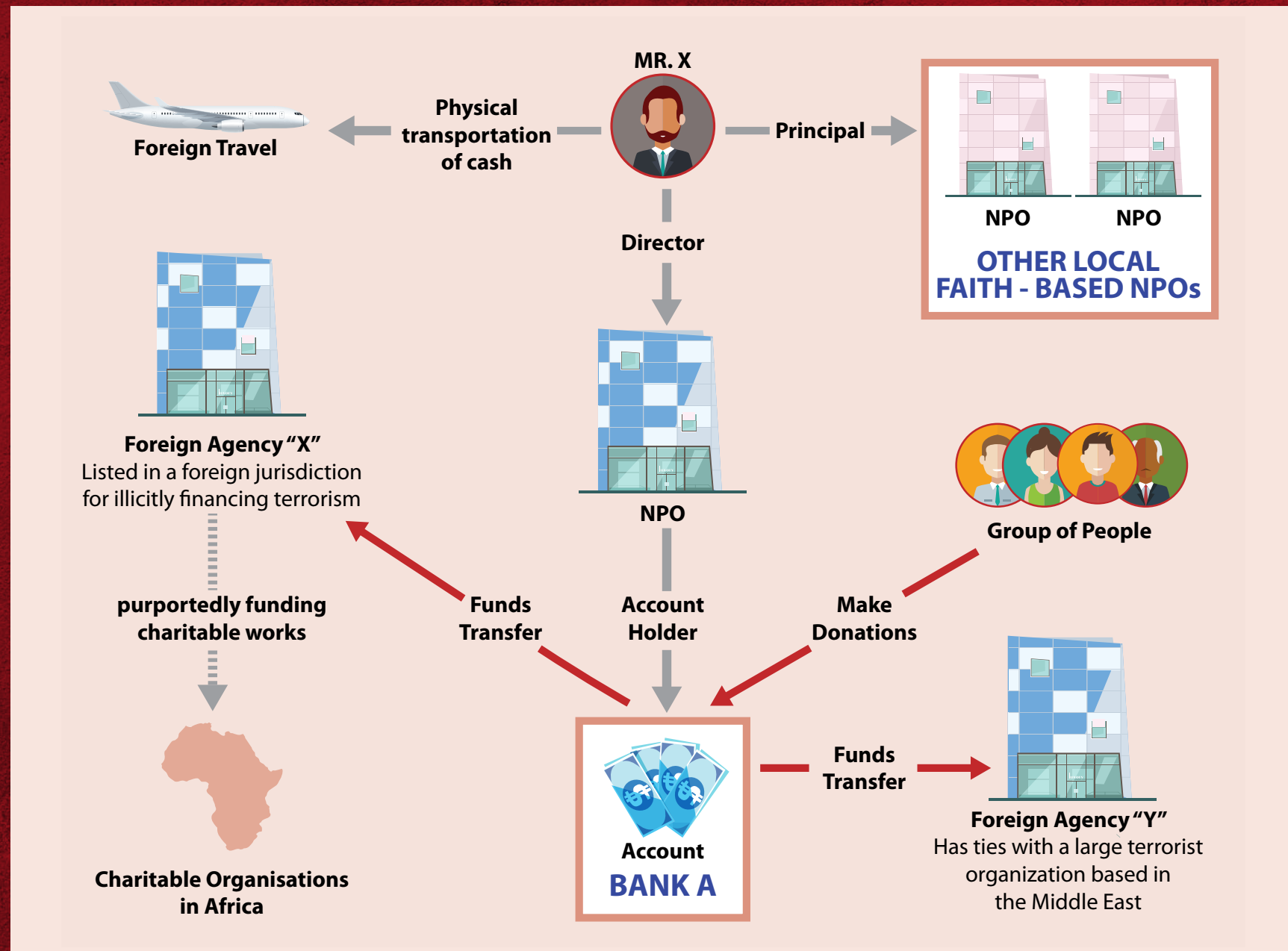
“We cannot seek achievement for ourselves and forget about progress and prosperity for our community...” (Caesar Chavez). For this reason, the Analysis Division contributes and provides support to several task force and Public Private Partnerships fora. One of the key mandate of the FIUTT is providing the most valuable intelligence for use by law enforcement. The value ascribe to the intelligence disseminated by the FIUTT is evident in the increase in the number of requests received from LEAs, (from 174 in the previous reporting period to 221 in this reporting period which represents an increase of 27%).

Among the achievements of the Analysis Division for this current period are:

- partnership and support in the pilot delivery of the Advanced Strategic Analysis course;
- completion of four strategic analysis projects and two typologies;
- valuable intelligence provided to the increase in requests for information from local and foreign authorities;
- analysts provided key support to inter-ministerial committees, inter-agency task force and law enforcement working groups on FT and ML; and
- strong contributor to CFATF Trends and Typology exercise.



DIAGRAM 26  
SUSPECTED ABUSE OF AN NPO RELATIVE TO FT



## CHAPTER IV –

# STRATEGIC ALLIANCES CO-OPERATION AND COLLABORATION

---

## 1. INTRODUCTION

FATF international standards, Recommendation 2 (National Co-operation and Co-ordination) and Recommendation 40 (Other Forms of International Co-operation) require countries, including Trinidad and Tobago to have effective mechanisms in place to provide the widest range of co-operation for the exchange of information to successfully combat ML/FT/PF.

FIUs globally are recognised as one of the main competent authorities in a jurisdiction's AML/CFT/CPF regime. FIUs facilitate information and intelligence exchange among local and foreign authorities and the regulated sectors. This collaboration works ultimately towards protecting the national, regional and international financial system from the illicit proceeds obtained from ML/ FT/PF and other related criminal activities.

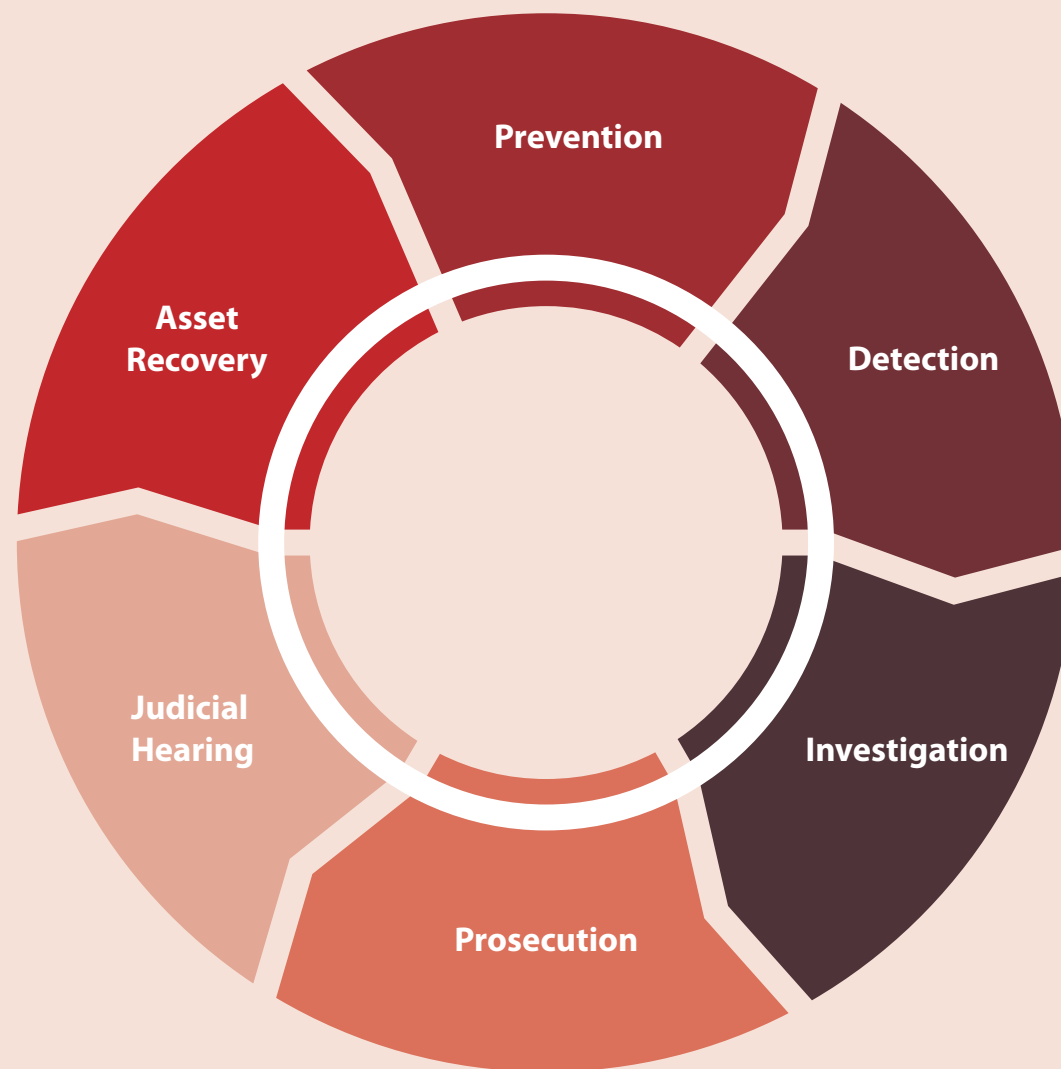
There are currently 164 FIUs within the Egmont Group of FIUs. The Egmont Secure Website (ESW) provides the mechanism for co-operation and information exchange between FIUs securely. FIUs, LEAs and Intelligence Agencies use a range of channels and networks for exchanging information. National legislation, Standard Operating Procedures and Memoranda of Understanding (MOUs) are the conduits used to create the collaboration between jurisdictions.

The FIUA provides the authority for the FIUTT to support local and foreign authorities in their analyses, investigations and prosecutions of ML/FT/PF and related crimes. The FIUTT is also required to co-operate with the other AML/CFT/CPF Supervisors in regulating Reporting Entities and assisting them to fulfil their AML/CFT/CPF legal obligations. In pursuance of this, the FIUTT engages in the exchange of information and financial intelligence, locally and internationally, upon requests and spontaneously through collaborative mechanisms established with its stakeholders.

The FIUTT recognises the importance of partnerships with its stakeholders and formed strategic alliances both in the public and private sectors. In addition, the FIUTT regularly meets with Reporting Entities, Supervisory Authorities, Public Authorities, LEAs and Intelligence Agencies to effectively address ML/FT/PF and other related crimes. These partnerships are built on mutual trust which enables the FIUTT to expand its knowledge of trends, patterns and criminal typologies.

Diagram 27 illustrates the AML/CFT/CPF chain of responsibility between the Reporting Entities and competent authorities.

**DIAGRAM 27**  
**THE AML/CFT/CPF CHAIN OF RESPONSIBILITY**



Area of Responsibility Outcomes	Competent Authorities	Outcomes
<b>Prevention</b>	<b>Regulators</b> <ul style="list-style-type: none"> <li>• FIUTT</li> <li>• CBTT</li> <li>• TTSEC</li> </ul> <b>Reporting Entities</b> <ul style="list-style-type: none"> <li>• FIs</li> <li>• LBs</li> </ul>	<ul style="list-style-type: none"> <li>• Guidelines</li> <li>• Standards</li> <li>• Advisories</li> <li>• Legislation</li> <li>• Regulations</li> <li>• Compliance Policies</li> </ul>
<b>Detection</b>	<ul style="list-style-type: none"> <li>• TTPS</li> <li>• Customs</li> <li>• BIR</li> <li>• Immigration</li> <li>• FIUTT</li> <li>• Reporting Entities</li> </ul>	<ul style="list-style-type: none"> <li>• Criminal Offences</li> <li>• Cash Seizures</li> <li>• Financial Intelligence Reports</li> <li>• STRs/SARs</li> <li>• TFRs and QTRs</li> </ul>
<b>Investigation</b>	<ul style="list-style-type: none"> <li>• TTPS</li> <li>• Customs</li> <li>• BIR</li> <li>• Immigration</li> </ul>	<ul style="list-style-type: none"> <li>• Evidence Gathering</li> <li>• Case Files</li> </ul>

Area of Responsibility Outcomes	Competent Authorities	Outcomes
<b>Prosecution</b>	DPP	<ul style="list-style-type: none"> <li>• Charges for Specified Offence</li> <li>• Prosecution Trial</li> </ul>
<b>Judicial Hearing</b>	<ul style="list-style-type: none"> <li>• Magistrates</li> <li>• High Court</li> </ul>	<ul style="list-style-type: none"> <li>• Judgements</li> <li>• Convictions</li> </ul>
<b>Asset Recovery</b>	Seized Assets Committee	<ul style="list-style-type: none"> <li>• Confiscation</li> <li>• Seizures</li> <li>• Forfeitures</li> </ul>



## 2. DOMESTIC CO-ORDINATION AND ENGAGEMENT

### i. Law Enforcement Authorities

One of the avenues through which the FIUTT collaborates with LEAs is via the Law Enforcement Working Group (LEWG) which was established to provide a forum for inter-agency co-operation. Since 2017 the LEWG has been chaired by the Office of the Director of Public Prosecutions (ODPP). The current members include: Fraud Squad, Special Branch, Special Investigations Unit (SIU), Anti-Corruption Bureau (ACIB), FIUTT, FIB, Customs and Excise, Immigration and the Criminal Tax Investigation Unit.

The LEWG is also a mechanism by which the FIUTT obtains feedback on the usefulness and quality of its Intelligence Reports and their relevance to the operational needs of the LEAs. The LEWG held four meetings during this reporting period to discuss matters of shared interest and to advance cases for prosecution.

Apart from the LEWG, the FIUTT engages specific agencies responsible for the investigation of criminal conduct that leads to ML/FT/PF on prioritised and complex cases that require further collaboration.

### ii. Information Exchange amongst the FIUTT, LEAs and Public Authorities

The FIUTT sees the timely dissemination and quality of intelligence as a critical obligation. The efficient and effective analysis of STRs/SARs in the shortest possible timeframe is dependent on the resources at the FIUTT and the co-operation from other entities, which may include Reporting Entities and Competent Authorities. The FIUTT supports the efforts of LEAs by providing financial intelligence both spontaneously and upon request.

In this reporting period, LEAs use of financial intelligence in pursuing investigative leads, to identify new subjects, gather evidence, trace assets, proffer charges and to identify emerging trends and patterns of criminal activity has increased significantly. This substantiates the crucial supportive role of the FIUTT in ML/FT/PF and other related criminal investigations in Trinidad and Tobago and in foreign jurisdictions.

Diagram 28 shows that there is a notable increase in the number of requests received by the FIUTT from 174 in the previous reporting period to 221 in this reporting period. As shown in Table 7, the 221 requests the FIUTT received from LEAs, related to 636 subjects as compared to 565 subjects in the previous reporting period. This represents a 27% increase in the number of requests and a 13% increase in the number of subjects.

**DIAGRAM 28**  
**INFORMATION REQUESTS RECEIVED FROM LEAs**

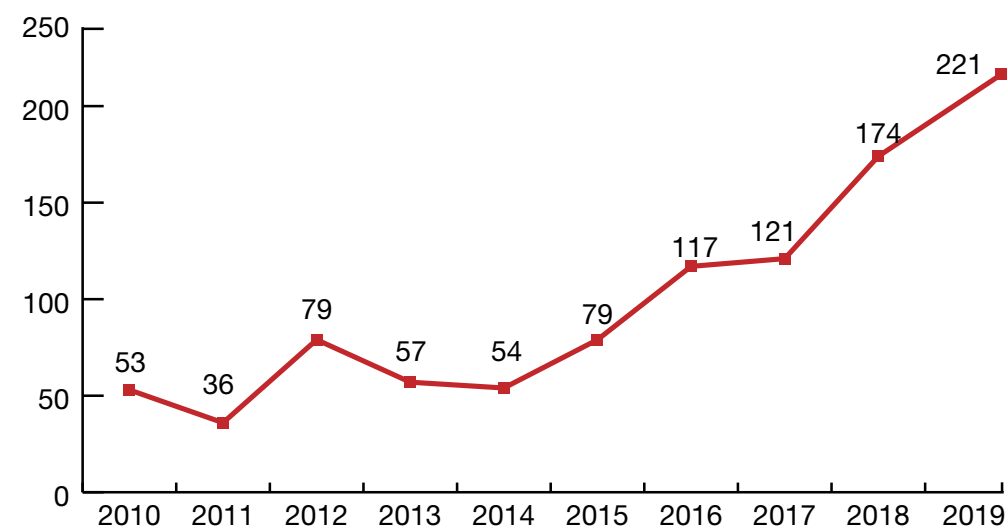


Diagram 29 illustrates the 2019 variance in the incoming LEA requests according to suspected criminal conduct in the past two reporting periods (2018 and 2019).

From the total 221 requests received, tax crimes represented the highest suspected criminal conduct amounting to 48 which represents 22%, an exponential increase compared to three requests in the previous reporting period.

Cash Seizures requests also increased from 17 in the previous reporting period to 26 in this reporting period. This represents an increase of 53% in cash seizure requests. Organised Criminal Groups were the basis of six requests received in 2019 as opposed to 0 in the previous reporting period. Human Trafficking also increased to 6 in 2019 as compared to 1 request received in the previous reporting period.

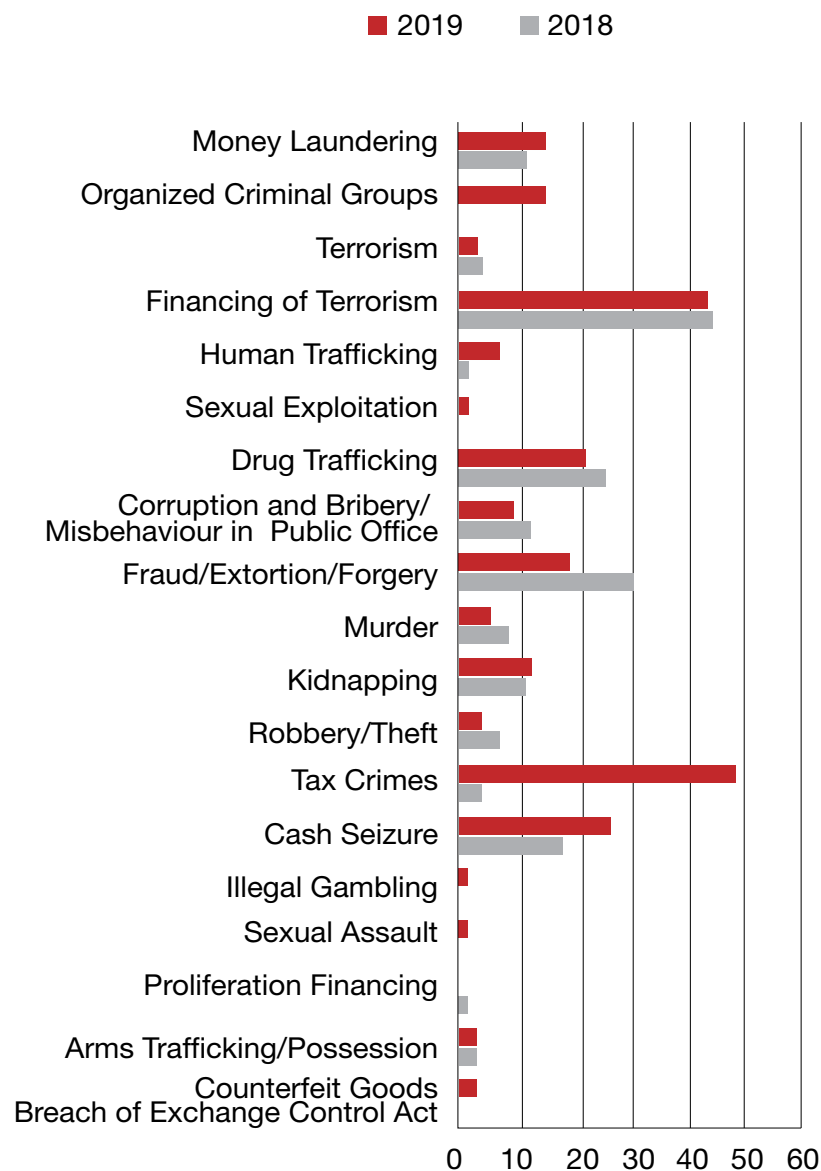
The FIUTT made 40 requests to LEAs and twelve to Public Authorities to support the analysis of STRs/SARs and to respond to requests from foreign stakeholders. While the number of written requests to Public Authorities decreased in this period, the FIUTT made over 20,000 direct electronic queries to databases held by Public Authorities. The decrease in written requests from the FIUTT to LEAs and Public Authorities may be ascribed to the cases FIUTT analysed which required information from foreign FIUs as opposed to local agencies and the increasing access to more electronic databases.

FIUs are required to disseminate financial intelligence spontaneously and upon request in accordance with FATF's Recommendation 29. The FIUTT disseminated nine Spontaneous Disclosures to local LEAs on suspected criminal conduct related only to FT and ML in this reporting period. Of note, the FIUTT disseminated the results of its Strategic Analysis on "Drug Trafficking" to LEAs.

**TABLE 7**  
**COLLABORATION WITH LEAs AND PUBLIC AUTHORITIES**

		SUSPECTED CRIMINAL CONDUCT CATEGORIES																				TOTAL	YEAR
Exchange of Information with LEAs and Public Authorities		Money Laundering	Organized Criminal Groups	Terrorism	Financing of Terrorism	Human Trafficking	Sexual Exploitation	Drug Trafficking	Corruption and Bribery/ Misbehaviour in Public Office	Fraud/Extortion/Forgery	Murder	Kidnapping	Robbery/Theft	Tax Crimes	Cash Seizure	Illegal Gambling	Sexual Assault	Proliferation Financing	Arms Trafficking/ Possession	Counterfeit Goods	Breach of Exchange Control Act		
	No. of incoming requests from LEAs	14	6	2	43	6	1	22	9	19	5	12	3	48	26	1	1	0	2	0	1	221	2019
		11	0	3	44	1	0	25	12	30	8	11	6	3	17	0	0	1	2	0	0	174	2018
	No. of outgoing requests to LEAs and Public Authorities	14	0	0	12	2	0	6	6	7	0	0	1	3	0	0	0	0	0	1	0	52	2019
		24	0	0	21	4	0	3	1	11	0	0	0	0	0	0	0	0	0	0	0	64	2018

**DIAGRAM 29**  
**VARIANCE OF INCOMING REQUESTS**



### iii. Supervisory Authorities and Supervised Entities

#### • Co-operation with Supervisory Authorities

The FIUTT continued to develop a close working relationship with the two other Supervisory Authorities in the AML/CFT regime, namely, the Central Bank of Trinidad and Tobago (CBTT) and the Trinidad and Tobago Securities and Exchange Commission (TTSEC). In 2014, MOUs were signed among these three Supervisory Authorities. In this reporting period, the Supervisory Authorities signed a new multi-lateral MOU to strengthen co-operation and collaboration among the Supervisory Authorities. The MOU also served to formalize terms of reference for the Supervisory Steering Group and the Supervisory Authorities Working Group.

During this reporting period, the FIUTT worked alongside CBTT and TTSEC in three Supervisory Steering Group meetings and three Supervisory Working Group meetings. The co-operative efforts of the Supervisory Authorities included:

- o Joint Public Statement by Supervisory Authorities on Virtual Currencies (Public Statement dated January 25, 2019)
- o identified and recommended legislative amendments to AML/CFT laws to conform with the FATF 40 Recommendations;
- o collaboration in identifying new/emerging AML/CFT threats;
- o consultation with ICATT; and
- o developing standards for co-operation (Operating Procedures)

#### • FIUTT Private Sector Partnership

In 2018 the FIUTT restructured the Supervised Entities Working Group and renamed the working group “the Supervised Entities Partnership Engagement” (SEPE) to encourage more effective engagement with the private sector. The SEPE provides a forum for representatives from the NRFIs and LBs sectors to discuss AML/CFT/CPF matters affecting their respective industries.

The FIUTT held two SEPE meetings for this reporting period. The main topics discussed were:

- current ML trends and typologies;
- mitigating risks of virtual assets;
- new trends relating to FT;
- effective suspicious transaction/activity reporting;
- enhanced supervision measures;
- AML/CFT legislation (Bills and Amendments);
- Trinidad and Tobago 4<sup>th</sup> MER and Enhanced Follow-Up Updates; and
- FATF and CFATF Plenary outcomes.

#### **iv. The National Anti-Money Laundering and Counter Financing of Terrorism Committee**

The Miscellaneous Provisions (Proceeds of Crime, Anti-Terrorism and Financial Intelligence Unit) Act, No. 20 of 2018 established the National Anti-Money Laundering and Counter Financing of Terrorism Committee (NAMLC) as the national co-ordinating body for all competent authorities in the AML/CFT regime. Administratively, NAMLC falls within the Ministry of the Attorney General and Legal Affairs since the Honourable Attorney General is now the Prime Contact to FATF and CFATF.

Consistent with FATF's Recommendation 2, NAMLC's terms of reference includes:

- making recommendations to the Minister and coordinating the implementation of national anti-money laundering, counter financing of terrorism and proliferation financing policies;
- collecting and compiling statistics with respect to anti-money laundering, counter financing of terrorism and proliferation financing; and
- co-ordinating the conduct of national risk assessments and mutual evaluations.

The NAMLC, chaired by the Head of the Anti-Terrorism Unit is comprised of the following:

- a representative of the Ministry of Finance;
- a representative of the Ministry of National Security;
- a representative of the Ministry of the Attorney General and Legal Affairs;
- the Director of Public Prosecutions;
- the Commissioner of Police;
- the Director of Financial Intelligence Unit of Trinidad and Tobago;
- the Governor of the Central Bank of Trinidad and Tobago;
- the Chairman of the Board of Inland Revenue;
- the CEO of the Trinidad and Tobago Securities and Exchange Commission; and
- such other persons as the Minister thinks fit.

#### **v. FIUTT in Partnership**

- **National Drug Council**

The National Drug Council (NDC) of the Ministry of National Security was established in July 2000. The mandate of the NDC is demand-reduction, supply-control, prevention, treatment and rehabilitation of addicted persons. The NDC is tasked with maintaining the National Drug Information System, to exchange information on anti-drug related initiatives in Trinidad and Tobago. In 2014, the Director of the FIUTT was appointed as a member of the NDC. In this reporting period, the FIUTT attended six such meetings and two workshops hosted by the NDC.

Further information about the NDC can be sourced at

[www.nationalsecurity.gov.tt/ndc](http://www.nationalsecurity.gov.tt/ndc)



- **The Office of the Attorney General**

The FIUTT supports the Office of the Attorney General in applying sanctions under the ATA. A Standard Operating Procedure (SOP) establish the procedures to be followed by the FIUTT and the Attorney General in performing their functions in exercising powers in the listing and de-listing of terrorist entities and individuals pursuant to UNSCR 1267, 1373 and 1988. The goal is to immediately freeze terrorist funds without delay to avoid flight or dissipation.

In this reporting period, the FIUTT and the Office of the Attorney General also signed an SOP in performing their functions and exercising powers in relation to Listed Entities in accordance with the Economic Sanctions (Implementation of United Nations Resolutions on the Islamic Republic of Iran) Order, 2018 and the Economic Sanctions (Implementation of United Nations Resolutions on the Democratic People's Republic of Korea) Order, 2018 (hereinafter referred to as the "Iran Order" and "DPRK Order" respectively) enacted pursuant to the Economic Sanctions Act, Chap 81:05.

The Miscellaneous Provisions (Proceeds of Crime, Anti-Terrorism and Financial Intelligence Unit) Act, No. 20 of 2018 established the Anti-Terrorism Unit within the Ministry of the Attorney General and Legal Affairs, which leads a Task Force, that includes the FIUTT and other competent authorities, to effectively co-ordinate intelligence gathering and investigations relating to terrorism activities. The FIUTT's intelligence and information on FT have contributed significantly to the Task Force's successes, such as:

- identification and prioritisation of persons of interest such as suspected FTFs, financiers, recruiters;
- strategic intelligence which identify travel patterns, trends in recruitments, funding sources;
- profiling persons of interest;
- identification of assets; and
- designation of a number of persons and/or entities under UNSCR 1267, UNSCR 1373 and UNSCR 1988.

In this reporting period, the Attorney General of Trinidad and Tobago petitioned the High Court of Justice of the Republic of Trinidad and Tobago, under the ATA to designate persons and entities to be listed as terrorists and to freeze their funds.

Similarly, the Attorney General of Trinidad and Tobago also petitioned the High Court of Justice of the Republic of Trinidad and Tobago to de-list designated entities and unfreeze their funds.

Table 8 below shows the total number of Court Orders obtained and the number of designated entities listed and delisted as terrorists.

With respect to Targeted Financial Sanctions in relation to the proliferation financing of the weapons of mass destruction, the Attorney General of Trinidad and Tobago petitioned the High Court of Justice of the Republic of Trinidad and Tobago for the listing of designated persons and entities.

Table 9 below represents the total number of designated persons and entities listed in relation to the proliferation financing of the weapons of mass destruction, as well as, the freezing of their funds.

The designated lists of persons and entities under UNSCR 1267, UNSCR 1373 and UNSCR 1988, as well as, UNSCR 1718 and UNSCR. Both lists are published on the FIUTT's website [www.fiu.gov.tt](http://www.fiu.gov.tt) and Ministry of the Attorney General and Legal Affairs website [www.ag.gov.tt](http://www.ag.gov.tt) respectively. Reporting Entities are required to check both lists immediately and notify the FIUTT if any of those persons and entities had funds in their institution.

**TABLE 8**  
**SUMMARY OF TERRORIST ENTITIES LISTED**  
**AND COURT ORDERS GRANTED FROM 2015 TO 2019**

UNSCR	Year	No. of Listed entities & individuals	No. of Court Orders
1267(1999) 1989(2011) 2253(2015) 2368(2017)	2015/2016	78	8
	2016/2017	258	60
	2017/2018	20	11
	2018/2019	8	8
1988(2011)	2018/2019	140	7
1373(2001)	2015	1	1
	2017	5	5
Delistings ATA Section 22B(9)	2018/2019	- 21	14
<b>Total</b>	<b>2015 -2019</b>	<b>489</b>	
<b>Total Number of Court Orders granted</b>			<b>114</b>

Source: Anti-Terrorism Unit of the Ministry of the Attorney General and Legal Affairs.

**TABLE 9**  
**SUMMARY OF PROLIFERATION FINANCING ENTITIES**  
**LISTED AND COURT ORDERS GRANTED FROM 2015 TO 2019**

UNSCR	Year	No. of Listed individuals & entities	No. of Court Orders
DPRK 1718(2006)	2018/2019	80 individuals & 75 entities	20
IRAN 2231(2015)	2018/2019	23 individuals & 61 entities	16
Delisting		0	0
<b>Total</b>		<b>239</b>	
<b>Total Number of Court Orders granted</b>			<b>36</b>

Source: Anti-Terrorism Unit of the Ministry of the Attorney General and Legal Affairs.

## **i. Public and Private Sector Consultations**

The FIUTT participated in consultations with governmental and non-governmental organisations on issues relating to strengthening the AML/CFT regime in Trinidad and Tobago. These include:

- AML Sub-Committee of the Bankers' Association of Trinidad and Tobago;
- Office of Technical Assistance, Department of Treasury, USA;
- Internal Revenue Service – Criminal Investigation Division, Department of Treasury, USA;
- Auditor General's Department;
- Embassies and High Commissions;
- MoneyGram International;
- Western Union International;
- FIs and NRFIs;
- The Office of the Procurement Regulation;
- The Transport Commissioner;
- National Insurance Board of Trinidad and Tobago;
- UNODC and
- International Monetary Fund (IMF).

## **ii. MOUs with Local Competent Authorities**

The FIUA empowers the Director of the FIUTT to enter into MOUs with local authorities to give effect to domestic sharing of Information. During this reporting period, the FIUTT signed an MOU and a Standard Operating Procedure (SOP) with the following local competent authorities:

- Economic Sanctions SOP with the Ministry of the Attorney General and Legal Affairs dated January 30, 2019; and
- Information Sharing MOU with CBTT and TTSEC dated July 17, 2019.

Negotiations are ongoing with the Registrar General Department and the National Insurance Board of Trinidad and Tobago. It is expected that an SOP and MOU respectively, will be finalised in the next reporting period.

# **3. INTERNATIONAL ENGAGEMENT AND CO-OPERATION**

## **i. Exchange of Information with Foreign Authorities**

International co-operation is critical in the fight against ML/FT/PF and other related crimes. FATF Recommendations 29 and 40, international standards require the FIU in each jurisdiction to provide the widest range of international co-operation. The FIUTT is authorised under the FIUA to exchange information with foreign counterparts in ML/FT/PF analyses being conducted in their jurisdictions. Co-operation at the global level is governed by the Egmont Group of FIUs principles of information exchange. Information is shared either spontaneously or upon request in a timely manner to assist in investigations or for the prevention of ML/FT/PF.

During this reporting period, the FIUTT received 22 requests from foreign authorities, which covered 88 subjects. In the majority of cases the suspected criminal conduct was ML with six requests containing twelve subjects, followed by drug trafficking with six requests containing 31 subjects. There was a marked increase of 40% of requests received from the previous reporting period.

In conducting analysis, the FIUTT significantly increased the number of requests to foreign authorities for financial intelligence and information. The FIUTT made 79 requests on 120 subjects, which is an increase of 23 requests (36%) made from the previous reporting period.

FIUTT's requests to foreign authorities involved 21 cases of suspected human trafficking; a criminal conduct that was not featured on requests to foreign authorities in the previous reporting period. These requests are linked to an ongoing strategic project by the FIUTT which looks at "The Extent of financial Flows and Threats Posed by Human Trafficking/Smuggling of Migrants in Trinidad and Tobago".

Table 10 is illustrative of information exchange by type of criminal conduct.

Most of the requests from foreign authorities came from the Caribbean, followed by the Americas, and Europe. Similarly, the FIUTT sent the majority of requests to foreign authorities in the Caribbean, the Americas, Middle East and Europe.

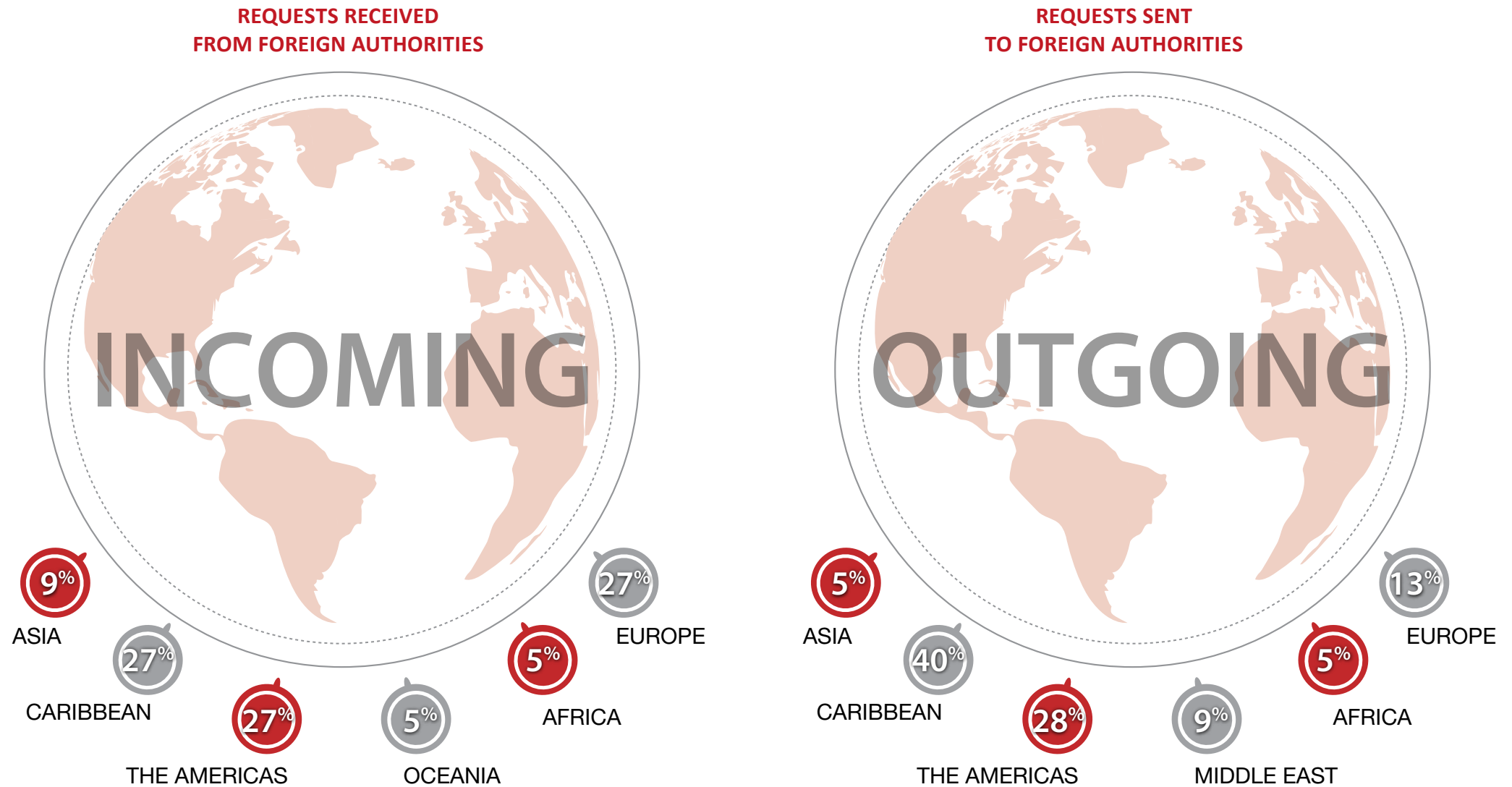
Diagram 30 illustrates the international exchange of information.

**TABLE 10**  
**INFORMATION EXCHANGE BY TYPE OF CRIMINAL CONDUCT**

	SUSPECTED CRIMINAL CONDUCT CATEGORIES										TOTAL CRIMINAL CONDUCT ML/FT	YEAR
	Financing of Terrorism	Money Laundering	Human Trafficking	Drug Trafficking	Kidnapping	Corruption	Fraud	Cash Seizure	Tax Crimes			
Exchange of Information with Foreign Authorities	INCOMING REQUESTS TO FIUTT											
	No. of incoming requests from Foreign Authorities	4	6	0	6	0	0	5	0	1	22	2019
		4	5	0	2	0	0	3	1	1	16	2018
	OUTGOING REQUESTS FROM FIUTT											
	No. of outgoing requests to Foreign Authorities	23	17	21	5	3	1	6	1	2	79	2019
		17	14	0	4	0	3	15	0	3	56	2018



**DIAGRAM 30**  
**INTERNATIONAL EXCHANGE OF INFORMATION**



## ii. Spontaneous Disclosures of Information to Foreign Authorities

The FIUTT, in addition to fulfilling requests made for financial intelligence and information, also provides such intelligence and information spontaneously when ML/FT/PF links are identified in another jurisdiction. In so doing, the FIUTT seeks to comply with FATF's Recommendation 29.5 specifically, which requires an FIU to disseminate financial intelligence spontaneously. Spontaneously means the FIUTT disseminates financial intelligence outside of a request, if a suspected link to a criminal conduct is identified in another jurisdiction.

The FIUTT disseminated 43 Spontaneous Disclosures to foreign FIUs and LEAs during this reporting period, as compared with 68 in the previous reporting period. This represented a decrease by 38%. The spontaneous dissemination of intelligence was linked to the suspected criminal conduct related to FT, ML, fraud, drug trafficking and human trafficking. It should be noted that FT accounted for 44% of the total number of spontaneous intelligence reports disseminated, while ML accounted for 21% and fraud at 19%.

The FIUTT received feedback on the usefulness of the spontaneous disclosures which indicated the intelligence was useful for:

- providing new information regarding known subjects;
- providing information on unknown subjects;
- identifying previously unknown assets;
- triggering a new investigation; and
- sharing with other investigative agencies within the foreign jurisdiction.

## 4. MOUs SIGNED WITH FOREIGN FIUs

To support investigation of ML, FT, PF or related crimes, the FIUTT can exchange information and intelligence with 164 FIUs around the world. The FIUTT is authorised to exchange information with foreign FIUs freely without the necessity of having an MOU or formal agreements, as the FIUTT is not bound by constraints of obtaining Governmental approval. Some FIUs are required by their domestic legislation to enter into MOUs with other countries to accommodate such exchanges. The exchange of information between FIUs takes place using the ESW.

The FIUTT entered into MOUs with two foreign FIUs in this reporting period, which brings the total number of MOUs signed to 33. Negotiations are ongoing with the FIUs of Tanzania and Philippines. It is expected that these MOUs will be finalised in the next reporting period.

Table 11 below lists MOUs signed with foreign FIUs.

**TABLE 11**  
**MOUs WITH FOREIGN FIUs**

NO.	COUNTRY	COUNTERPARTS	DATE OF SIGNING
1.	JAMAICA	FINANCIAL INVESTIGATIONS DIVISION	13/11/2012
2.	ST. VINCENT AND THE GRENADINES	FINANCIAL INTELLIGENCE UNIT	22/05/2013
3.	GUYANA	FINANCIAL INTELLIGENCE UNIT	28/05/2013
4.	MONTSERRAT	MONTSERRAT REPORTING AUTHORITY	28/05/2013
5.	SINT MAARTEN	FINANCIAL INTELLIGENCE UNIT	19/11/2013
6.	SURINAME	FINANCIAL INTELLIGENCE UNIT	19/11/2013
7.	BERMUDA	FINANCIAL INTELLIGENCE AGENCY	04/02/2014
8.	CANADA	FINANCIAL TRANSACTIONS AND REPORTS ANALYSIS CENTRE OF CANADA (FINTRAC)	06/02/2014
9.	BANGLADESH	FINANCIAL INTELLIGENCE UNIT	03/06/2014
10.	TAIWAN	ANTI-MONEY LAUNDERING DIVISION, INVESTIGATION BUREAU, MINISTRY OF JUSTICE, REPUBLIC OF CHINA (TAIWAN)	05/06/2014
11.	GRENADA	FINANCIAL INTELLIGENCE UNIT	26/05/2015
12.	DOMINICA	FINANCIAL INTELLIGENCE UNIT	26/05/2015
13.	DOMINICAN REPUBLIC	FINANCIAL ANALYSIS UNIT	26/05/2015
14.	ANTIGUA AND BARBUDA	OFFICE OF NATIONAL DRUG AND MONEY LAUNDERING CONTROL POLICY (ONDCP)	10/06/20 15
15.	TURKS AND CAICOS	FINANCIAL INTELLIGENCE AGENCY	10/06/2015
16.	SOUTH AFRICA	FINANCIAL INTELLIGENCE CENTRE	08/07/2015

NO.	COUNTRY	COUNTERPARTS	DATE OF SIGNING
17.	BARBADOS	FINANCIAL INTELLIGENCE UNIT	26/11/2015
18.	AUSTRALIA	AUSTRALIAN TRANSACTION REPORTS AND ANALYSIS CENTRE (AUSTRAC)	18/01/2016
19.	REPUBLIC OF TOGO	FINANCIAL INTELLIGENCE UNIT	29/07/2016
20.	PANAMA	FINANCIAL ANALYSIS UNIT	08/08/2016
21.	COLOMBIA	UNIDAD DE INFORMACION Y ANALISIS FINANCIERO (UIAF)	19/09/2016
22.	LIBERIA	FINANCIAL INTELLIGENCE UNIT	09/12/2016
23.	JAPAN	FINANCIAL INTELLIGENCE CENTRE	02/02/2017
24.	BELIZE	FINANCIAL INTELLIGENCE UNIT	28/05/2017
25.	ZAMBIA	FINANCIAL INTELLIGENCE CENTRE	12/07/2017
26.	LEBANON	SPECIAL INVESTIGATION COMMISSION	02/08/2017
27.	BAHAMAS	FINANCIAL INTELLIGENCE UNIT	04/08/2017
28.	SRI LANKA	THE FINANCIAL INTELLIGENCE OF SRI LANKA	26/10/2017
29.	CUBA	LA DIRECCIÓN GENERAL DE INVESTIGACIÓN DE OPERACIONES FINANCIERAS (DGIOF)	02/11/2017
30.	VENEZUELA	LA UNIDAD NACIONAL DE INTELIGENCIA FINANCIERA (UNIF)	12/11/2017
31.	CHINA	THE CHINA ANTI-MONEY LAUNDERING MONITORING AND ANALYSIS CENTRE (CAMLMAC)	15/05/2018
32.	UKRAINE	THE STATE FINANCIAL MONITORING SERVICE OF UKRAINE	08/10/2018
33.	EL SALVADOR	THE FINANCIAL INVESTIGATION UNIT OF EL SALVADOR	20/11/2018



## MOU SIGNING WITH EL SALVADOR AT CEATF XLVIII PLENARY



From (L to R): Ms. Susan François, Director of FIUTT and Ms. Eugenia Maricela Campos de Velasquez, Head, El Salvador FIU.



## 5. PARTICIPATION IN INTERNATIONAL FORA

In an effort to strengthen global AML/CFT/CPF regimes, the FIUTT continued to actively participate in and contribute to the activities and event of the regional and international bodies, such as, conferences, workshops, meetings and training sessions.

### i. The Egmont Group of FIUs

The Egmont Group membership now stands at 164 FIUs. The FIUTT joined the Egmont Group of FIUs on July 3, 2013. The goal of the Egmont Group is to provide a forum for FIUs around the world to improve co-operation in the fight against ML/FT/PT and to facilitate the rapid and secure exchange of information between FIUs. The Egmont Group developed and manages the ESW, an encrypted platform for the exchange of information between FIUs. See [www.egmontgroup.org](http://www.egmontgroup.org).

- The FIUTT's Director of the Analysis Division co-facilitated the Egmont Strategic Analysis Course for the Western Balkans hosted by the Egmont Group and the European Union/The Council of Europe from April 09 – 11, 2019. The course was attended by 27 participants from FIUs, LEAs and prosecutors, from countries in the Western Balkans namely Albania, Montenegro and North Macedonia.
- Two Senior Analysts of the Analysis Division co-facilitated the Strategic Analysis Course and the Open Source Internet Training for the CFATF/European Union Accreditation programme for the CFATF region. Both courses were held in Antigua and Barbuda and participants from FIUs and Law Enforcement Authorities in the CFATF region, were in attendance.
- The FIUTT also participated and co-hosted the Egmont Group/ECOFEL Advance Strategic Analysis Course (A-SAC) which was held from May 13 - 17, 2019 at Level 20, Eric Williams Financial Complex, Port of Spain, Trinidad and Tobago. See picture below. The A-SAC for FIU Analysts was a one-week certification training programme. This training was attended by 18 analysts from regional FIUs and hosted jointly by the Egmont/ECOFEL, the Financial Transactions and Reports Analysis Centre (FIU of Canada), Financial Crimes Enforcement Network (FIU of the USA), and the FIUTT.

The Financial Action Task Force (FATF) Recommendation 29.4 (b) mandates that all FIUs should conduct strategic analysis to identify ML and FT related trends and patterns.

### ii. The Financial Action Task Force

The FATF is an inter-governmental body established in 1989 to develop standards for combatting ML and FT. FATF continuously monitors and assesses the progress made by its member countries as it relates to ML/FT and the proliferation of weapons of mass destruction. In February 2012, FATF adopted the Revised 40 Recommendations.

The Revised 40 Recommendations seek to clarify and strengthen existing measures, as well as, address new and emerging threats. The adoption of the risk-based approach allows countries to utilise their resources more effectively and apply counter measures, which are commensurate with the nature of risks.

The FIUTT complies with its legal mandate to publish the list of countries identified by FATF as being high-risk and non-co-operative jurisdictions with strategic AML/CFT deficiencies. See [www.fiu.gov.tt](http://www.fiu.gov.tt) or [www.fatf-gafi.org](http://www.fatf-gafi.org).

### iii. The Caribbean Financial Action Task Force

The CFATF, one of eight FATF Style Regional Bodies (FSRBs) is responsible for promoting consistency in the application of the FATF Recommendations within countries of the Caribbean and Central America. The CFATF comprises 25 member states of the Caribbean Basin, which have agreed to implement common countermeasures to address the problem of ML/FT. Its main objective is to achieve effective implementation of FATF's Recommendations within the region. The CFATF Secretariat is hosted by the Government of Trinidad and Tobago. See [www.cfatf-gafic.org](http://www.cfatf-gafic.org).



## GROUP PHOTO OF THE PRESENTERS AND PARTICIPANTS AT THE ADVANCE STRATEGIC ANALYSIS COURSE



*Trainers and participants who attended the ECOFEL A-SAC training Port of Spain, Trinidad.*



In this reporting period the FIUTT made several contributions to the work of CFATF, notably:

- The FIUTTs Senior Analysts trained 16 analysts from regional FIUs in the CFATF/EU Accreditation Training workshops in March 2019. This training in tactical, strategic and open-source is expected to improve the quality of analysis and assist the regional FIUs in fully complying with FATF Recommendation 29.
  - The FIUTT as a member of the CFATF's Working Group on Risks Trends and Methods (CRTMG), submitted two typology reports (one ML and one NPO) as part of CFATF Typology. The CFATF Typology Report is expected to be published after the November 2019 plenary.
- 
- **CFATF XLVI and CFATF XLVII Plenaries and Working Groups**
    - The XLVIII CFATF Plenary was held in Bridgetown, Barbados in November 2018. The Trinidad and Tobago delegation was represented by a team led by the Honourable Mr. Faris Al Rawi, Attorney General and Minister of Legal Affairs, and representatives from the FIUTT, the Ministry of the Attorney General and Legal Affairs, the Ministry of National Security, the CBTT, the Office of the DPP and the TTPS.
    - The Heads of FIUs acknowledged the contributions made by the former FIUTT Director, Ms. Susan François attending her last plenary at a presentation ceremony. See picture below.

- The CFATF XLIX Plenary was held in Port of Spain, Trinidad and Tobago in May 2019. The delegation from Trinidad and Tobago was represented by a team led by the Honourable Mr. Faris Al-Rawi, Attorney General and Minister of Legal Affairs and included representatives from the FIUTT, the Ministry of the Attorney General and Legal Affairs, the Ministry of National Security, the Ministry of Finance, the CBTT, the TTSEC, the Office of the DPP and the TTPS. Trinidad and Tobago's Third Follow-Up Report was adopted at this Plenary. Trinidad and Tobago made excellent progress in addressing the technical compliance deficiencies identified in the MER and has been re-rated on 18 Recommendations. The Trinidad and Tobago's Third Follow-Up Report can be accessed at [www.fiu.gov.tt](http://www.fiu.gov.tt) or [www.fatf-gafi.org](http://www.fatf-gafi.org).

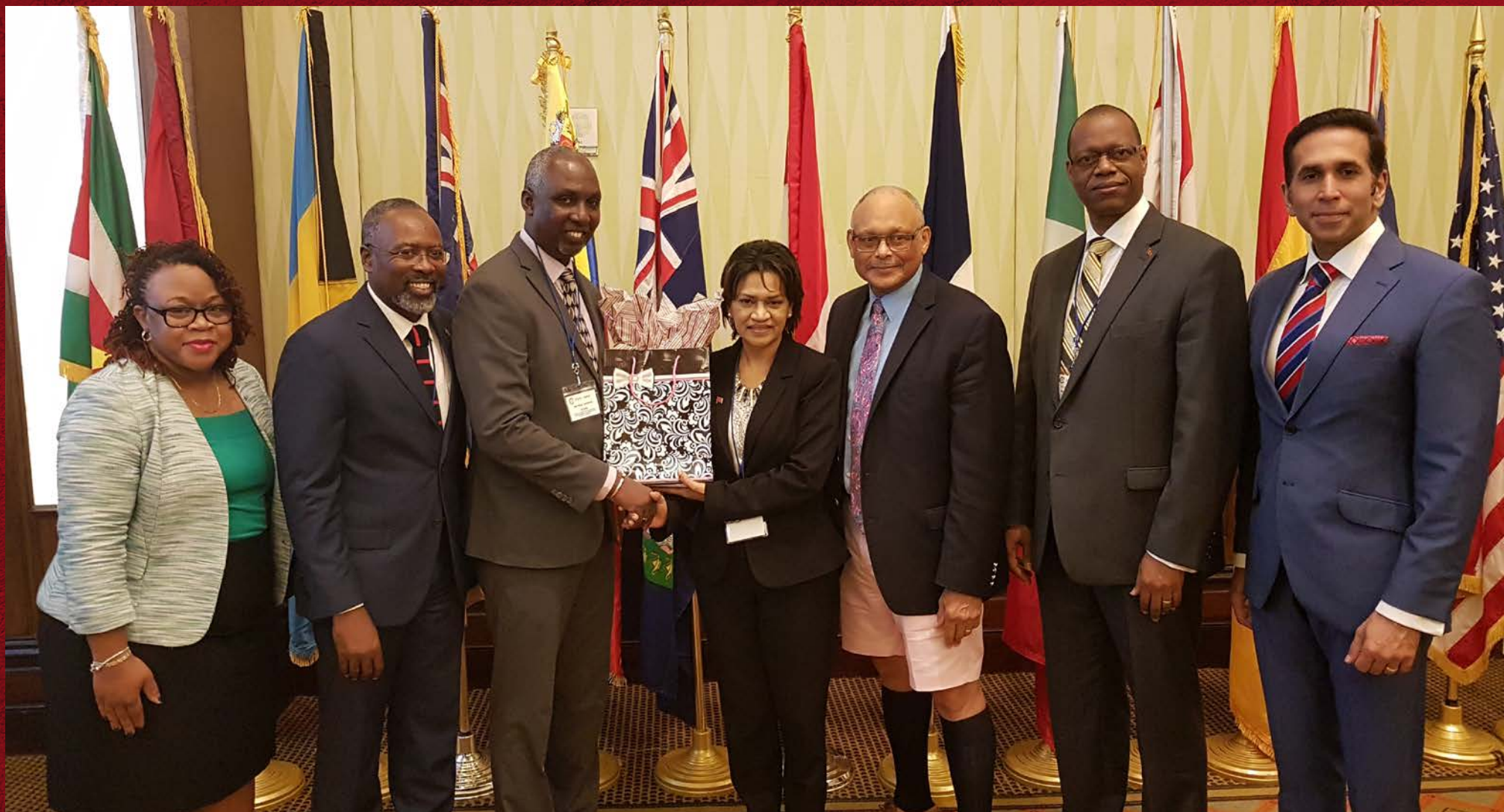
#### iv. The CIDAD

In furtherance of the FIUTT's aim to be a regional leader and centre of excellence, the FIUTT provides technical assistance to other FIUs. In this reporting period, the FIUTT assisted the British Virgin Islands Financial Investigation Agency in developing their Compliance Manual for AML/CFT supervision of their Designated Non-Financial Businesses and Professional sector.

The XLV Meeting for the Group of Experts for the Control of Money Laundering was held in Santa Cruz, Del a Sierra, Bolivia during the period October 04–05, 2018. The delegation comprised representatives from the FIUTT, FIB and Customs and Excise Division. Trinidad and Tobago's Country Coordinator for the GELVAEX project is based at the FIUTT.



## CEATE XLVIII PLENARY HELD IN BARBADOS NOVEMBER 2018



*From L to R. Ms Shelley Nicholls-Hunte, Director Barbados FIU, Mr. Nigel Stoddard, Deputy Director FIUTT, Mr. Matthew Lagvine, Director Guyana FIU, Ms. Susan François, Director FIUTT, Mr. Sinclair White, Director Bermuda FIA, Mr. Edward Croft, Director ONDCP, Honourable Mr. Faris Al-Rawi, Attorney General and Minister of Legal Affairs, Trinidad and Tobago.*



The discussions entailed:

- asset recovery, facilitating the recovery of assets and international co-operation;
- management of seized assets;
- reducing the supply and availability of illicit drugs;
- strengthening national drug control institutions and machinery; and
- improving money laundering control laws and practice.

## **v. Sharing experiences with Foreign FIUs**

In furtherance of the FIUTT's aim to be a regional leader and centre of excellence, technical assistance was provided to other FIUs. In this reporting period, the FIUTT hosted the supervisor for compliance from St. Vincent and the Grenadines FIU on a knowledge exchange visit. During the visit, the supervisor of compliance was embedded into the FIUTT Compliance and Outreach Division and gained insight into developing their AML/CFT supervision systems. At the end of the knowledge transfer visit the FIUTT presented a compliance toolkit, which comprised of policies and procedures (registration, compliance examinations and enforcement) for developing the AML/CFT supervision of their Designated Non-Financial Businesses and Professional (DNFBP) sector.

In addition, the FIUTT delivered a presentation at the 14th Annual AML/CFT conference hosted by the Financial Services Regulatory Commission of Nevis from March 11th to March 12th, 2019.

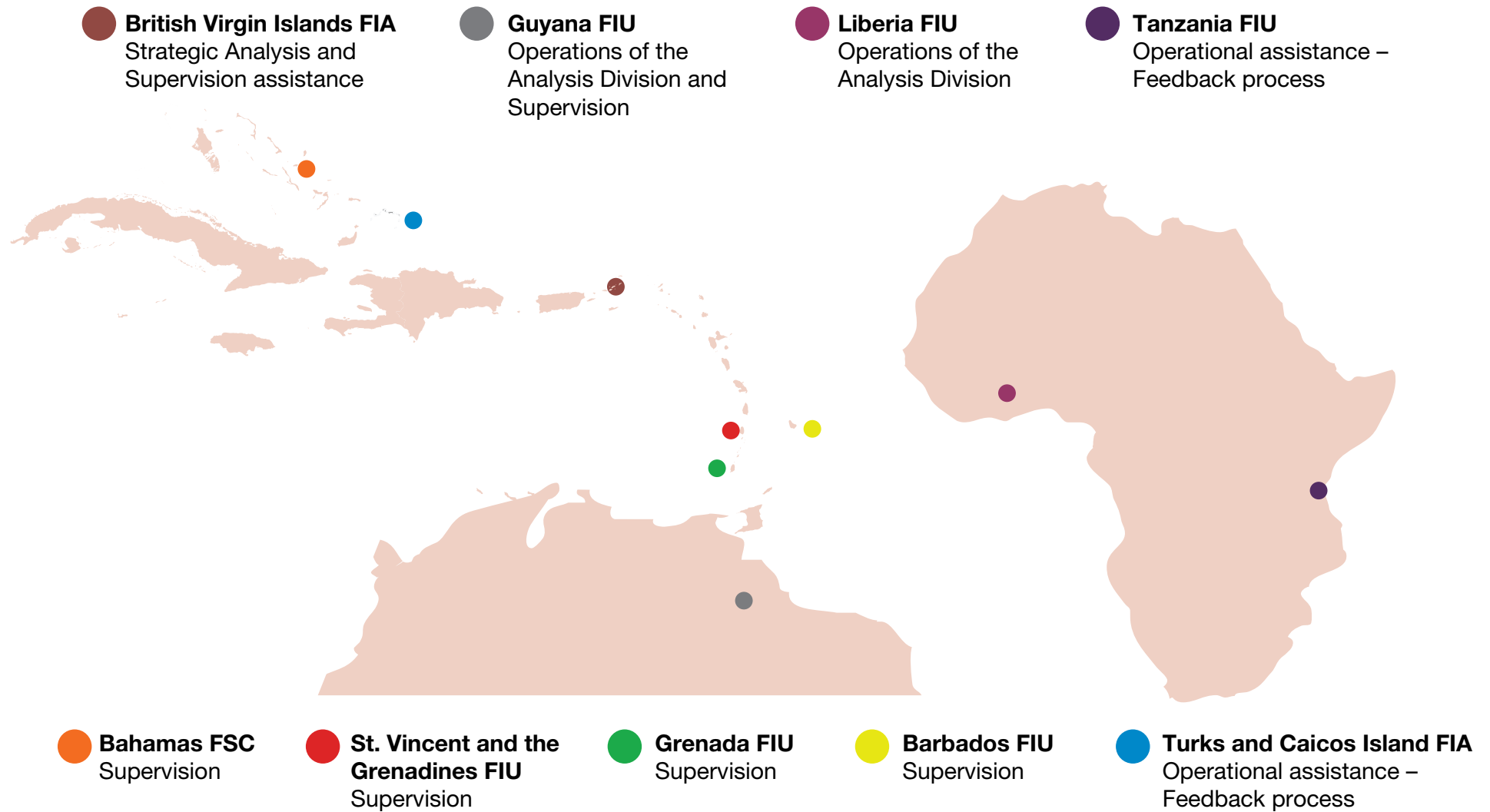
FIUTT focused on two main areas:

- Trinidad and Tobago efforts to achieve effectiveness with IOs 9, 10 and 11;
- Trinidad and Tobago risk to terrorism and the financing of terrorism – inclusive of FT typologies and identifying suspicious transactions relating to FT.

Over the years the FIUTT has assisted several FIUs and Regulators in enhancing their AML/CFT supervision of their DNFBP sector and their analysis department.

See Diagram 31 below for the jurisdictions assisted.

**DIAGRAM 31**  
**JURISDICTIONS ASSISTED BY THE FIUTT**



## CHAPTER VI –

# RESOURCES AND INFRASTRUCTURE

---

## 1. RESOURCES

There are 49 approved positions comprising of public and contract officers on the current organisational structure of the FIUTT. Different terms and conditions apply to the two category of FIUTT staff. During the reporting period, approval was given for the renewal of 13 contract positions in the Compliance and Outreach, Legal, and Administrative Support Divisions of the FIUTT. Five positions were filled in the Compliance and Outreach Division. The other eight contract positions of the aforementioned Divisions were advertised and is expected to be filled within the next reporting period.

The staff complement of the Compliance and Outreach Division is also expected to be further increased by an additional eleven officers in the next reporting period as final Cabinet approval is expected. The additional staff will enhance the ability of the Compliance and Outreach Division to effectively monitor and supervise the Supervised Entities, as well as address the staff deficiency in the Compliance Division as identified in the 4<sup>th</sup> MER.

In this reporting period, the FIUTT employed several methods to address human resource challenges. Support staff were engaged using three months Short Term Employment contracts, the Ministry of Education's Associate Professional Programme and the On the Job Trainee Programme of the Ministry of Labour and Small and Micro Enterprise Development.

As a result of the passage of the NPOA, NPOs are now categorised as an LB. Therefore, the FIUTT is now mandated to supervise and monitor the NPO sector for AML/CFT/PF on a risk based approach. As such, the FIUTT proposes to recommend to the Ministry of Finance an interim structure to strengthen all the Divisions of the FIUTT, particularly the Compliance and Outreach, Analysis and Legal Divisions. The FIUTT is also actively seeking additional accommodation for the anticipated increase in staff.

The turnover rate of the Head of the Administrative Support Division, responsible for the essential delivery of all Administrative (*accounts and procurement*) and Human Resource Management Services, continued to pose a challenge to the effective and efficient operations of the FIUTT. The FIUTT is working with the Ministry of Finance to address these challenges and anticipates that these issues can be resolved in the next reporting period.

## 2. INFORMATION SYSTEMS AND TECHNOLOGY

### i. Major Information, Communication and Technology (ICT) Achievements

The FIUTT has been driven by ICT since its establishment in 2010. The Analysis Division is largely dependent on the use of an intelligence database for capturing and analysing data from STRs/SARs and other information sources. In addition, the database is used in the production of intelligence reports. Until December 2018, STRs/SARs were received only in paper format (hand delivery or registered post), which required manual data entry into the FIUTT's intelligence database. This activity was resource intensive and was at risk to transcription errors. During this reporting period, FIUConnect, a secure online reporting solution, was deployed for online submission of STRs/SARs by Reporting Entities from which data is automatically exported into the FIUTT's intelligence database. Within the next reporting period the FIUTT intends to facilitate online submission of QTRs and other reports.

The FIUTT launched its website on April 21, 2010 which was primarily used for the dissemination of information to its stakeholders and online pre-registration for Supervised Entities. As the volume of information grew, this iteration of the website was in need of redesign. During this reporting period, a newly redesigned website



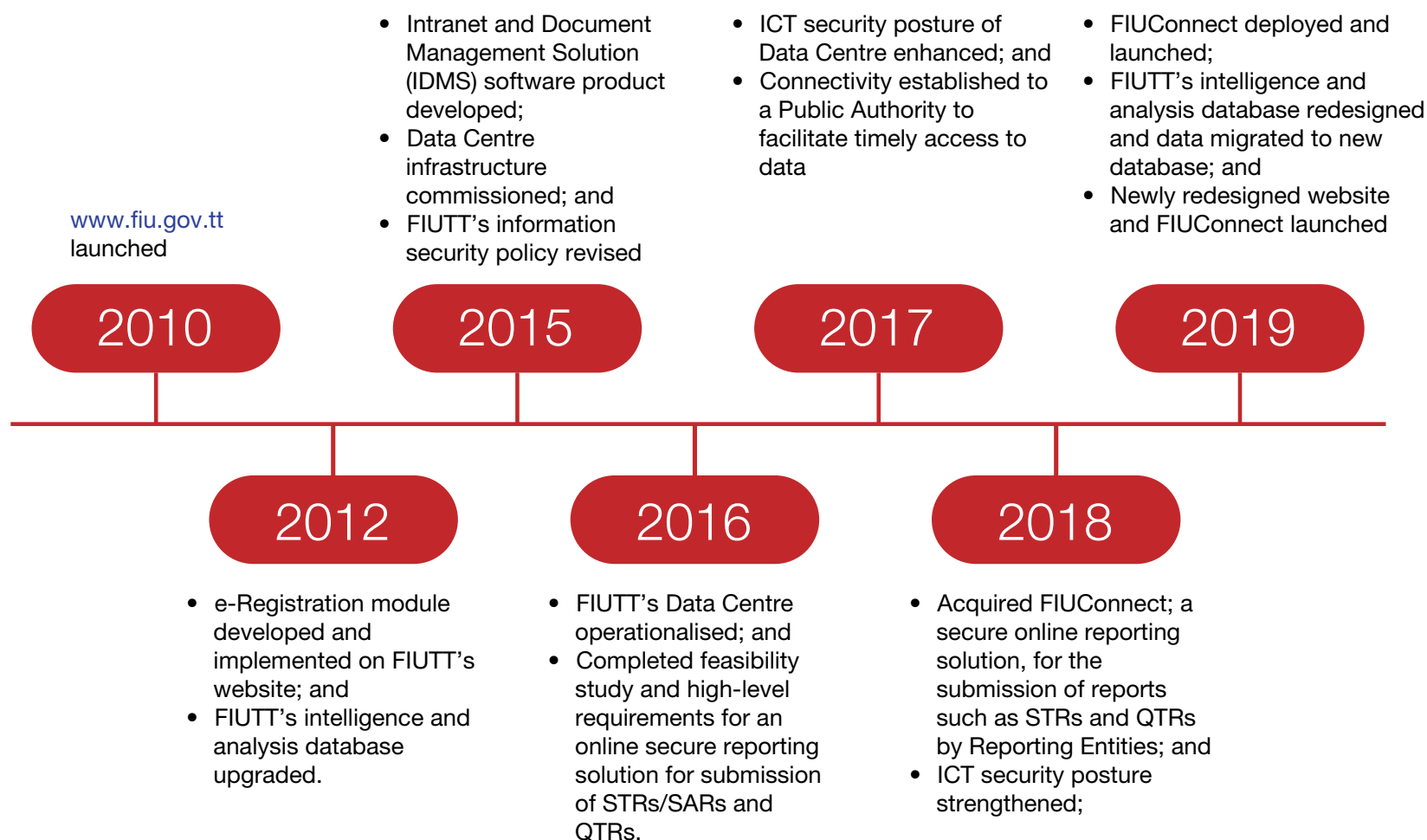
was developed and subsequently launched on August 9, 2019, which is more user friendly with contemporary website technologies and interface design.

Another major accomplishment was the transition from a basic server room to a modular Data Centre to adequately support the FIUTT's growing ICT systems and

infrastructure needs. The Data Centre provides the optimal facility for deployment of ICT solutions such as FIUConnect, which is required to be available 24/7.

Details of the ICT accomplishments are shown in Diagram 32 below.

**DIAGRAM 32**  
**FIUTT ICT ACCOMPLISHMENTS 2010 TO 2019**



## ii. FIUTT Online

The FIUTT website is a learning resource for Reporting Entities, foreign FIUs, Competent Authorities and the general public.

In this reporting period, the following updates were published and available for free download on the FIUTT's website ([www.fiu.gov.tt](http://www.fiu.gov.tt)):

- Act No. 20 of 2018 Miscellaneous Provisions Act 2018;
- AML/CFT/PF Guidance Note for NPOs;
- Notice to NPOs on AML/CFT Obligations;
- Updated quarterly statistics on the number and monetary value of STRs/SARs received and Intelligence Reports sent by the FIUTT to LEAs;
- Guidance Note to Reporting Entities on Anti-Terrorism Act;
- Updates to Notice to FIs and LBs for Freezing and Unfreezing Terrorist Funds;
- Updated TTPS ML charges and Cash Seizures before the Courts;
- Updates to FATF's lists of high risk and non-co-operative jurisdictions and improving global AML/CFT compliance, and CFATF's list of jurisdictions with strategic AML/CFT deficiencies;
- Updated list of Registrants and De-Registrants;
- Addition of the Economic Sanctions Report form;
- Revised Guidance Note on how to structure an AML/CFT/PF Compliance Programme;
- Guidance Note on Extension of Expiration of Orders made under the Economic Sanctions Act;
- Joint Public Advisory on virtual currency by Regulatory Authorities;

- Annual Report 2018;
- Updates to Economic Sanctions Orders;
- UN Security Council Resolutions 1988(2011);
- Link to United Nations Security Council Consolidated List;
- Updates to the Trinidad and Tobago Consolidated List of Court Orders;
- Addition of Guidance Note on Sanctioned Entities pursuant to Orders made under the Economic Sanctions Act;
- Legal Notice No. 43 and 44 on the Extension of expiration of Orders made under the Economic Sanctions Act;
- Legal Notice No. 73 - Financial Obligations (Amendment) Regulations 2019;
- Updated Outreach and awareness training events; and
- Vacancies at the FIUTT.

## iii. Information and Communication Technology (ICT) Key Initiatives

For the reporting period, the Information Technology (IT) Division focused on the following key initiatives:

### • Implementation of FIUConnect secure online reporting solution

The FIUTT implemented and operationalised its secure online e-reporting and case management solution, called FIUConnect, for the submission of reports such as STRs/SARs and QTRs by Reporting Entities.

Benefits of the FIUConnect Secure Online Reporting Solution include:

- secure real-time filing of reports by Reporting Entities;
- reduction of risks associated with paper-based filings;
- a more secure, accurate and efficient collection and dissemination of information between the FIUTT and Reporting Entities;
- simplification and enhancement of the management of structured data by FIUTT Analysis Division;
- improved efficiency in the conduct of operational and strategic analysis; and
- the enhancement of Trinidad and Tobago's AML/CFT regime.

In the next reporting period, the FIUTT intend to expanded and enhance the FIUConnect platform by further incorporating secure electronic exchange of information with Reporting Entities, Supervisory Authorities and LEAs.

Key milestones achieved in the reporting period include:

- installation and configuration of FIUConnect and network perimeter security;
- redesign of FIUTT's intelligence and analysis database and subsequent data migration to the newly designed database; and
- implementation of a pilot phase with select Reporting Entities trained in the use of FIUConnect for the submission of STRs/SARs. This phase commenced in October 2018 and ended in August 2019. During the pilot phase, five training sessions were held with 70 persons from 35 Reporting Entities. The invaluable feedback from the Reporting Entities was used to fine tune and improve FIUConnect.

- **FIUTT's newly redesigned website**

The FIUTT's website ([www.fiu.gov.tt](http://www.fiu.gov.tt)) is an ICT initiative used for the dissemination of information to Supervised Entities, key stakeholders and the general public. The website also provides access to a secure reporting portal, called FIUConnect, for Reporting Entities to submit STRs/SARs and other reports as they become available.

The FIUTT completed the redesign and launch of its website during this reporting period. The redesigned site is intended to achieve the following objectives:

- facilitate easier navigation and access to content;
- provide a link to FIUConnect for the secure submission of key reports by Reporting Entities to the FIUTT;
- highlight key statistical information, such as quarterly statistics on STRs/SARs, in a user-friendly format; and
- increase the awareness of the reporting obligations of Reporting Entities.

The pictures below illustrate the launch of FIUTT's redesigned website, the Home Page of FIUTT's new website and FIUConnect secure online reporting solution.



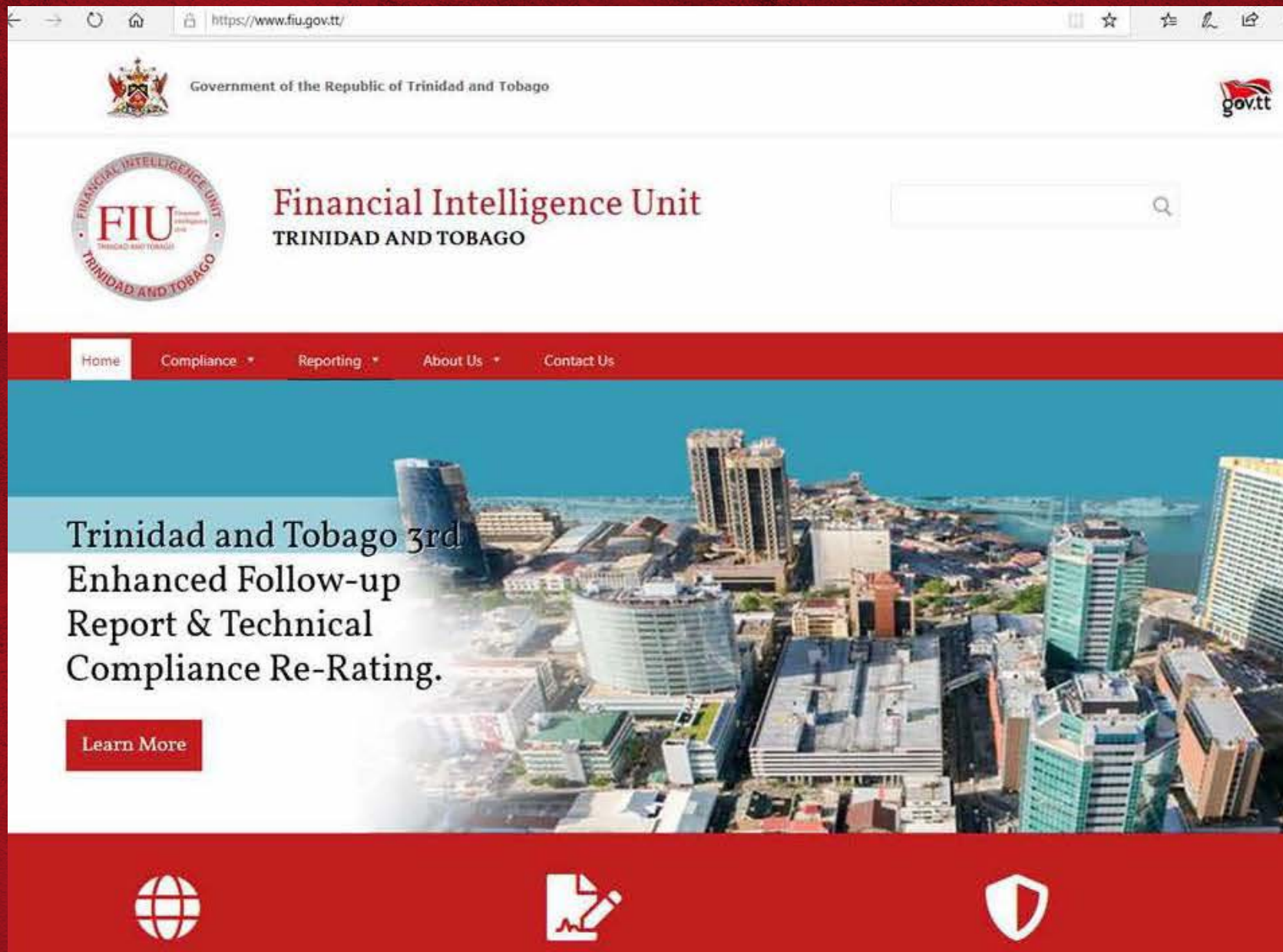
## LAUNCH OF FIUTT'S REDESIGNED WEBSITE



*L to R Mr. Nigel Stoddard, Director (Ag.) FIUTT, Mr. Rabindra Bansi, Information Systems Manager (Ag.) FIUTT, Ms. Yvonne Neemacharan, Deputy Permanent Secretary (Ag.) Ministry of Finance and Mr. Philip Colthrust, Managing Director Sightfactory Limited.*




## FIUTT'S HOME PAGE ON ITS REDESIGNED WEBSITE





## FIUCONNECT SECURE ONLINE REPORTING SOLUTION HOME PAGE

← → ↻ 🏠 🔒 https://fiuconnect.fiu.gov.tt/fiuconnect/index.php?module=users/login ☆ ☆ ⌂ ⌂ ⋮



### NOTICE TO USERS

Access to and use of this system is exclusively for entities and persons registered with the Unit. Any unauthorized access to this system directly or indirectly, will result in criminal prosecution.

[Password forgotten?](#)

New Applicant Registration

© FIUConnect 2015  
Powered by Krystallion Inc.

- **Modern Data Centre Upgrade**

For the reporting period, the FIUTT focused on the following initiatives:

- strengthening of FIUTT's ICT security posture;
- upgrade of network infrastructure to cater for growth and refresh existing infrastructure; and
- enhanced Data Centre Monitoring Capability.

### 3. PROFESSIONAL DEVELOPMENT

The FIUTT believes that intellectual capital is its most valuable asset, therefore investing in the training and development of its staff is vital to maintain and exceed the professionalism, efficiency and effectiveness. This investment is crucial for the day-to-day work and equally important for other engagements that require exceptional know-how to create the necessary awareness, provide technical assistance and participate in the various taskforces, working groups and committees undertaken by local, regional and international bodies such as FATF, CFATF, the Egmont Group, UNODC, CICAD, NAMLC and other organisations.

Table 12 provides a listing of staff training undertaken during this reporting period.

Sharpening skills and exposing staff to AML/CFT best practices has become almost a ritual at the FIUTT. On-the-job training provides learning through experience where acquired knowledge is shared through discussions and regular meetings. Feedback and communication among the Divisions assists in better understanding our stakeholders in contributing to an efficient AML/CFT regime.

#### Our Experience in Words

*"This training was successfully executed in bringing together members of key agencies within the local AML/CFT Regime and subject matter experts from the CFATF. It focused on the international standards on combating Money Laundering and the Financing of Terrorism and Proliferation as detailed in the FATF 40 Recommendations. "*

#### Analyst

*"The main objectives of the three-day Workshop was the analysis of financial evidence related to matters of corruption. The workshop centred on the investigation of a sanitised real-world case involving corruption, fraud, misbehaviour in public office and tax evasion and sought to integrate the investigative process with the prosecutorial processes. The Workshop was extremely enlightening"*

#### Analysts

**TABLE 12**  
**STAFF TRAINING**

NO.	PLACE OF TRAINING	DESCRIPTION OF COURSE/PROGRAMME	ORGANISER/PRESENTER	PARTICIPANTS FROM FIUTT
1.	Port of Spain Trinidad	Module VII – Human Resource Management and Industrial Relations in the Public Service	Public Service Academy	Network Administrator
2.	St Augustine Trinidad	Compliance Seminar 2019	Arthur Lok Jack Graduate School of Business	Compliance and Outreach Supervisor and Compliance Officer
3.	Port of Spain Trinidad	Counter Terrorism and Youth Radicalisation Workshop	Ministry of National Security and Trinidad and Tobago Defence Force	Analysts
4.	Port of Spain Trinidad	Cybersecurity Seminar	Telecommunications Services of Trinidad and Tobago (TSTT)	Information Systems Manager (Ag.), Network Administrator
5.	Port of Spain Trinidad	Cybersecurity Seminar	Calibra Solutions Limited	Information Systems Manager (Ag.), Network Administrator
6.	Port of Spain Trinidad	Expert Workshop on the Rehabilitation and Reintegration of Returning Terrorist Fighters	Commonwealth Secretariat's CVE Unit	Director, Deputy Director and Analysts
7.	Port of Spain Trinidad	Human Trafficking Training	Counter Trafficking Unit	Director Analysis Division and Analysis Staff, Director Compliance and Outreach Division, Supervisor and Compliance and Outreach Officers
8.	Port of Spain Trinidad	Inaugural Session on Beneficial Ownership Information	Ministry of the Attorney General and Legal Affairs and the British High Commission	Analysts
9.	Port of Spain Trinidad	International Standards on Combating Money Laundering and the Financing of Terrorism and Proliferation	CFATF	Analysts and Compliance and Outreach Officers
10.	Port of Spain Trinidad	Meeting Global AML/CFT Standards and Mitigating Emerging Financial Crime Threats	ACAMS	Compliance and Outreach Officer



**TABLE 12 (continued)**  
**STAFF TRAINING**

NO.	PLACE OF TRAINING	DESCRIPTION OF COURSE/PROGRAMME	ORGANISER/PRESENTER	PARTICIPANTS FROM FIUTT
11.	Port of Spain Trinidad	Module IX – Finance and Accounting	Public Service Academy	Network Administrator
12.	Port of Spain Trinidad	iBase Designer and iBase Advanced Designer	IBM	Database Administrator
13.	Port of Spain Trinidad	Module X: Project Management	Public Service Academy	Network Administrator
14.	Port of Spain Trinidad	Technical Anti-Money Laundering Seminar	NEM Leadership Consultants	Compliance and Outreach Officer
15.	Chaguaramas Trinidad	Ethics, Accountability and Good Governance	Public Service Academy	Senior Analyst
16.	Port of Spain Trinidad	ECOFEL A-SAC Training	Egmont/ECOFEL, the Financial Transactions and Reports Analysis Centre (FIU of Canada), Financial Crimes Enforcement Network (FIU of the USA), and the FIUTT	Analysts
17.	Nevis	2019 AML/CFT Conference	Nevis Financial Services (Regulation and Supervision) Department	Director Compliance and Outreach Division
18.	Panama	United Nations Office of Drugs and Crime (UNODC) Anti-Corruption Training Workshop for Investigating and Prosecuting Techniques for Cases of Corruption	UNODC	Senior Analyst and Analyst
19.	Barbados	Counter Financing of Terrorism Workshop	WORLD BANK	Deputy Director
20.	Spain	Bi-regional Meeting for the Exchange of Best Practices COPLOAD: Money Laundering and Asset Recovery	COPOLAD	Director (Ag.)

# STRATEGIC PRIORITIES 2019: BUILDING ON STRENGTHS

---

The FIUTT will continue to play a major role in Trinidad and Tobago's effort to combat ML, FT, PF and related criminal activity while effectively implementing international standards and best practices as stipulated by FATF and the Egmont Group of FIUs.

Our priority actions for the next reporting period are largely driven by the findings of the 4<sup>th</sup> MER, in particular, the eleven Immediate Outcomes and will focus on human resource needs, IT systems, stakeholder co-operation, additional accommodation and legislative measures.

## 1. HUMAN RESOURCES

FIUTT believes in strengthening organisational capacity to enhance its ability in analysis and supervision to identify and meet new challenges posed by money launderers, financiers of terrorism and criminals in the dynamic and ever-changing world of crime. A fully operational and effectively functioning FIUTT depends on a cadre of skilled, qualified and committed staff built on a culture of shared morals and values, confidentiality, integrity and trust.

Key initiatives the FIUTT will focus on are:

- pursuing with the relevant authorities the recruitment of staff in the Compliance and Outreach, Legal and Administrative Divisions;
- pursuing with the relevant authorities the recruitment of analysts into newly created public service established posts in the Analysis Division;

- pursuing with the relevant Government authorities the restructuring of the Compliance and Outreach Division for additional positions due to the new NPO AML/CFT supervision mandate;
- the provision of continuous training opportunities on the regulatory and analysis functions, emerging trends and patterns related to ML/FT and PF;
- the accreditation and certification of relevant staff as analysts, compliance professionals and ML/FT experts; and
- actively promoting workplace collaboration and support.

## 2. INFORMATION SYSTEMS AND TECHNOLOGY PROJECTIONS

ICT continues to be a key pillar of support for the strategic decisions and operational activities of the FIUTT. In the next reporting period, the FIUTT will continue with initiatives aimed at ensuring the ICT infrastructure and systems performs optimally and adequately supports the operations of the organisation and stakeholders.

The following initiatives are targeted:

- improvement of key information systems such as FIUConnect secure reporting solution and an internally developed QTR database application. It is envisaged that FIUConnect will be upgraded to a newer version

with further functionality and security. A QTR form report is targeted for implementation in FIUConnect to allow for online submission of QTRs. The bespoke QTR database will be upgraded to a web-based application utilising a more robust underlying database platform;

- upgrade of Data Centre Infrastructure. An auxiliary in-row cooling unit will be implemented in the Data Centre. The aim is to improve the availability, robustness and performance of FIUTT's Data Centre, particularly as the FIUTT's online reporting system is required to be available 24/7; and
- train and develop IT staff to ensure that they are equipped to support the business initiatives of the FIUTT.

### 3. LEGAL PROJECTIONS

Since the completion of the 4<sup>th</sup> MER and its subsequent publication in June 2016, Trinidad and Tobago has made significant progress in addressing deficiencies identified in technical compliance. Rectifying the technical compliance required legislative amendments and the passage of new laws. Trinidad and Tobago's 3<sup>rd</sup> FUR is evidence of the strides made and as a result, 18 Recommendations was re-rated.

There are likely to be legislative amendments to meet with the outstanding legislative gaps to strengthen the AML/CFT regime in Trinidad and Tobago. Three key features in the legislative reform process remain:

- the Gambling (Gaming and Betting) Control Bill, 2016, which seeks to provide for the establishment of the Gambling (Gaming and Betting) Control Commission for the purpose of regulating the gaming and betting sectors which are vulnerable to ML/FT;
- amending the Co-operative Societies Act (Credit Union sector) to provide for the regulation of the financial business activities of all credit unions and secondary bodies carrying on the business of a credit union and for matters related thereto; and
- extending the range of sanctions to include administrative fines in the AML/CFT regime.

Likewise, to follow, are amendments with respect to the regulation, supervision and monitoring of Virtual Asset Service Providers (VASP) for AML/CFT. Recently, the FATF Recommendations was updated to include VASP at Recommendation 15. Therefore, amendments to the POCA or new legislation will have to be passed to address this relatively new requirement.

Collectively, these measures will go a long way to strengthen the AML/CFT legal regime and improve effectiveness in crime prevention and detection in Trinidad and Tobago.

### 4. THE WAY FORWARD

The FIUTT over the last nine years had many accomplishments in the functioning of its operation. Looking ahead the FIUTT remains committed to aligning business strategies to achieve our vision as we prepare for the future. In the next reporting period, the FIUTT will focus on:

- continuing to implement IT solutions that would improve the operations of the FIUTT and improve the exchange of information with the Reporting Entities;
- actively promoting supportive alliances with Reporting Entities and other key stakeholders to address the challenges of criminal exploitation of the financial system;
- strengthening our domestic and international network to support FIUs and LEAs in their analysis and investigations of all criminal conduct;
- providing continuing learning opportunities to staff to equip them with the skills they require to undertake their responsibilities; and
- contributing to the measures required to bring Trinidad and Tobago into compliance with the FATF International Standards.

# APPENDIX A

## LIST OF SUPERVISED ENTITIES AND REPORTING ENTITIES

The FIUA identifies the entities which fall under the supervisory remit of the FIUTT as Non-Regulated Financial Institutions (NRFIs) and Listed Business (LBs), collectively referred to as Supervised Entities.

The FIUA also identifies the entities responsible for reporting suspicious transactions or activities to the FIUTT as Financial Institutions (FIs) and Listed Business (LBs), collectively referred to as Reporting Entities.

The list of FIs is identified under Section 2(1) of the POCA, the list of NRFIs is identified at Section 2(1) of the FIUA and the types of business which are categorised as LB are identified in the First Schedule to the POCA.

The FIUA was amended by the Miscellaneous Provisions (Proceeds of Crime, Anti-Terrorism and Financial Intelligence Unit of Trinidad and Tobago) Act, 2014. In addition, the Schedule of the NPOA amended the First Schedule of POCA by including NPO. Per the amendments and the NPOA, the categories of Supervised and Reporting Entities are as follows:

LISTED BUSINESS (LBs)	SUPERVISED ENTITIES	REPORTING ENTITIES
• Real Estate	✓	✓
• Motor Vehicle Sales	✓	✓
• Gaming House	✓	✓
• Pool Betting	✓	✓
• National Lotteries On-Line Betting Games	✓	✓
• Jewellers	✓	✓
• Private Members' Club	✓	✓
• Accountants	✓	✓



LISTED BUSINESS (LBs)	SUPERVISED ENTITIES	REPORTING ENTITIES
<ul style="list-style-type: none"> <li>Attorneys-at-Law or persons performing the functions of an accountant or other independent legal professional. Such persons are accountable when performing the respective functions specified in the first schedule of the POCA.</li> </ul>	✓	✓
<ul style="list-style-type: none"> <li>Art Dealers</li> </ul>	✓	✓
<ul style="list-style-type: none"> <li>Trust and Company Service Providers</li> </ul>	✓	✓
<ul style="list-style-type: none"> <li>Non-Profit Organisations</li> </ul>	✓	✓

FINANCIAL INSTITUTIONS (FIs)	SUPERVISED ENTITIES	REPORTING ENTITIES
<ul style="list-style-type: none"> <li>A bank licensed under the Financial Institutions Act</li> </ul>		✓
<ul style="list-style-type: none"> <li>A Financial Institution licensed under the Financial Institutions Act</li> </ul>		✓
<ul style="list-style-type: none"> <li>An insurance company, agent or broker registered under the Insurance Act</li> </ul>		✓
<ul style="list-style-type: none"> <li>A person licensed under the exchange control act to operate an exchange bureau</li> </ul>		✓
<ul style="list-style-type: none"> <li>A person licensed under the Securities Act as a broker-dealer, underwriter or investment adviser</li> </ul>		✓
<ul style="list-style-type: none"> <li>Development banks, trust companies, mortgage companies</li> </ul>		✓
<ul style="list-style-type: none"> <li>Any other person declared by the minister by order, subject to negative resolution of parliament to be a Financial Institution for the purpose of the POCA</li> </ul>		✓

NON-REGULATED FINANCIAL INSTITUTIONS (NRFIS)	SUPERVISED ENTITIES	REPORTING ENTITIES
<ul style="list-style-type: none"> <li>A society registered under the Co-operative Societies Act</li> </ul>	✓	✓
<ul style="list-style-type: none"> <li>A person who carries on money value or transfer services</li> </ul>	✓	✓
<ul style="list-style-type: none"> <li>A building society registered under the Building Societies Act</li> </ul>	✓	✓

# APPENDIX B

## GENERAL ML/FT SUSPICIOUS INDICATORS

GENERAL SUSPICIOUS INDICATORS	ML	FT
• Transactions take place for which there appears to be no logical business or other economic purpose, particularly when this is through or from countries known or suspected to facilitate money laundering or terrorism activities.	✓	✓
• The client cannot provide satisfactory evidence of identity.	✓	✓
• Situations where the source of funds cannot be easily verified.	✓	
• Situations where it is difficult to verify customer information.	✓	
• Frequent change of ownership of same property in unusually short time period with no apparent business, economic or other legitimate reason and between related persons.	✓	
• Client wants to <b>re-sell property shortly after purchase</b> at a significantly different purchase price, without corresponding changes in market values in the same area.	✓	✓
• Client wishes to form or purchase a company whose <b>corporate objective is irrelevant</b> to the client's normal profession or activities, without a reasonable explanation.	✓	

GENERAL SUSPICIOUS INDICATORS	ML	FT
• The client sets up shell companies with nominee shareholders and/or directors.	✓	
• The client has companies with capital in the form of bearer shares.		✓
• Client <b><u>repeatedly changes attorneys</u></b> within a short period of time without any reasonable explanation.	✓	
• Client <b><u>purchases property in names of other persons</u></b> or uses different names on offers to purchase, closing documents and deposit receipts.	✓	
• Client deposits large amount of cash with you to make payments and investments on his behalf.	✓	
• Client negotiates a purchase but wants to <b><u>record a lower value on documents</u></b> , paying the difference “under the table” (inadequate consideration).	✓	
• Client’s documents such as identification, income statements or employment are provided by an <b><u>intermediary</u></b> who has no apparent reason to be involved (intermediary may be the real client).	✓	✓
• Client gives power of attorney to a non-relative to conduct large transactions (same as above).	✓	✓
• Transaction involves legal entities and <b><u>no relationship seen between the transaction and the business activity</u></b> of the buying company, or the company has no business activity (Shell Company).	✓	✓
• Client <b><u>requests the firm to act as his agents</u></b> in obtaining high sum bankers’ drafts, cashiers’ cheques and other cash equivalent or near cash monetary instruments or in making wire transfers to and from other bank or FIs (anonymity).	✓	
• <b><u>Divergence</u></b> from the type, volume or frequency of transactions expected in the course of the business relationship.	✓	✓

# APPENDIX C



GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO  
MINISTRY OF FINANCE



FINANCIAL INTELLIGENCE UNIT  
OF TRINIDAD AND TOBAGO

FIU REFERENCE: ADV/001/2019

## FIUTT ALERT AND ADVISORY NOTICE TO FINANCIAL INSTITUTIONS, LISTED BUSINESS AND MEMBERS OF THE PUBLIC: **RISE IN EMAIL COMPROMISE**

The Financial Intelligence Unit of Trinidad and Tobago ("the FIUTT") is publishing this Advisory in accordance with Section 17(1) (b) of the Financial Intelligence Unit of Trinidad and Tobago Act.

### PURPOSE OF THIS ADVISORY

This Advisory is intended to provide financial institutions (in particular commercial banks), listed businesses and members of the public to exercise caution when handling email payment instructions for business transactions and large value personal foreign currency transactions, in order to reduce monetary loss and emotional harm.

### GENERAL INFORMATION

The FIUTT has noticed an increase in cases of individuals and businesses falling victim to social engineering tactics such as email phishing<sup>8</sup>.

For the period December 2017 to December 2018, several businesses and individuals lost funds in excess of TT\$2.5 Million in foreign currency transactions to cybercriminals through social engineering tactics.

<sup>8</sup> Phishing remains one of the main social engineering techniques used on the Internet to steal ID-related information for fraudulent use. Variations include "SMiShing" (mobile phone text messages to seek the disclosure of information) and "spoofing" (a person or programme is masquerading as somebody or something else to gain trust and make them enter their details into a counterfeit website). <http://www.coe.int/moneyval>





# SOCIAL ENGINEERING TACTICS

E-mail Phishing | Email Spoofing and Contact Spamming | SMiShing

## HOW THE FRAUD WORKS

Social Engineering techniques are used to manipulate financial institutions and members of the general public to unknowingly install malware onto their computers, workstations or wireless devices. This is an effort to compromise and steal personal sensitive information such as emails and other online account login credentials.

Once social engineering attackers get access to the account, they can then monitor emails, intercepting those that contain an invoice or a payment instruction to a Financial Institution (**FI**) or Money or Value Transfer Services (**MVTS**) provider. Social engineering attackers can now change the payment instructions on a specific invoice or planned transaction. This allows the transaction to be processed with the funds going to a bank account of a cybercriminal group instead of the intended and rightful beneficiary.

## CAUTION AND RED FLAG INDICATORS TO FINANCIAL INSTITUTIONS AND THE GENERAL PUBLIC

- **Scrutinise documents** thoroughly for any errors, missing information and alterations. Read emails carefully as fraudulent email messages often contain misspellings or poor grammar.
- Any new email instructions to transfer funds to a different beneficiary with a different address and banking account information from what was previously known, requires FIs and MVTS providers to **conduct enhanced due diligence for suspicious payment instructions**.

- Conduct **Customer Due Diligence** or if in doubt, **Enhanced Due Diligence**, contact the sender of the email by telephone to verify the information before sending any money to the 'named' beneficiary.
- **Financial Institutions and Listed Businesses:** Any suspicious email payment instructions for business transactions and personal foreign currency transactions that can be linked to email compromise, should be immediately reported as a Suspicious Transaction/Activity Report to the FIUTT.
- Any transaction/activity involving the use of compromised email should be reported to **Fraud Squad of the Trinidad and Tobago Police Service (TTPS)** at Telephone numbers: 1(868) 625-2310 or 1(868) 623-2644 or; Fraud Squad South office at 1(868) 652-8594; or by Email: [fraud@ttps.gov.tt](mailto:fraud@ttps.gov.tt).

**Dated: March 1<sup>st</sup>, 2019**

**Nigel Stoddard**

**Director (Ag.) Financial Intelligence Unit of Trinidad and Tobago**

# APPENDIX D



GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO  
MINISTRY OF FINANCE

FIU REFERENCE: N/001/2019



FINANCIAL INTELLIGENCE UNIT  
OF TRINIDAD AND TOBAGO

## NOTICE TO NON-PROFIT ORGANISATIONS ON ANTI-MONEY LAUNDERING/COUNTER FINANCING OF TERRORISM OBLIGATIONS

Notice is given pursuant to:

1. **Section 2 and the First Schedule of the Proceeds of Crime Act, Chap 11:27 as amended** ("the POCA"), Non-Profit Organisations ("NPOs") are now classified as a Listed Business. As such, the Financial Intelligence Unit of Trinidad and Tobago ("the FIU") brings to your attention **Section 55A of the POCA**.

Therefore, to protect your NPO from being used by criminals, the FIU advises that measures be implemented by each NPO to deter and detect transactions related to money laundering and terrorist financing and to report of suspicious activities/transactions to the FIU.

2. **Section 4 of the Non-Profit Organisations Act, No. 7 of 2019**, provides for the FIU to:
  - i. be the anti-money laundering, counter financing of terrorism and proliferation financing ("AML/CFT/PF") Regulator of NPOs;
  - ii. be responsible for the AML/CFT/PF supervision of NPOs with a gross annual income exceeding five hundred thousand dollars (TT\$500,000); and
  - iii. use a risk based approach to determine the level of supervision required for NPOs in accordance with the **Financial Intelligence Unit Act, Chap. 72:01 as amended**

All NPOs should note that they possess a vulnerability to being abused by criminals to either launder criminal proceeds or finance terrorist activities notwithstanding the gross annual income earned by the NPO. Furthermore, NPOs referenced at (ii) above will be subject to compliance examinations on a risk based approach to test the effectiveness of their AML/CFT/PF measures implemented.

NPOs are to be guided by guidance and publications on AML/CFT/PF available on the FIU's website ([www.fiu.gov.tt](http://www.fiu.gov.tt)) including the following:

- *Guidance to Non-Regulated Financial Institutions and Listed Businesses on how to structure an AML/CFT/PF Compliance Programme (GN/003/2019);*
- *Guidance Note on Suspicious Transaction/Activity Reporting Standards; and*
- *Guidance Note – Procedures for Reporting Terrorist Funds.*

Requests for further information, questions or queries should be directed as follows:

**Director**  
**Financial Intelligence Unit of Trinidad and Tobago**  
**Level 25, Tower D**  
**International Waterfront**  
**1A Wrightson Road**  
**PORT OF SPAIN**  
**Phone: (868) 625-8351, (868) 624-4427**  
**Email: [fiucompliance@gov.tt](mailto:fiucompliance@gov.tt)**

Please be guided accordingly.

Dated July 18, 2019

**Director (Ag)**  
**Financial Intelligence Unit of Trinidad and Tobago**

# GLOSSARY

---

## BENEFICIAL OWNER

Beneficial owner refers to the natural person(s) who ultimately<sup>9</sup> owns or controls a customer<sup>10</sup> and/or the natural person on whose behalf a transaction is being conducted. It also includes those persons who exercise ultimate effective control over a legal person or arrangement.

Source: [Glossary of the FATF Recommendations](#)

## FINANCING OF TERRORISM

Financing of Terrorism may involve funds raised from legitimate sources, such as personal donations and profits from businesses and charitable organisations, as well as from criminal sources, such as the drug trade, the smuggling of weapons and other goods, fraud, kidnapping and extortion. Therefore, funds derived from legitimate, as well as illegal activities, can be used for or to facilitate terrorist activities.

## MONEY LAUNDERING

Money Laundering is the process by which illegally obtained funds are given the appearance of having been legitimately obtained. The process may involve one or more of the following methods:

- **Placement**

Illegal funds or assets are first brought into the financial system. This 'placement' makes the funds more liquid using a variety of techniques, which include depositing cash into bank accounts and using cash and other instruments to purchase assets.

- **Layering**

To conceal the illegal origin of the placed funds and thereby make them more useful, the funds must be moved, dispersed, and disguised. The process of distancing the placed funds from their illegal origins is known as 'layering'. These include using multiple banks and accounts, having professionals act as intermediaries and transacting through corporations and trusts. Funds may be shuttled through a web of many accounts, companies and countries in order to disguise their origins.

---

<sup>9</sup> Reference to "ultimately owns or controls" and "ultimate effective control" refer to situations in which ownership/control is exercised through a chain of ownership or by means of control other than direct control.

<sup>10</sup> This definition should also apply to beneficial owner of a beneficiary under a life or other investment linked insurance policy.



- **Integration**

Once the funds are layered and distanced from their origins, they are made available to criminals to use and control as apparently legitimate funds. The laundered funds are made available for activities such as investment in legitimate or illegitimate businesses, to fund further criminal activity or spent to enhance the criminal's lifestyle.

At this stage, the illegal money has achieved the appearance of legitimacy.

## **POLITICALLY EXPOSED PERSONS**

- i. Foreign PEPs are individuals who are or have been entrusted with prominent functions by a foreign country, for example Heads of State or of government, senior politicians, senior government, judicial or military officials, senior executives of state owned corporations and important political party officials.
- ii. Domestic PEPs are individuals who are or have been entrusted with prominent functions in Trinidad and Tobago, for example Heads of State or of government, senior politicians, senior government, judicial or military officials, senior executives of state owned corporations and important political party officials.
- iii. Persons who are or have been entrusted with a prominent function by an international organisation refers to members of senior management such as directors and members of the board or equivalent functions.
- iv. Family members are individuals who are related to either a Foreign or Domestic PEP either directly (consanguinity) or through marriage or similar (civil) forms of partnership.
- v. Individuals who are closely connected to or associated with a PEP as defined in i, ii and iii above, either personally or professionally.

Source: [Glossary of the FATF Recommendations and FIUTT](#)

## **PROLIFERATION OF WEAPONS OF MASS DESTRUCTION AND ITS FINANCING**

The FATF Recommendation 7 requires Countries should implement targeted financial sanctions to comply with United Nations Security Council resolutions relating to the prevention, suppression and disruption of proliferation of weapons of mass destruction and its financing.

### **What is proliferation of weapons of mass destruction?**

Proliferation is the manufacture, acquisition, possession, development, export, transshipment, brokering, transport, transfer, stockpiling or use of nuclear, chemical or biological weapons and their means of delivery and related materials (including both technologies and dual-use goods used for non-legitimate purposes), in contravention of national laws or, where applicable, international obligations. It includes technology, goods, software, services or expertise.

## **REPORTING ENTITIES**

Reporting Entities are FIs, and certain businesses and professionals (the "Listed Business") which are designated to detect and deter ML and FT. These obligations include the development and implementation of a compliance programme which includes policies, procedures and controls such as the appointment of a Compliance Officer, reporting suspicious transactions, customer due diligence, retention of records and training for staff.

## TARGETED FINANCIAL SANCTIONS

The term **targeted financial sanctions** means both asset freezing and prohibitions to prevent funds or other assets from being made available, directly or indirectly, for the benefit of designated persons and entities.

Source: [Glossary of the FATF Recommendations](#)

## TERRORIST

The term **terrorist** refers to any natural person who:

- i. commits a terrorist act by any means, directly or indirectly, unlawfully and wilfully;
- ii. participates as an accomplice in terrorist acts or Financing of Terrorism;
- iii. organises or directs others to commit terrorist acts or the Financing of Terrorism; or
- iv. contributes to the commission of terrorists' acts or the Financing of Terrorism by a group of persons acting with a common purpose. The contribution is made internationally, with the aim of furthering the terrorist act or the Financing of Terrorism, with the knowledge of the intention of the group to commit the terrorist act or the Financing of Terrorism.

## TERRORIST ORGANISATION

The term **terrorist organisation** means a Legal Entity or group of terrorists that:

- i. commits a terrorist act by any means, directly or indirectly, unlawfully and wilfully;
- ii. participates as an accomplice in terrorist acts or the Financing of Terrorism;
- iii. organises or directs others to commit terrorist acts or the Financing of Terrorism; or
- iv. contributes to the commission of terrorist acts or the Financing of Terrorism by a group of persons acting with a common purpose. The contribution is made internationally, with the aim of furthering the terrorist act or the Financing of Terrorism, with the knowledge of the intention of the group to commit the terrorist act or the Financing of Terrorism.

Source: [Glossary of the FATF Recommendations](#)

## VOLUNTARY INFORMATION REPORTS (VIRs)

If any member of the public would like to provide information about suspicions of money laundering or of the financing of terrorist activities, a Voluntary Information Report (VIR) can be submitted via post or email to the FIUTT. If you believe that the information you provide is serious and requires an immediate law enforcement response, then you may also wish to provide this information directly to your local law enforcement agency.









FINANCIAL INTELLIGENCE UNIT  
OF TRINIDAD AND TOBAGO

# 2019 Annual Report

Enquiries relating to this report should be addressed to:

The Director  
Financial Intelligence Unit of Trinidad and Tobago

Level 25, Tower D  
International Waterfront Complex  
1A Wrightson Road  
Port of Spain  
Trinidad and Tobago

Tel: (868) 625-8351 | Fax: (868) 627-7018  
Email: [fiufeedback@gov.tt](mailto:fiufeedback@gov.tt) | Website: [www.fiu.gov.tt](http://www.fiu.gov.tt)