



GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO



FINANCIAL INTELLIGENCE UNIT  
OF TRINIDAD AND TOBAGO

# 2018 Annual Report





GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO



FINANCIAL INTELLIGENCE UNIT  
OF TRINIDAD AND TOBAGO

2018 ANNUAL REPORT





**GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO**

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**FIU Ref: INF/1260/2018/PAO**

November 27, 2018

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

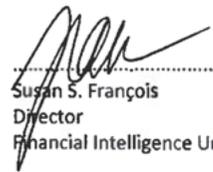
Dear Minister,

**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, 2017 to September 30, 2018.

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,

  
Susan S. François  
Director  
Financial Intelligence Unit



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# FINANCE REPORT

ACCOUNT REPORT

## DASHBOARD > INCOME

DAILY WEEKLY MONTHLY

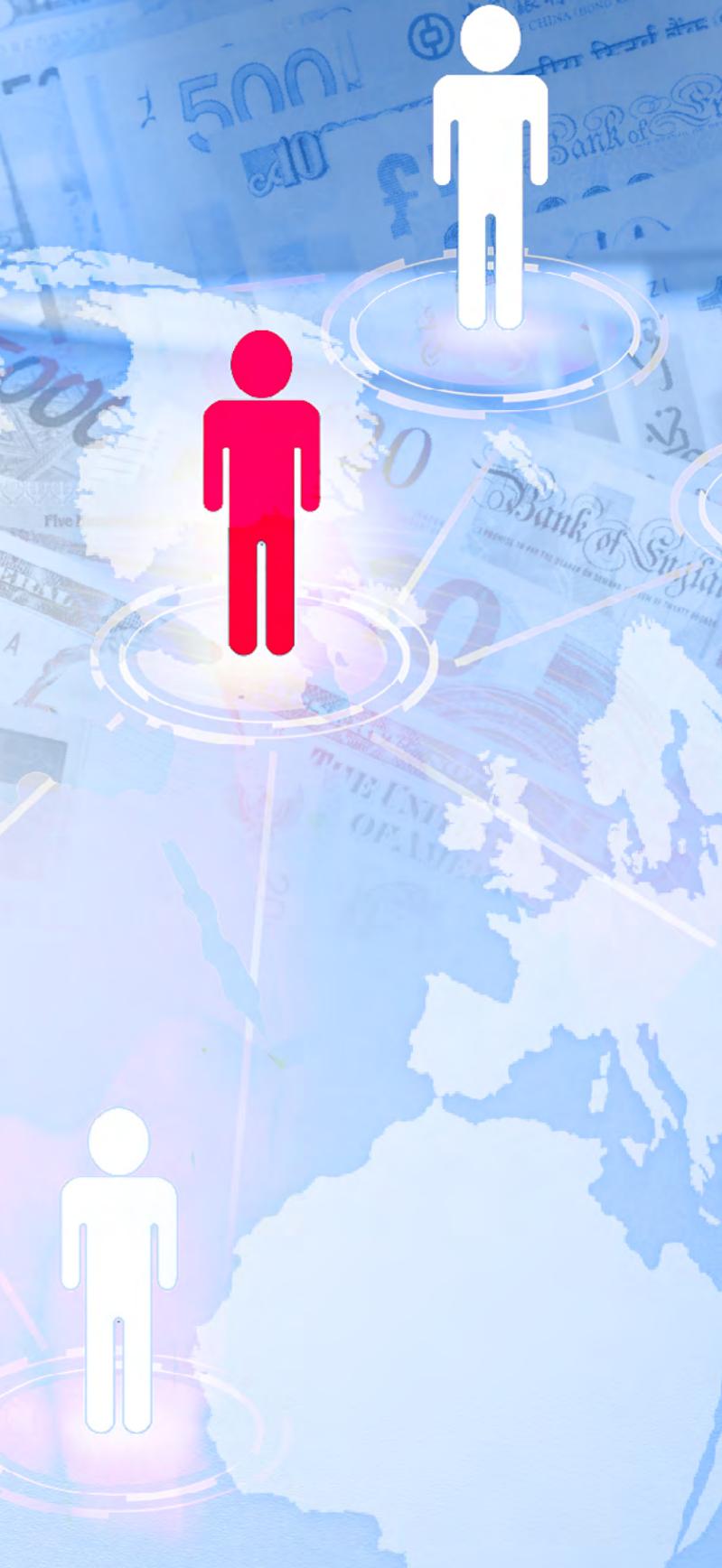


### TOTAL INCOME



£ € \$ ₣ ¥ 元 ₪ ₹ ₩





## 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.

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# LIST OF ABBREVIATIONS

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ABBREVIATION	MEANING
AAL	Attorney-at-Law
ACO	Alternate Compliance Officer
AML/CFT	Anti-Money Laundering/Counter Financing of Terrorism
ATA	Anti-Terrorism Act, Chapter 12:07
BIR	Board of Inland Revenue
BOD	Board of Directors
CBTT	Central Bank of Trinidad and Tobago
CFATF	Caribbean Financial Action Task Force
CO	Compliance Officer
CU	Credit Union
DPP	Director of Public Prosecutions
FATF	Financial Action Task Force
FI	Financial Institution
FIB	Financial Investigations Branch

ABBREVIATION	MEANING
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
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
ISIL	Islamic State of Iraq and the Levant
IT	Information Technology

ABBREVIATION	MEANING
JW	Jewellers
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 AML/CFT Committee
NPOs	Non-Profit Organisations
NRA	National Risk Assessment
NRFI	Non-Regulated Financial Institutions
OAS	Organisation of American States
OFAC	Office of Foreign Asset Control

ABBREVIATION	MEANING
PEP	Politically Exposed Person
PMC	Private Members' Club
POCA	Proceeds of Crime Act, Chapter 11:27
PF	Proliferation Financing
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
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
UNODC	United Nations Office on Drugs and Crime
UNSCR	United Nations Security Council Resolution

# STATEMENT OF THE DIRECTOR

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## **2017-2018 at the FIUTT**

I am pleased to report on the operations of the Financial Intelligence Unit of Trinidad and Tobago (the FIUTT) for the period October 1, 2017 to September 30, 2018, which marks the ninth reporting period for the FIUTT.

The FIUTT holds a unique position in Trinidad and Tobago's Anti-Money Laundering and Counter-Financing of Terrorism (AML/CFT) regime as a producer of financial intelligence and an AML/CFT regulator. We are committed to using this position in the pursuit of our vision of strong and dynamic financial and business sectors free from criminal abuse.

This reporting year was fraught with challenges on a number of fronts. Operationally, a dramatic increase in the number of Suspicious Transaction/Activity Reports (STRs/SARs), prioritising suspected Financing of Terrorism (FT) cases, the increased number of entities to supervise as well as a greater contribution to national efforts to resolve AML/CFT deficiencies, coupled with human resource constraints, all called for the exertion of significant effort by the FIUTT staff.

## **STR/SAR Analysis**

For the first time in its nine-year existence the number of STRs/SARs received by the FIUTT exceeded 1,000. The FIUTT received a total of 1,100 STRs/SARs which represented an increase of 25% over the 877 STRs/SARs received in the previous reporting period. Banks, Money Value Transfer Services, Co-operative Societies, and Insurance Companies largely contributed to the increase. The total monetary value was just under TT\$1 Billion.

Since 2014, the FIUTT has been receiving an increasing number of STRs/SARs relating to suspected FT. In this reporting, as well, 167 of the 1,100 STRs/SARs were related to suspected FT; an increase of 49% from the previous reporting year. These

FT STRs/SARs generated 61 Intelligence Reports which were disseminated to local Law Enforcement Authorities (LEAs), to foreign LEAs and to foreign FIUs. Each of the 61 Intelligence Reports involved either one or more than one suspect.

The FIUTT's analysis for the period 2014 to September 2017 has revealed a total of 382 persons suspected of being linked to terrorism, either as Foreign Terrorist Fighters, involved in FT or in providing support for terrorist activities. The suspected 382 persons come from a wide cross-section of society and from various socio-economic backgrounds.

## **Monitoring Compliance**

The FIUTT is also the AML/CFT supervisor for a wide spectrum of non-regulated financial institutions, professionals and business sectors collectively called Supervised Entities. Supervised Entities numbered 2,756 at the end of this reporting year. Supervision of this sector presents unique challenges considering the sheer number of entities, the variegated nature of their activities, the diversity of their asset size and customer base and their inherent vulnerabilities to Money Laundering (ML) and FT.

Consequently, the FIUTT regularly reviews its supervision strategies to develop innovative ways to monitor and supervise this large sector for AML/CFT compliance. In this reporting period, the FIUTT introduced a hybrid compliance examination where compliance audits were two dimensional: a desk-based review followed by a face-to-face interview with the entity's representative to confirm effective compliance with its AML/CFT obligations.

This strategy has proven useful in mitigating security risks to FIUTT officers where such risk factors exist, while at the same time, ensuring that the frequency and intensity of compliance examinations are appropriate to the entity's ML/FT risk profile.

As well, in this reporting period, the FIUTT successfully conducted compliance examinations with the execution of a warrant on two businesses: one in the Real Estate sector; and the other in the Motor Vehicle Sales sector. This was a new power given to the FIUTT in 2018 pursuant to 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. The FIUTT is now empowered to conduct a compliance examination with the execution of a warrant by the Trinidad and Tobago Police Service where consent to enter the premises of the business is denied.

### **FIUConnect**

A notable achievement during this reporting period was the acquisition by the FIUTT of FIUConnect, a secure online reporting and data management solution. The acquisition of FIUConnect was funded by the Governments of the United States of America and of Trinidad and Tobago. The implementation of FIUConnect would reduce the time-consuming manual processes involved in the receipt of reports such as STRs/SARs and Quarterly Terrorist Reports leaving more time for actual analysis. Additional benefits include secure real-time filing of reports by Reporting Entities with the attendant reduction of risks associated with paper-based filings and enhanced analytical capabilities.

### **Compliance with FATF Recommendations**

The FIUTT plays a vital role in national AML/CFT efforts to effectively execute the FATF's 40 Recommendations. The FIUTT staff exerted significant effort during the reporting year in addressing and reporting on progress made in rectifying AML/CFT deficiencies identified in the 4<sup>th</sup> Round Mutual Evaluation by the Caribbean Financial Action Task Force. Key activities aligned to the Action Plan endorsed by the FATF in October 2017 included: prioritising the analysis of FT STRs/SARs and dissemination of Intelligence Reports relating to FT; prioritising requests from LEAs for financial intelligence; assisting the Office of the Attorney General in listing and delisting terrorist entities; and proposing, reviewing and advising on legislative measures.

The FIUTT also escalated its sensitisation efforts to include financing of weapons of mass destruction (Proliferation Financing), face to face discussions with Reporting Entities on STR/SAR quality and quantity and outreach efforts to Non-Profit Organisations in partnership with the Ministry of the Attorney General of Trinidad and Tobago. Those efforts will be continuing throughout 2019.

### **Looking ahead**

The FIUTT remains committed to aligning our business strategies to achieve our vision as we prepare for the future. In the next reporting period, the FIUTT will focus on:

- fully implementing the FIUConnect secure online reporting solution to improve quality and timeliness of STRs/SARs filings and to enhance the FIUTT's analytical capabilities;
- actively promoting supportive alliances with Reporting Entities and other key stakeholders to address the challenges of criminal exploitation of the financial system;
- strengthening our international connections to better assist LEAs in their investigations of the serious crimes impacting Trinidad and Tobago;
- 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 our jurisdiction into compliance with the FATF 40 Recommendations.

In closing, I would like to recognise and express appreciation to the FIUTT staff for their continued commitment to the FIUTT and to national AML/CFT efforts. The notable achievements of the FIUTT over the years are directly attributed to its small but dedicated staff.

The national cost of compliance with internationally promulgated standards can be truly burdensome on small jurisdictions like ours. Adherence to these standards will continue to be a yardstick by which we are measured, therefore, it is essential that Trinidad and Tobago develop and retain expertise to meet these challenges.

**Susan S. François**  
**Director**

# 2018 at a Glance



Over 1,000  
STRs/SARs  
Received

More STRs/SARs on  
Suspected Terrorist  
Activities

Acquisition of  
FIUConnect for greater  
Analytical Capability

Warrants issued to  
secure AML/CFT  
Compliance

Case Study on a  
Tax Avoidance  
Scheme

# PROLOGUE

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

The Caribbean Financial Action Task Force (the CFATF) selected Trinidad and Tobago as the first of its 25 member countries to be evaluated in the Fourth Round Mutual Evaluations for compliance with the FATF's 40 Recommendations. 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).

The 4<sup>th</sup> MER of Trinidad and Tobago was published on June 6<sup>th</sup>, 2016. Trinidad and Tobago was rated as non-compliant in two Recommendations, partially compliant in 13 Recommendations and given a low or moderate level of effectiveness for the eleven IOs as shown in the Tables A and B below.

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\$ 5 Billion, 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.

After Trinidad and Tobago presented its first FUR in May 29 2017 and attended a face-to-face meeting with the Joint Group in September 2017, the Joint Group

developed an action plan which was endorsed by the FATF at its October 2017 plenary.

The action plan 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:

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

As at September 30, 2018 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, has submitted four progress reports and several updated reports to the Joint Group and attended two face-to-face meetings.

Notable accomplishments so far 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 makes the offence of Money Laundering both a summary offence and an indictable offence;
2. The Financial Intelligence Unit of Trinidad and Tobago Regulations, 2011 was amended to require Supervised Entities to notify the FIUTT within 30 days where there is a change of its registered office or principal place of business, Directors, Owners, Partners or Compliance Officer;
3. The Anti-Terrorism (Amendment) Act No. 13 of 2018 which provides for several offences for supporting and financing terrorist acts, terrorist and terrorist organisations and travelling to designated terrorist zones;
4. Bills and policies have been drafted namely: the draft Civil Asset Recovery, Management and Unexplained Wealth Bill; the draft Companies (Amendment) Bill to address the gaps regarding the adequacy, accuracy and timeliness of beneficial ownership information; the Non-Profit Organisations Policy and Bill and a draft policy on a legal framework for financing of proliferation.

Trinidad and Tobago's progress has been recognised by FATF which in June 2018 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 enacting amendments to legislation improving measures for international cooperation on tax offences and advancing legislation on a number of criminal justice reforms...”*

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

Trinidad and Tobago submitted a progress report to the Joint Group in September 2018<sup>1</sup> and the next report is due in January 2019. If the January 2019 assessment is that Trinidad and Tobago has made sufficient progress in addressing the identified AML/CFT deficiencies, exit from the ICRG process will include an on-site visit conducted by the Joint Group in 2019.

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

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<sup>1</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>PC</b>	<b>LC</b>	<b>LC</b>	<b>LC</b>	<b>C</b>	<b>PC</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>NC</b>	<b>NC</b>	<b>C</b>	<b>LC</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>LC</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>PC</b>	<b>C</b>	<b>LC</b>	<b>LC</b>	<b>LC</b>	<b>PC</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>PC</b>	<b>LC</b>	<b>PC</b>	<b>LC</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>PC</b>	<b>PC</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>PC</b>	<b>PC</b>	<b>LC</b>	<b>PC</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>	



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

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## 1. FATF STANDARDS

Money Laundering (ML) and the Financing of Terrorism (FT) are serious threats to global security, integrity of the financial system and sustainable growth. The Financial Action Task Force (FATF) was established to set standards and promote effective implementation of legal, regulatory and operational measures for combatting ML and FT and other related threats to the international financial system. The FATF as the “policy-making body” issued 40 mandatory Recommendations which must be implemented by each country.

Recommendation 29 of the FATF’s Recommendations requires each country to establish a Financial Intelligence Unit (FIU) as an autonomous independent body to serve as the national centre for the collection, analysis and dissemination of financial intelligence and information. Therefore, the role of an FIU is integral in the fight against ML and FT.

## 2. THE FIUTT

Trinidad and Tobago has complied with Recommendation 29 through the establishment of the Financial Intelligence Unit of Trinidad and Tobago (FIUTT). The FIUTT was established by the **Financial Intelligence Unit of Trinidad and Tobago Act, Chap. 72:01 (FIUA)** and its powers and functions are further set out in the subsidiary legislation, the **Financial Intelligence Unit of Trinidad and Tobago Regulations, 2011 (FIUR)** and as amended by **Legal Notice 403 of 2014** and most recently by 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.**

The FIUTT is established as a specialised intelligence agency which receives and analyses Suspicious Transaction Reports/Suspicious Activity Reports (STRs/SARs) and disseminates financial intelligence and information to Law Enforcement Authorities (LEAs) locally and internationally. The FIUTT’s analytical functions are separate and distinct from the investigative functions of LEAs.

The FIUTT supervises and monitors specified businesses for compliance with Anti-Money Laundering/Counter Financing of Terrorism (AML/CFT) legal obligations. Its core operational areas of Analysis, Compliance, Enforcement, Outreach, Domestic and International Co-operation are supported by the Legal, Information Systems and Technology (IT), and Administrative Divisions. The FIUTT is a department within the Ministry of Finance.

## 3. THE SUPPORTING LEGAL FRAMEWORK

### i. Existing Laws

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

- **The POCA**

The POCA created the offence of *Money Laundering* and established the procedure through which the proceeds of all indictable offences may be confiscated. The ambit of the legislation was widened in 2014 with the introduction of the concepts of criminal conduct and criminal property. Established under **section 56 of the POCA, the Financial Obligations Regulations, 2010 (FOR)** contain the AML/CFT measures and procedures which Reporting Entities must implement to enable them to deter and detect ML and to report suspicious transactions and/or activities to the FIUTT.

- **The ATA**

The ATA criminalises terrorism and provides for the detection, prevention, prosecution, conviction and punishment of terrorist acts, FT and for the confiscation, forfeiture and seizure of terrorists' assets. Further, the **Financial Obligations (Financing of Terrorism) Regulations, 2011**, ensure that the obligations stipulated under the FORs for ML apply equally to FT.

## ii. Recent Developments in the AML/CFT Legal Regime

- In May 2018 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** was enacted to provide the Central Authority, Customs and Exchange, the FIUTT and the LEAs with more effective operational tools. Key amendments made to the FIUA and FIUR include an amendment to section 8 (3) (f) of the FIUA to give the FIUTT the power to disseminate Intelligence Reports to local or foreign authorities on its own motion or upon request and an amendment to regulation 29A (1) of the FIUR to require a Supervised Entity to notify the FIUTT within **thirty (30) days** of any change to its registered office or principal place of business, directors, owners, partners or compliance officer.
- **The Anti-Terrorism (Amendment) Act No. 13 of 2018** (the Amendment) was proclaimed on August 20, 2018. The Amendment created several new offences including:
  - o providing property or making available property to commit terrorist acts;

- o recruiting a person or a child to participate in the commission of a terrorist;
- o joining a terrorist organisation;
- o knowingly agreeing to provide instruction or training for the purpose of engaging in a terrorist act; and
- o travelling for the purpose of planning, committing, supporting or facilitating a terrorist act.

The Amendment also increased the penalties for committing a terrorist act by the inclusion of a fine of TT\$ 25 Million in addition to the previous penalty of imprisonment for 25 years.

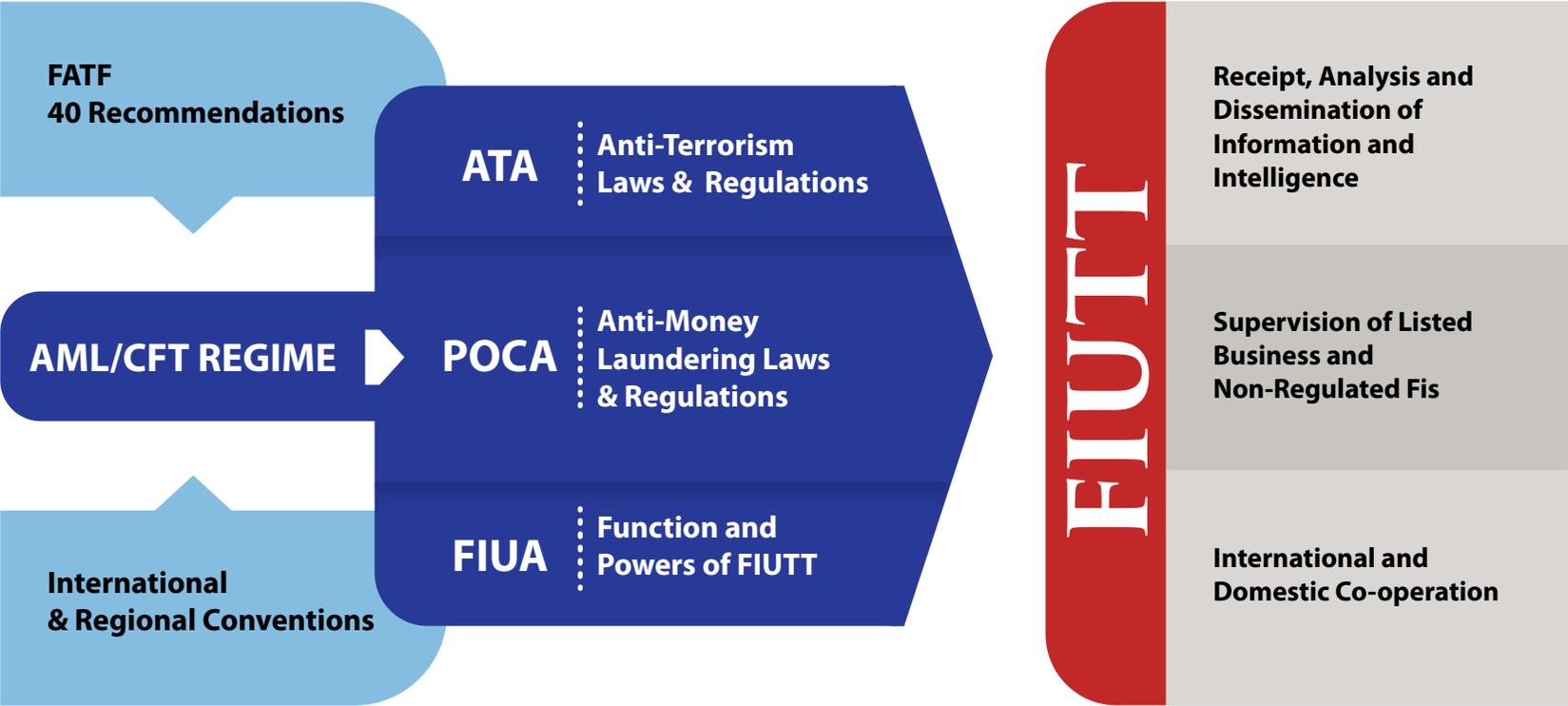
## iii. Additional Measures

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

- the development of a Counter Terrorism Strategy which was approved by the National Security Council in November, 2017;
- the enactment of the **Criminal Division and District Criminal and Traffic Courts Act, No. 12 of 2018** to give jurisdiction over criminal and traffic matters to a special division of the High Court and to give summary jurisdiction over criminal and traffic matters to the "District Criminal and Traffic Courts". The intention is to de-clog the Courts for more efficient disposition of ML matters. The introduction of the Fast Track Court is another initiative to deal with the backlog of criminal cases in the High Court; and
- the **Motor Vehicles and Road Traffic (Amendment) Act, No. 9 of 2017** now categorises traffic breaches as violations not offences, so such matters no longer have to go before the Magistrates Courts thereby increasing the available judicial time for more serious offences including ML, FT and related criminal conduct.

Diagram 1 below illustrates the AML/CFT legal framework.

**DIAGRAM 1  
ESTABLISHMENT AND LEGAL FRAMEWORK**



# CHAPTER II – FOSTERING A CULTURE OF COMPLIANCE

## 1. COMPLIANCE FOR INTELLIGENCE

The “*Compliance for Intelligence*” concept encapsulates the FIUTT’s two core functions - supervision and analysis. The concept recognises that the overall effectiveness of our country’s AML/CFT regime depends on our Reporting Entities submitting high quality and timely STRs/SARs to the FIUTT.

As an AML/CFT regulator, the FIUTT monitors 14 sectors, comprising Non-Regulated Financial Institutions (NRFIs) and Listed Business (LBs) collectively referred to as Supervised Entities, to ensure effective implementation of their AML/CFT obligations. Since Supervised Entities now number over 2,700, the FIUTT has established strategies to evaluate the measures they have taken to mitigate their ML/FT risks. The strategies focus on those obligations which most effectively facilitate the production of financial intelligence and deter ML and FT. Compliance monitoring is also based on risk factors such as vulnerability to ML/FT, nature of operations and consequential impact on the integrity of the financial system.

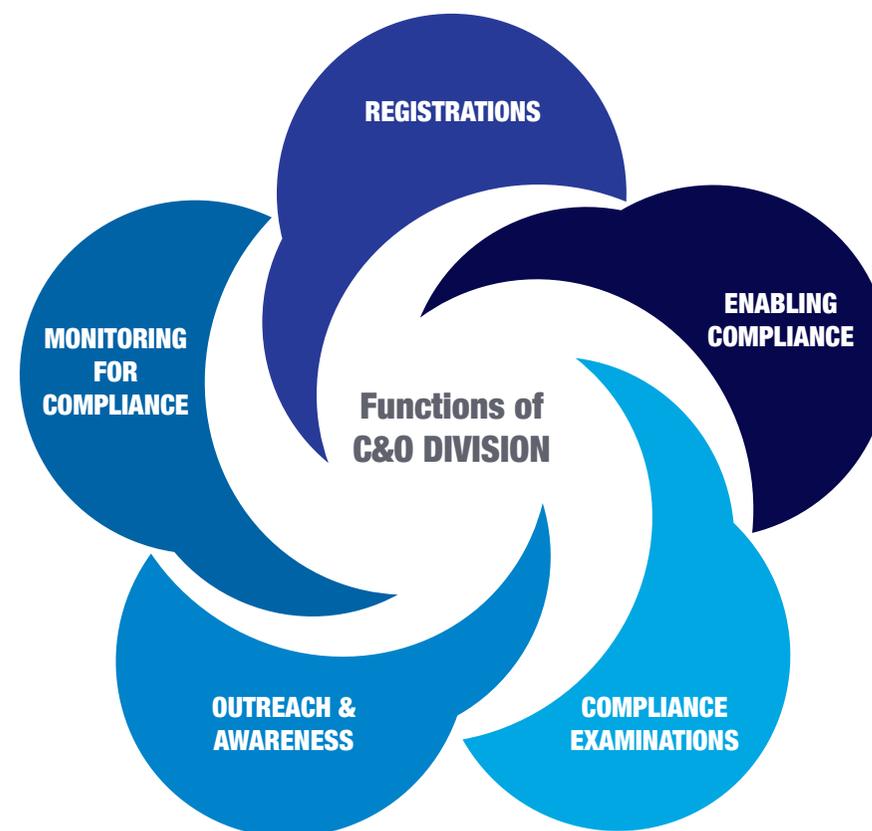
Diagram 2 illustrates the five elements of the FIUTT supervisory functions carried out by the Compliance and Outreach Division which are further detailed in this chapter.

## 2. REGISTRATION OF SUPERVISED ENTITIES

### i. Registrations

Supervised Entities are required to register with the FIUTT within three months of commencing a regulated business activity. The FIUTT has observed general compliance with this obligation based on the consistent annual increases in registrations.

DIAGRAM 2  
FUNCTIONS OF THE COMPLIANCE AND OUTREACH DIVISION



During this reporting period there was a 13% increase in registration from the previous year to a total of 2,756 NRFIs and LBs. From the 2014 to 2018 reporting period the FIUTT has seen an average annual increase by about 193 registrants. Overall, there has been a 71% increase in the number of registrants from 2014 to 2018, which is from 1,615 to 2,756 registrants.

Diagram 3 illustrates the total number of registrants.

The largest increase in registrants continue to be in the Real Estate and Attorneys-at-Law (AAL) sectors with a 20% and 11% increase respectively. The increases can be attributed to growth in the number of entities performing these business activities and a greater awareness of the legal obligation to register with the FIUTT.

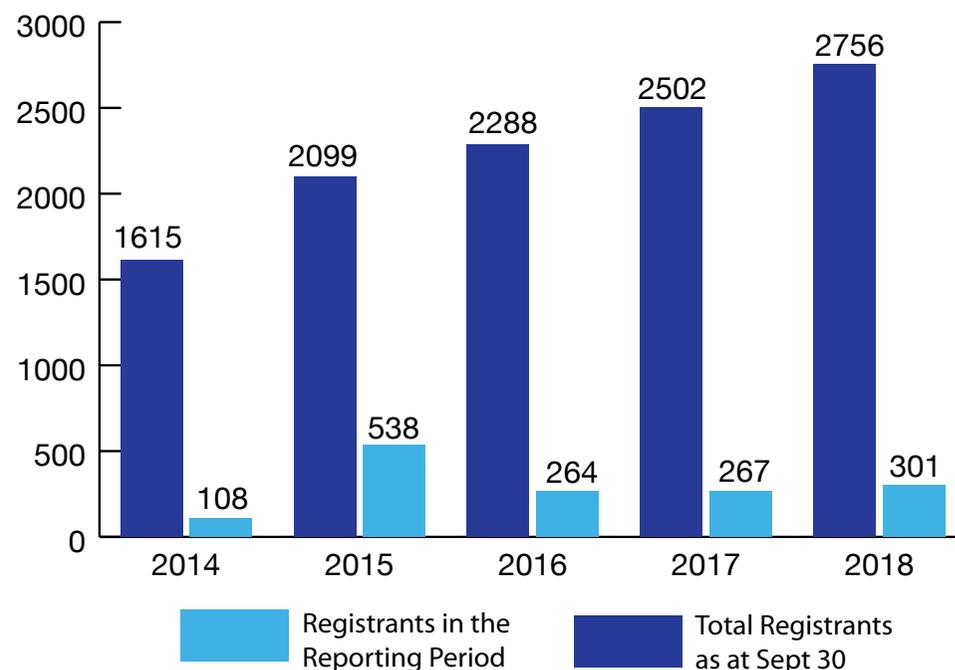
The FIUTT continues to take a proactive approach to promote compliance by Supervised Entities through the following actions:

- o continued surveillance for businesses which perform the functions listed in the first schedule of the POCA but are not registered;
- o partnership with government agencies, stakeholder industry associations and other agencies; and
- o enforcement action for failure to register.

In this reporting period 301 legal entities complied with their legal obligation under the FIUA and registered with the FIUTT within three months of commencing business activity or incorporation as a company under the laws of Trinidad and Tobago.

The List of Registrants was maintained, updated and published on the FIUTT's website as required. The list has proven useful to Supervised Entities, who consult the list regularly when conducting due diligence on their customers as well as FIs, other AML/CFT regulators and LEAs.

**DIAGRAM 3**  
**TOTAL NUMBER OF FIUTT REGISTRANTS BY SECTOR**



## ii. De-Registration

Supervised Entities that are no longer performing the business activities listed in the First Schedule of POCA are removed from the FIUTT's List of Registrants. In accordance with FIUTT's procedures, a registrant may be removed as a result of an FIUTT audit of the list of registrants or upon application by the Supervised Entity. In this reporting period 47 entities were de-registered.

A List of De-registrants is now published quarterly on the FIUTT's website and is available to stakeholders to utilise in their due diligence procedures.

### 3. ENABLING COMPLIANCE

In addition, to registering with the FIUTT, Supervised Entities are required to comply with legal obligations to mitigate the ML and FT risks posed to their businesses. Legal obligations include the development of a written Compliance Programme which contains internal controls and procedures for *inter alia* for identifying and reporting suspicious transactions; implementing a risk based approach; the designation of a Compliance Officer (CO) and Alternate Compliance Officer (ACO); ongoing employee training and independent audits to test compliance.

#### i. Approving the Compliance and Alternate Compliance Officers

The CO is central to the implementation of a Supervised Entity's Compliance Programme and is the official liaison between the Supervised Entity and the FIUTT. The CO's function is integral in the determination whether to report an STR/SAR to the FIUTT. The ACO performs the CO's functions only in the absence of the CO.

The FIUTT is required by law to approve the appointment of the CO and ACO designates and has implemented rigorous processes for screening the applications prior to approval. These processes comprise background checks to verify the identity, qualification and experience of the applicants.

During this reporting period, the FIUTT took steps to strengthen these processes. These included the publication of a guidance note on the approval process and the amendment of the Compliance Officer Fit and Proper Questionnaire. The FIUTT's objectives in undertaking these steps were to:

- o prevent criminals from performing in a key role in the entity ;
- o ensure the persons appointed as the CO and ACO have integrity and competence;
- o ensure that persons appointed are in a senior managerial position or have decision making authority;

- o ensure the appointed CO and ACO were approved by senior management; and
- o improve the efficiency of the approval process.

For this reporting period, the FIUTT received 243 applications and approved 206. In cases where the requirements were not met the applicant was not approved and the FIUTT advised the Supervised Entity accordingly.

#### ii. Targeted Financial Sanctions

##### • ATA Designations

In accordance with the ATA, FIs and NRFIs must implement measures and systems to ascertain whether or not they are in possession of terrorist property. As mandated by law, the FIUTT circulates the updated lists of entities designated by the Security Council of the United Nations and the Consolidated List of Court Orders issued by the High Court of Trinidad and Tobago to Reporting Entities, requiring them to consult the lists and report the outcome immediately to the FIUTT. The Consolidated List of Court Orders issued by the High Court was updated and circulated eight times during this reporting period. These Lists can also be accessed on the FIUTT's website [www.fiu.gov.tt](http://www.fiu.gov.tt).

##### • Quarterly Terrorist Reports

FIs and NRFIs are required to report quarterly to the FIUTT on whether or not they are in possession of terrorist property. Of the 275 entities required to report, there was a 93% level of compliance for the reporting period. This represents a 5% increase in compliance from the previous reporting period.

The FIs and NRFIs continue to show a commitment to complying with their quarterly reporting obligation. Particularly, the Insurance and Banking sectors continue to demonstrate a high level of compliance with this obligation. Further, there was marked improvement in the compliance levels by entities in the Credit Union (CU) sector compared to previous reporting periods. There was an 89% compliance level in the CU sector as opposed to the 74% in the previous reporting period.

The increase in these filings signals a greater awareness among FIs and NRFIs to reference their customers against the relevant list of designated entities and individuals.

Diagram 4 illustrates the QTR1 compliance levels.

The FIUTT has observed that FIs and NRFIs have extended their due diligence by consulting with other sanctions list such as Office of Foreign Asset Control (OFAC). The improvement in awareness and compliance levels may be accredited to the FIUTT’s initiatives notably:

- o targeted outreach and awareness sessions;
- o issuance of guidance and appropriate feedback to entities;
- o stakeholder engagement; and
- o enforcement activities.

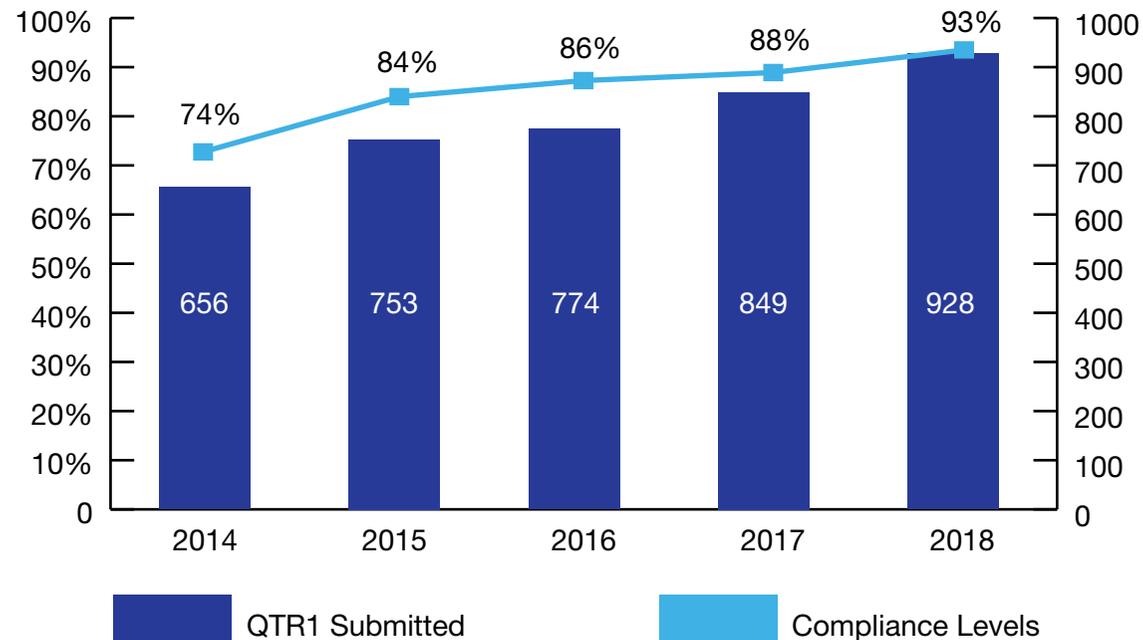
#### 4. COMPLIANCE EXAMINATIONS

The compliance examination is a major supervisory tool used by the FIUTT. The compliance examination involves a series of interrelated activities which tests the effective implementation of a Supervised Entity’s AML/CFT systems to deter, detect and report ML, FT and related criminal activity. Most importantly it also informs the FIUTT of those entities with implementation and systemic deficiencies and which consequently pose a threat to our financial system. The intensity and frequency of the examination is factored in the entity’s risk profile.

Diagram 5 illustrates the activities conducted before, during and after a compliance examination.

During this reporting period, the FIUTT examined 177 Supervised Entities bringing the total number of compliance examinations conducted to date to 699. Although this represents 25% of the total FIUTT registrants, 89% of the examinations were conducted on entities registered in the higher risk sectors, namely, AAL, Accountants, Private Members’ Club (PMC),

**DIAGRAM 4  
QTR1 COMPLIANCE LEVELS**



Motor Vehicle Sales (MVS) and Real Estate. Furthermore, 17 entities were subject to second round compliance examinations as part of the FIUTT's enhanced monitoring measures.

Diagram 6 illustrates the number of compliance examinations from 2015 to 2018.

Consent must be obtained from the Supervised Entity to conduct the on-site compliance examination. This is a challenge when consent is delayed or refused. The FIUTT has the power to conduct the examination with the execution of a warrant by the Trinidad and Tobago Police Service (TTPS). In this reporting period, the FIUTT successfully conducted compliance examinations with the execution of a warrant on two businesses: one in the Real Estate sector and the other in the MVS sector.

**New Initiatives**

i. The FIUTT regularly reviews its supervision strategies to develop innovative ways to monitor the 2,756 entities which it has to supervise. In this reporting period a hybrid compliance examination was introduced involving two processes:

- documents requested from the entity are reviewed and preliminary findings determined; and
- a face-to-face interview is subsequently conducted at the office of the FIUTT where the entity's representative provides details of its AML/CFT systems.

This strategy has been implemented to ensure effective assessment of AML/CFT measures particularly on Supervised Entities where there are perceived security and personal safety risks to FIUTT Officers.

ii. In this reporting period, the FIUTT collaborated with the TTPS to obtain by way of warrant, authority to enter premises to conduct compliance examinations. This exercise was undertaken in instances where the two entities refused to give consent to the FIUTT to enter its business premises in accordance with the provisions of Section 18G of the FIUA. The warrants were successfully executed by the TTPS and the FIUTT officers were able to conduct the compliance examination.

**DIAGRAM 5  
COMPLIANCE EXAMINATIONS  
ACTIVITIES**

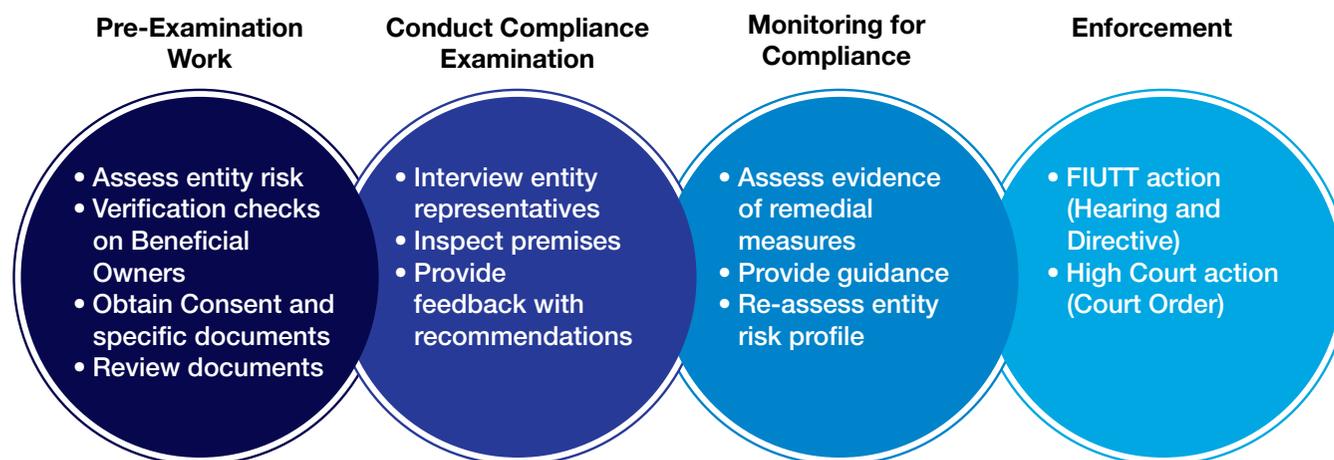


DIAGRAM 6

TOTAL COMPLIANCE EXAMINATIONS CONDUCTED FROM 2015 AND COMPLIANCE EXAMINATIONS CONDUCTED IN HIGHER RISK SECTORS



## 5. OUTREACH AND AWARENESS

The FIUTT recognises that fostering strategic alliances with our stakeholders is pivotal to our success.

One of the primary responsibilities of the FIUTT is to provide guidance to Supervised Entities on their AML/CFT obligations through outreach and awareness. In this reporting period, the FIUTT continued to intensify its outreach initiatives.

The FIUTT collaborated with the relevant stakeholders to host seminars and workshops. The seminar topics were developed based on FATF standards, local

and international trends and typologies and FIUTT findings from compliance examinations and STRs/SARs analysis. Topics included Financing of Terrorism and Proliferation Financing in Trinidad and Tobago, Effective Suspicious Transaction Reporting and Adopting a Risk Based Approach to Compliance.

Focused seminars were facilitated for entities in the higher risk sectors namely, AAL, Accountants, MVTs, MVS, PMCs, Real Estate and CU. During this reporting period, 1,257 compliance professionals and other stakeholders participated in 24 seminars, which incorporated a workshop component where trends and typologies in ML/FT cases were utilised.

The FIUTT partnered with key stakeholders in both the public and private sectors to widen its audience. This partnership organised the conduct of seminars in conjunction with organisations such as: Law Association of Trinidad and Tobago, United States Embassy, Financial Investigations Branch (FIB), Central Finance Facility, Institute of Chartered Accountants in Trinidad and Tobago, Association of Real Estate Agents, GraceKennedy (T&T) Limited and Association of PMCs. Additionally, sessions were arranged with the Office of the Ministry of the Attorney General and Judicial Education Institute of Trinidad and Tobago targeted to the Non-Profit Organisation (NPO) sector and Judicial Officers.

### ***New Initiatives***

The FIUTT in partnership with the Ministry of the Attorney General of Trinidad and Tobago and the National AML/CFT Committee (NAMLC), conducted NPO sensitisation sessions. The primary objective of these sessions was to raise and develop awareness among NPOs about the potential ML/FT trends and vulnerabilities to the sector.

Table 1 provides details of outreach and awareness seminars.

## **6. MONITORING FOR COMPLIANCE**

Assessing compliance is not a one-time occurrence. Continuous monitoring for compliance is a key component of the FIUTT's supervision strategy. Continuous monitoring includes:

- i. conducting second round compliance examinations;
- ii. surveillance including staff observation, collaboration with government agencies and industry organisations to ensure that entities performing the functions of NRFIs and LBs are registered;
- iii. annual assessment of external AML/CFT audit reports;
- iv. reviewing remedial measures to rectify weaknesses identified at compliance examinations; and

- v. evaluating compliance subsequent to enforcement measures taken by the FIUTT for AML/CFT non-compliance.

The FIUTT's findings from its monitoring activities are used to inform the strategic direction of the Compliance and Outreach Division's compliance examinations and outreach and awareness seminars.

For this reporting period a total of 144 Supervised Entities were identified for the various breaches listed here under:

- i. failure to register with the FIUTT;
- ii. failure to implement post examination compliance measures;
- iii. failure to submit Quarterly Terrorists Reports; and
- iv. failure to designate a CO and ACO.

These entities were notified of the breaches and given a specific time frame to comply. The entities that failed to comply were granted an opportunity to make representations before the Director of the FIUTT. In the event of a determination of a compliance failure to comply, a directive was issued to the entity to refrain from committing the violation or to take remedial action to remedy the default. During this reporting period 39 entities were referred for non-compliance and issued notices to appear before the Director of the FIUTT.

## **7. CHALLENGES FOR THE COMPLIANCE AND OUTREACH DIVISION**

Increased human resources and a wider range of sanctioning powers for compliance failures are measures which would assist the FIUTT in overcoming supervisory challenges. However, the adoption of a risk based approach to supervision, re-designed Standard Operating Procedures for the Compliance and Outreach Division, escalation of matters involving non-co-operative and non-compliant entities and public/private partnerships discourse have contributed to successful supervisory efforts in this reporting period.

In the coming year the FIUTT will be faced with a new mandate - the supervision of a large NPO sector. It is therefore, imperative that the FIUTT be adequately resourced to meet this new challenge. The FIUTT's goal of full effective supervision will require:

- i. restructuring of the Compliance and Outreach Division;
- ii. adequate and skilled human resources; and
- iii. a wider range of sanctioning powers.

**TABLE 1**  
**2018 OUTREACH AND AWARENESS SEMINARS**

No.	DATE	SECTOR	Nature of Seminar	Co-ordinating Agency	PARTICIPANTS
1	<b>October</b>	MVTS	Financing of Terrorism/Effective Suspicious Transaction Reporting	GraceKennedy (T&T) Limited	130
2		REAL ESTATE	Terrorism in T&T and Financing Of Proliferation and Effective STR Reporting	AREA	52
3	<b>December</b>	FI	Challenges Regulating The Financial Sector In T&T and Caribbean In 21st Century	UWI FACULTY OF LAW	80
4		NGO	Reducing Corruption Through AML/CFT Initiatives - Impact of New and Proposed Legislation	Trinidad and Tobago Transparency Institute	35
5	<b>January</b>	CU	“Emerging Trends and Critical Threats Requiring Board of Directors Consideration” and “National Risk Assessment and Lessons Learnt - An Update”	The Central Finance Facility	28
6		MVS	Implementing Effective AML/CFT Programme and Effective Suspicious Transaction Reporting	FIUTT	24
7		MVTS	Presentation of Strategic Reports (i) Foreign Terrorist Fighters (ii) Prison Ring (iii) Real Property Fraud	FIUTT	20
8	<b>March</b>	PMC	Implementing Effective AML/CFT Programme and Effective Suspicious Transaction Reporting	FIUTT	26
9		All Sectors	FIUTT Enforcement In Action	NEM Leadership Consultants	175
10		All Sectors	Emerging FT Trends, Adopting A Risk Based Approach to Compliance and Effective STR	FIUTT	23

**TABLE 1 (Continued)**  
**2018 OUTREACH AND AWARENESS SEMINARS**

No.	DATE	SECTOR	Nature of Seminar	Co-ordinating Agency	PARTICIPANTS
11	<b>April</b>	Real Estate/ MVS	Implementing Effective AML/CFT Programme and Effective Suspicious Transaction Reporting	FIUTT	41
12		NPOs	AML/CFT Awareness for the NPO Sector	NAMLC	15
13		NPOs	AML/CFT Awareness for the NPO Sector	Ministry of the Attorney General	138
14	<b>May</b>	All Sectors	Effective Implementation of AML/CFT Obligations	FIUTT	96
15	<b>June</b>	CU	Implementing Effective Internal Controls and Effective Transaction/Activity Reporting	FIUTT	63
16	<b>June</b>	LEAs	Introduction to FIUTT	FIB	30
17	<b>July</b>	ACT	Emerging FT Trends and Proliferation Financing, Effective Transaction/Activity Reporting and the Role of Accountants in the AML/CFT Regime	ICATT	45
18		NPOs	Money Laundering/Terrorist Financing and NPO Sector	Ministry of the Attorney General	23
19		AAL	Implementing an Effective AML/CFT Programme	Law Association of Trinidad and Tobago	6
20		Judiciary	Overview of the Work of FIUTT	Judiciary of Trinidad and Tobago	30
21	<b>August</b>	LEAs	The Use of Financial Intelligence in Financial Investigations	FIB	30
22	<b>August</b>	LEAs	The Use of Financial Intelligence in Financing of Terrorism and Terrorism Investigations	United States Embassy	40
23	<b>September</b>	JW	Effective Suspicious Transaction/Activity Reporting	FIUTT	37
24		All Sectors	PF and FT in Trinidad And Tobago, The Impact of Fraud on T&T, Effective Use of Financial Intelligence	FIUTT	70
					<b>1,257</b>

## 8<sup>TH</sup> ANNUAL TOBAGO AML/CFT CONFERENCE AT MAGDALENA GRAND HOTEL, TOBAGO

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*The arrival of the Tobago House of Assembly Chief Secretary at the 8<sup>th</sup> Annual Tobago AML/CFT Conference. From L to R: Ms. Avelon Perry, Director Compliance and Outreach Division, the Hon. Kelvin Charles, Chief Secretary and Secretary of Education, Innovation and Energy in the Tobago House of Assembly and Mr. Nigel Stoddard, Director (Ag.)*

## 8<sup>TH</sup> ANNUAL TOBAGO AML/CFT CONFERENCE AT MAGDALENA GRAND HOTEL, TOBAGO



*Members of the audience at the 8<sup>th</sup> Annual AML/CFT Conference held at the Magdalena Grand Hotel.*

## OUTREACH AND AWARENESS SESSION FOR MEMBERS OF THE JEWELLERS SECTOR

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*A section of the audience at the Sector Specific Outreach and Awareness session for members of the Jewellers sector.*

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

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*Section of the audience attending the general outreach and awareness session held at the City Hall Auditorium, San Fernando City Corporation.*



*Members of the audience attending the general outreach and awareness session held at City Hall Auditorium, San Fernando City Corporation.*

## OUTREACH AND AWARENESS SESSION FOR MEMBERS OF THE CREDIT UNION SECTOR

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*Members of the Credit Union sector at an Outreach and Awareness Session at Custom House, Port of Spain.*

# CHAPTER III – FINANCIAL INTELLIGENCE

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## 1 CORE FUNCTIONS

### i. Overview

The principal function of the FIUTT is to produce valuable intelligence to local and foreign competent authorities. This is achieved through the collection and analysis of information from various internal and external sources. The intelligence so produced is disseminated to LEAs, foreign FIUs, Supervisory Authorities, and the general public as deemed necessary to support AML/CFT initiatives locally and internationally. The intelligence is used to detect and predict ML, FT and related criminal activity.

This chapter provides insights on the functions of the Analysis Division with respect to STRs/SARs received, analysis conducted and Intelligence Reports disseminated. Other areas of focus include strides made in fostering greater stakeholder co-operation and the successes and challenges of the Analysis Division.

### ii. Inputs

The main information source to start the FIUTT's analytical process is the STRs/SARs submitted by FIs, NRFIs and LBs collectively referred to as Reporting Entities. Other sources include Spontaneous Disclosures, local and foreign LEA Requests for Information, and Voluntary Information Reports (VIRs). These are the inputs that initiate the FIUTT's analytical process.

In addition to the above inputs, data from open and closed sources are mined during the analytical process. The FIUTT can request financial data and all records including information obtained in the customer due diligence process from the

Reporting Entities. Additionally, the FIUTT has direct electronic and indirect access to various Government databases. By virtue of its membership in the Egmont Group, FIUTT has access to information through Egmont's network of 159 FIU members. Information and intelligence from these sources support the analytical function by providing data that strengthens analysis.

### iii. Outputs

The FIUTT enriches the information it receives by employing link analysis and data matching techniques. Through operational and strategic analysis, actionable intelligence is produced to support the operations of LEAs and local and foreign authorities in investigating and prosecuting ML, FT and related criminal activity.

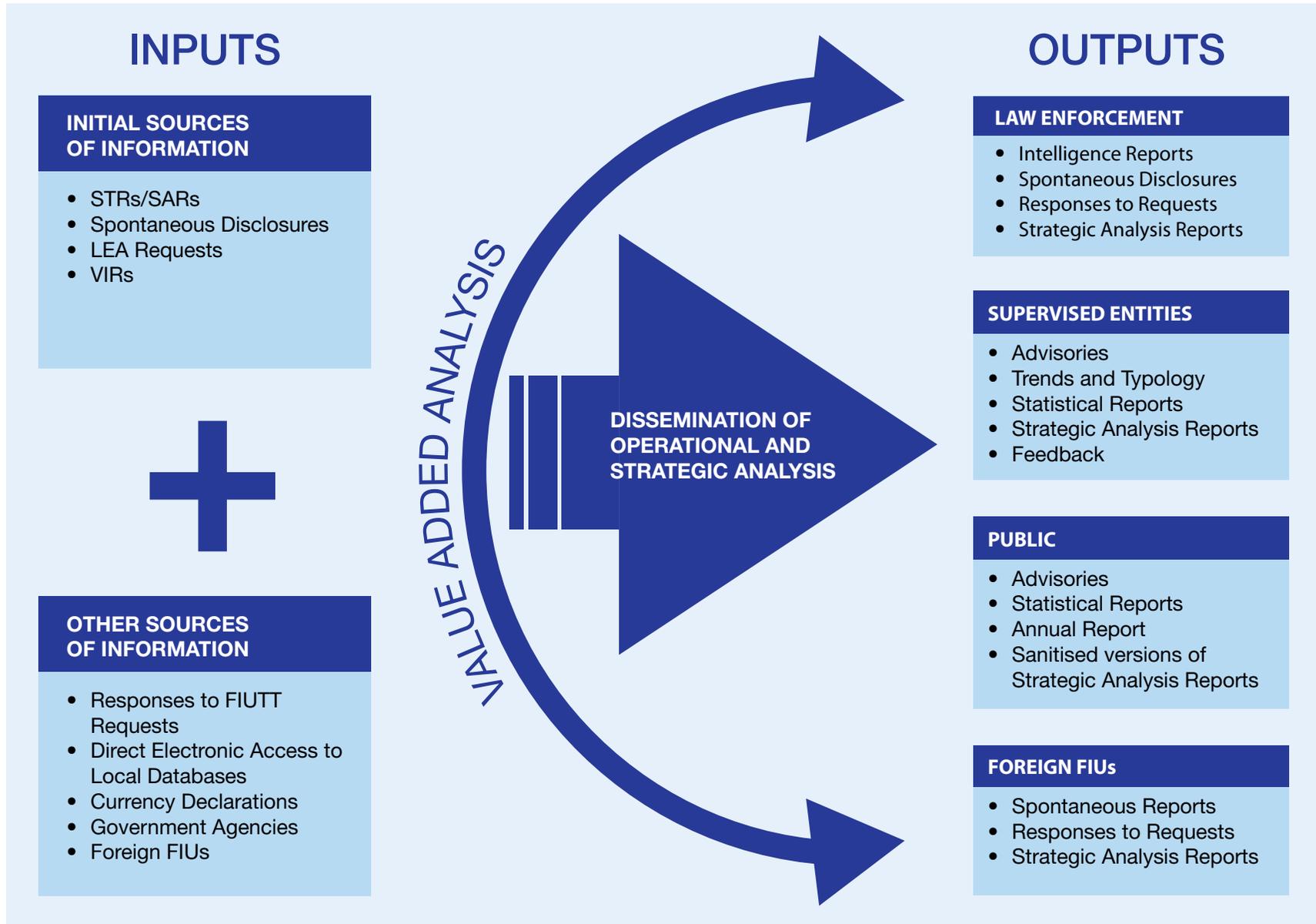
**Operational analysis** concerns itself with specific suspects and attempts to follow their money trail. Information on their assets, activity patterns and associates are identified.

**Strategic analysis** was produced from the FIUTT's study of large sets of data from multiple STRs/SARs and other sources to identify patterns, future trends and typologies. Such analysis assists in intelligence-led policing and policy formation. In this reporting period the FIUTT initiated work on Strategic Analysis products which include Human Trafficking, Corruption and Drug Trafficking.

Other Intelligence Products disseminated by the FIUTT include Spontaneous Disclosures, Responses to Requests for financial information and financial intelligence and confidential and Public Advisories.

Diagram 7 depicts the Analysis Process.

**DIAGRAM 7  
THE ANALYSIS PROCESS**



#### iv. Receiving STRs/SARs

For the first time in its nine-year existence, the FIUTT received in excess of 1,000 STRs/SARs from Reporting Entities. The FIUTT received a total of 1,100 STRs/SARs which represented an increase of 25% over the 877 STRs/SARs received in the previous reporting period. Overall, for the period 2013 to 2018, there has been a sustained increase in STRs/SARs received from 554 in 2013 to 1,100 in 2018

Diagram 8 provides a comparative view of STRs/SARs received from 2013 to 2018.

The banking sector and MVTs continued to be the most active Reporting Entities, accounting for 82% of the total STRs/SARs disclosed. STRs/SARs from the banking sector increased by 20% and STRs/SARs from the MVTs increased by 35%. STRs/SARs from the co-operative societies, and insurance companies increased by 21% and 49%, respectively. The increase in STRs/SARs can largely be attributed to the public-private sector partnership<sup>2</sup> initiative with the Reporting Entities. It also signals that the FIs are fulfilling their AML/CFT obligations, whilst proactively co-operating within the AML/CFT framework.

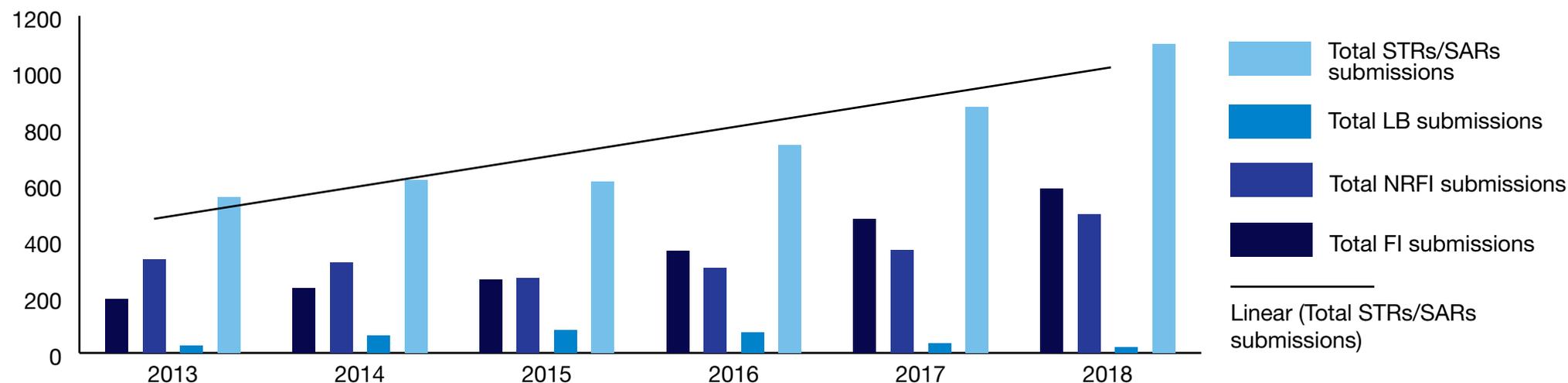
This reporting period showed a decline in STRs/SARs from the LBs. The LBs filed 22 STRs/SARs with the FIUTT in this reporting period, the lowest in the last six years. STRs/SARs from PMCs, AAL and MVS sectors were 40%, 54% and 42%, respectively, less than that observed in the previous reporting period.

Table 2 presents a comparative view of STRs/SARs from 2016 to 2018 by Reporting Entity type.

Of the 1,100 STRs/SARs received, which included both completed and attempted transactions, 933 related to suspected ML and 167 to suspected FT. STRs/SARs relating to suspected FT increased to 15% of the total STRs/SARs from the 12.8% in the previous reporting period.

Table 3 illustrates details of the STRs/SARs received from October 2017 to September 2018, classified by the categories of Reporting Entities, the monetary value and the number of STRs/SARs completed and attempted.

**DIAGRAM 8  
OVERALL INCREASE IN STRs/SARs RECEIVED FROM 2013 - 2018**



<sup>2</sup> A co-operative arrangement between the FIUTT and the Reporting Entities to promote best practices to improve reporting obligations and to better identify and mitigate ML and FT risks.

**TABLE 2**  
**COMPARISON OF THE NUMBER OF STRs/SARs DISCLOSURES FROM 2016-2018**

<b>REPORTING ENTITIES</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Financial Institutions</b>			
Banking	284	387	463
Exchange Bureau	7	6	10
Finance Co.	4	5	4
Insurance Co.	31	47	70
Investment Co.	15	26	25
Mortgage Co.	20	5	11
Security Dealers	3	0	0
<b>Total FI submissions</b>	<b>364</b>	<b>476</b>	<b>583</b>
<b>Non-Regulated Financial Institutions</b>			
Co-operative Societies	86	42	51
Money/Value Transfer Services	217	325	444
<b>Total NRFI submissions</b>	<b>303</b>	<b>367</b>	<b>495</b>
<b>Listed Business</b>			
Attorneys-at-Law/Accountants	6	13	6
Jewellers	3	0	0
Motor Vehicle Sales	9	12	7
National Lotteries Online Betting Game	6	0	1
Real Estate	7	4	5
Private Members' Club	41	5	3
Gaming House	0	0	0
<b>Total LB submissions</b>	<b>72</b>	<b>34</b>	<b>22</b>
<b>TOTAL STRs/SARs submissions</b>	<b>739</b>	<b>877</b>	<b>1,100</b>

**TABLE 3**  
**STRs/SARs**  
**SUBMISSIONS FROM**  
**OCT. 2017 - SEPT. 2018**

INDICATOR <i>[monetary values are quoted in TT\$]</i>	CATEGORIES OF REPORTING ENTITIES AND MONETARY VALUES						
	Financial Institutions						
	Banks	Security Dealers	Finance Co.	Mortgage Co.	Exchange Bureau	Insurance Co.	Investment Co.
No. of Completed ML STRs/SARs	407	0	4	11	10	55	22
Value of Completed ML STRs/SARs	442,448,138	0	2,326,800	6,283,158	971,967	1,378,624	10,532,101
No. of Completed FT STRs/SARs	14	0	0	0	0	0	1
Value of Completed FT STRs/SARs	4,579,970	0	0	0	0	0	0
<b>Value of Completed ML &amp; FT STRs/SARs</b>	<b>447,028,108</b>	<b>0</b>	<b>2,326,800</b>	<b>6,283,158</b>	<b>971,967</b>	<b>1,378,624</b>	<b>10,532,101</b>
No. of Attempted ML Transactions	42	0	0	0	0	15	2
Value of Attempted ML Transactions	275,798,001	0	0	0	0	2,442,290	216,960
No. of Attempted FT Transactions	0	0	0	0	0	0	0
Value of Attempted FT Transactions	0	0	0	0	0	0	0
<b>Value of Attempted ML &amp; FT STRs/SARs</b>	<b>275,798,001</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,442,290</b>	<b>216,960</b>
<b>Total no. of STRs/SARs</b>	<b>463</b>	<b>0</b>	<b>4</b>	<b>11</b>	<b>10</b>	<b>70</b>	<b>25</b>
<b>Total Value in TT\$ of STRs/SARs</b>	<b>722,826,109</b>	<b>0</b>	<b>2,326,800</b>	<b>6,283,158</b>	<b>971,967</b>	<b>3,820,914</b>	<b>10,749,061</b>

Non-Regulated Financial Institutions		Listed Business								
Co-operative Societies	Money Value Transfer Services	Attorneys-at-Law	Accountants	Jewellers	Motor Vehicle Sales	National Lotteries	Real Estate	Private Members' Club	Total Year 2018	Total Year 2017
45	290	5	0	0	6	1	5	3	864	714
44,007,452	8,104,632	142,182,890	0	0	1,701,069	1,489,608	24,329,545	147,100	685,903,083	8,395,076,052
0	151	0	0	0	0	0	0	0	166	110
0	2,074,289	0	0	0	0	0	0	0	6,654,259	6,368,065
<b>44,007,452</b>	<b>10,178,921</b>	<b>142,182,890</b>	<b>0</b>	<b>0</b>	<b>1,701,069</b>	<b>1,489,608</b>	<b>24,329,545</b>	<b>147,100</b>	<b>692,557,342</b>	<b>8,401,444,117</b>
6	2	1	0	0	1	0	0	0	69	51
79,000	46,750	0	0	0	10,600,000	0	0	0	289,183,001	13,643,628,764
0	1	0	0	0	0	0	0	0	1	2
0	1,060	0	0	0	0	0	0	0	1060	668,000
<b>79,000</b>	<b>47,810</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,600,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>289,184,061</b>	<b>13,644,296,764</b>
51	444	6	0	0	7	1	5	3	1100	877
<b>44,086,452</b>	<b>10,226,731</b>	<b>142,182,890</b>	<b>0</b>	<b>0</b>	<b>12,301,069</b>	<b>1,489,608</b>	<b>24,329,545</b>	<b>147,100</b>	<b>981,741,403</b>	<b>22,045,740,881</b>

## v. STRs/SARs by Dollar Value

The total monetary value of the 1,100 STRs/SARs received was just under TT\$ 1 Billion. Of the 1,100 STRs/SARs, 1,030 STRs/SARs were completed transactions and 70 STRs/SARs were attempted transactions. The monetary value of the 1,030 completed STRs/SARs was TT\$692,557,342 and the monetary value of the 70 attempted STRs/SARs was TT\$289,184,061. One of the attempted transactions that was stopped was suspected FT.

Diagram 9 highlights the monetary values of the completed and attempted transactions.

A review of the STRs/SARs relating to attempted transactions from 2013 – 2018 shows a steady increase in the number of suspicious transactions stopped by Reporting Entities. Stopped Transactions in 2018 amounted to 70 compared 29 in 2013.

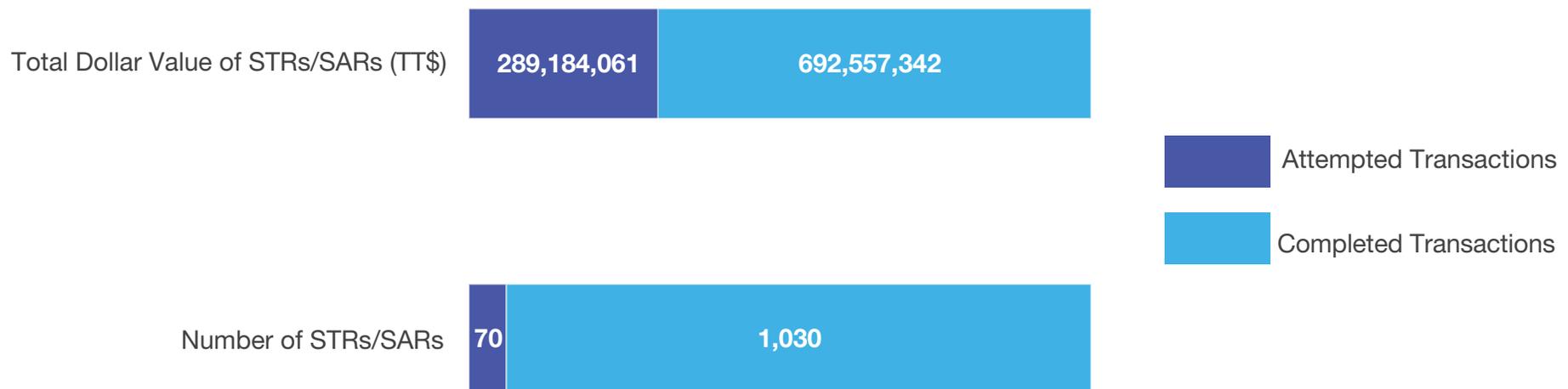
Table 4 shows the number and value of attempted transactions for 2013 to 2018.

The monetary value of the 70 attempted STRs/SARs accounted for 30% of the total monetary value of all STRs/SARs. Two factors which can be attributed to transactions being stopped by Reporting Entities include awareness of ML/FT indicators and enhanced monitoring of customers who are assessed as high-risk.

ML/FT indicators observed in the attempted transactions included:

- the use of fraudulent documents to obtain credit;
- attempts to wire funds to high-risk jurisdictions and/or persons;
- attempts to deposit fraudulent company cheques into accounts;
- the cancellation of transactions by customers when asked to provide the necessary “Know Your Customer” (KYC) documents; and
- unsatisfactory KYC documentation provided by the client and subsequent refusal by the Reporting Entity to continue the transaction.

**DIAGRAM 9  
COMPLETED/ATTEMPTED TRANSACTIONS**



**TABLE 4  
NUMBER AND VALUE OF ATTEMPTED TRANSACTIONS FOR 2013 - 2017**

YEAR	NO. OF ATTEMPTED TRANSACTIONS	VALUE OF ATTEMPTED TRANSACTIONS (TT\$)
2018	70	289,184,061
2017	53	13,644,296,764
2016	54	341,973,913
2015	43	81,620,510
2014	42	133,268,829
2013	29	1,120,181,980

#### vi. Analysing STRs/SARs and Dissemination

For this reporting period, 909 out of the 1,100 STRs/SARs were analysed. The STRs/SARs analysed generated 323 Intelligence Reports, of these reports, 262 were suspected ML cases and 61 suspected FT cases. Out of the 323 reports generated, 239 Intelligence Reports and 16 Spontaneous Disclosures were disseminated to local agencies and 68 Spontaneous Disclosures were shared with foreign LEAs and foreign FIUs.

There was a 77% increase in Intelligence Reports disseminated for this reporting period. This can be attributed to the increase in staff within the Analysis Division in 2017 and training in operational and strategic analysis. Additionally, internal processes were streamlined resulting in greater efficiency and output.

Table 5 illustrates the actions taken on STRs/SARs.

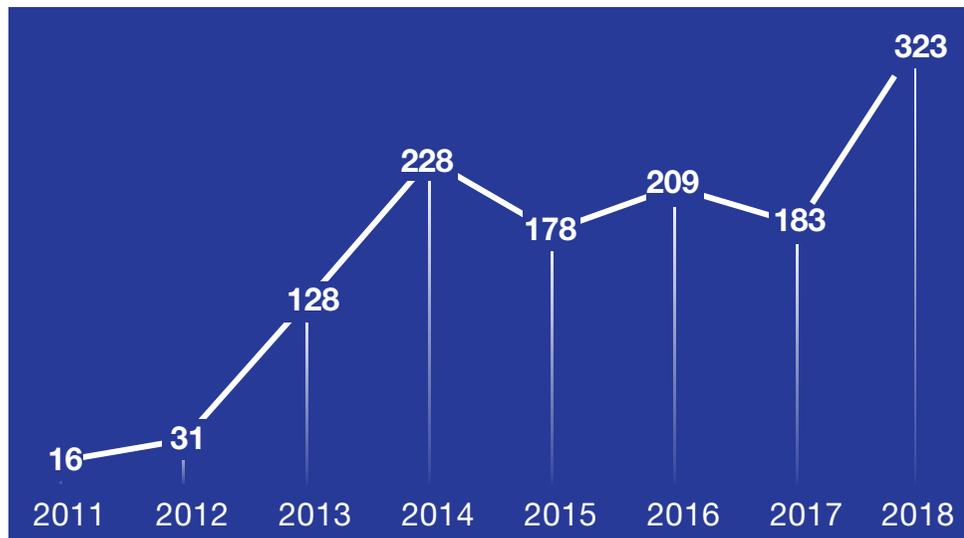
**TABLE 5  
ACTION TAKEN ON STRs/SARs**

OCT. 1, 2017 - SEPT. 30, 2018							
RECEIVED	ANALYSED	INTELLIGENCE REPORTS DISSEMINATED					TOTAL
			Local			Foreign	
			TTPS	BIR	IMM		
1,100	909	ML	128	85	5	44	262
		FT	37	0	0	24	61
		<b>TOTAL</b>	<b>165</b>	<b>85</b>	<b>5</b>	<b>68</b>	<b>323</b>

Over the years, the FIUTT has continuously increased its output of Intelligence Reports and Spontaneous Disclosures to both foreign FIUs and LEAs, and local LEAs. For the period 2011-2018, a total of 1,296 Intelligence Reports including Spontaneous Disclosures, were disseminated. Of these reports, 76% or 984 were disseminated to local LEAs and 24% were sent to foreign FIUs and foreign LEAs.

Diagram 10 indicates the total number of Intelligence Reports disseminated by the FIUTT from 2011 to 2018

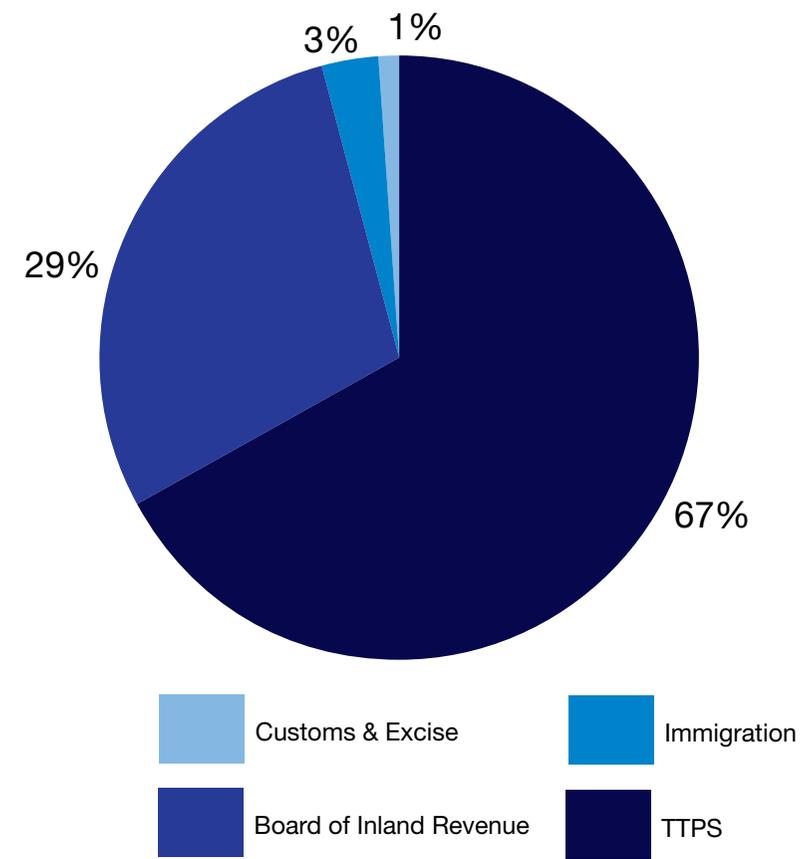
**DIAGRAM 10**  
**TOTAL INTELLIGENCE REPORTS DISSEMINATED 2011- 2018**



Of the 984 disseminated to local LEAs, the Commissioner of Police and the Chairman of the BIR together received 96% of the Intelligence Reports and Spontaneous Disclosures. The Commissioner of Police received 67% or 682 reports whilst the Chairman of the BIR received 29% or 297 reports. The remaining 4% was disseminated to the Comptroller of Customs and Excise Division and the Chief Immigration Officer for investigation.

Diagram 11 displays the breakdown of Intelligence Reports disseminated to local LEAs from 2011 to 2018.

**DIAGRAM 11**  
**INTELLIGENCE REPORTS DISSEMINATED TO LOCAL LEAs FROM 2011- 2018**



## vii. STRs/SARs by Geographic Location of Reporting Entities

In this reporting period, the number of STRs/SARs submitted by Reporting Entities in Tobago increased by 110%, from 11 in the previous reporting period to 23 in the present reporting period. 358 or 33% of STRs/SARs were submitted by Reporting Entities located in Port of Spain and its environs, a 23% increase when compared to the previous reporting period. San Fernando and its environs accounted for 19% or 205 STRs/SARs. This figure represents a significant increase of 86% from the 110 STRs/SARs in the previous reporting period. This was followed by North Trinidad with 201 or 18% and Central Trinidad with 160 or 15% of STRs/SARs.

Notably, Eastern Trinidad recorded a 50% decrease of STRs/SARs, with 16 STRs/SARs in the current reporting period, compared to 32 STRs/SARs in the previous reporting period.

Diagram 12 illustrates STRs/SARs by geographic location of Reporting Entities

## viii. STRs/SARs by Occupation/Profession of Subjects

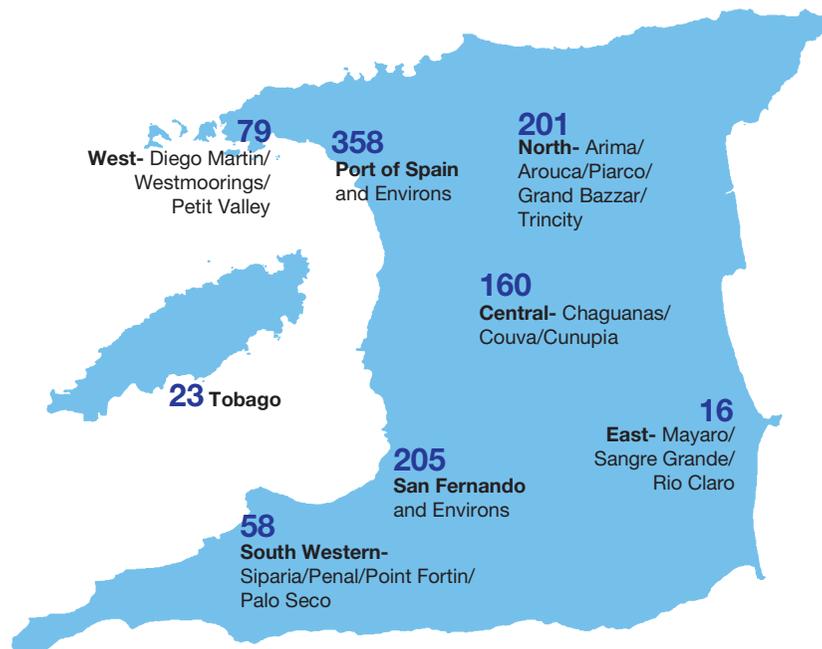
The occupation/profession of the subject of an STR/SAR is critical information in determining their likely source of funds, net worth and life-style. This section identifies the most commonly held occupations of STR/SAR subjects.

In this reporting period 21% more STRs/SARs were submitted on subjects who were law enforcement/security personnel compared to the previous reporting period. This increase in STRs/SARs was one of the largest among all the professions. It was also identified that 80 STRs/SARs or 7% of the total STRs/SARs were submitted on 'Clerical workers'. This is a newly identified phenomenon and the FIUTT suspects that subjects are deliberately providing inaccurate information in an attempt to evade KYC requirements.

In keeping with the outcomes observed in the previous reporting period, most STRs/SARs were filed on 'Self-employed' subjects, 167 STRs/SARs or 15% of STRs/SARs. 'Business Traders' (Business Owners, Company Directors) was the second highest category with 144 STRs/SARs or 13% of the STRs/SARs submitted.

Eight STRs/SARs which identified ten Politically Exposed Persons (PEPs) were received. The total value of suspicious activity in the eight STRs/SARs was TT\$9,606,963.

**DIAGRAM 12**  
**STRs/SARs BY GEOGRAPHIC LOCATION OF REPORTING ENTITIES**



Geographic Location	Number of STRs/SARs	
	2016-2017	2017-2018
Central-Chaguanas/Couva/Cunupia	124	160
Eastern environs-Sangre Grande/Mayaro/Rio Claro	32	16
Northern- Arima/Arouca/Piarco/Tacarigua Trincity/Grand Bazaar	165	201
Port of Spain and Environs	292	358
San Fernando and Environs	110	205
South Western-Siparia/ Penal/ Pt. Fortin/ Palo Seco/etc.	65	58
Tobago - Scarborough/Roxborough/Crown Point/Canaan/Carnbee	11	23
Western- Diego Martin/Petit Valley/Westmoorings/etc.	78	79
<b>Grand Total</b>	<b>877</b>	<b>1,100</b>

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

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

- money laundering – 236
- fraud and forgery - 230
- suspicious financial activity – 224
- financing of terrorism – 167
- drug trafficking – 118
- tax evasion - 75

These six suspected criminal conduct categories accounted for 95% of the total number of STRs/SARs filed and 95% of the total monetary value of the STRs/SARs filed.

ML was suspected in 21% or 236 STRs/SARs, Fraud and Forgery in 21% or 230 STRs/SARs and Suspicious Financial Activity in 20% or 224 STRs/SARs.

With respect to the monetary value of the STRs/SARs received, Fraud and Forgery accounted for 52% of the total value of STRs/SARs. Fraud and Forgery and ML accounted for over 73% of the total monetary value of STRs/SARs during the review period. Significantly, although the number STRs/SARs submitted in relation to Tax Evasion represented 7% or 75 of the total STRs/SARs, it accounted for 10% or TT\$ 10 million of the total monetary value of STRs/SARs for the reporting period.

### • Money Laundering

While most crimes can be criminal conduct for a ML offence, this category identifies STRs/SARs where the reason for suspicion is the specific act of disguising the original ownership and control of the proceeds of criminal conduct and by making such proceeds appear to have been derived from a legitimate source. These acts include structuring and the movement of funds through apparent legitimate

commerce. In this reporting period ML accounted for 21% of the total monetary value of STRs/SARs submitted.

### • Fraud/forgery

This category captures the fraudulent use of credit cards and counterfeit cheques. Also included in this category is bank fraud, insurance fraud, internet fraud and other financial scams. Bank fraud was found to generally include the use of fraudulent documents (identification, job letters, payslips, utility bills, reference letters, etc.) to access financial services such as deposit accounts and obtaining loans. Additionally, Insurance fraud cases continued to centre on forgery of motor vehicle insurance certificates and internet fraud on advance fee frauds and email “Spoofing”.

### • Suspicious Activity

Suspicious Activity accounted for 10% of the total monetary value of STRs/SARs submitted. 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.

Reasons for filing include:

- o a transaction or activity which lacked an apparent lawful economic basis to support it;
- o a transaction inconsistent with established client profile;
- o adverse public information about a person and the subject reported was linked to that person;
- o Reporting Entity believed that the responses to their continuing due diligence inquiries were deliberately evasive or incomplete;
- o structuring transactions i.e. where there appeared to be attempts to break transactions into smaller amounts to avoid reporting thresholds; and
- o general concerns about the source of funds or law enforcement inquiries.

The FIUTT recognises that it is not the function of the Reporting Entity to carry out exhaustive enquiries investigations and recognises that all of the above are perfectly valid reasons to file a STR/SAR. These reports are used for intelligence purposes as required.

- **Drug Trafficking**

STRs/SARs in this category were identified from known patterns and trends and transactions to and from jurisdictions and persons of interest.

- **Tax Evasion**

Trends observed in this category include co-mingling of business proceeds with personal funds, deposits of cash into personal accounts instead of business accounts, the repatriation of personal/business funds to foreign jurisdictions and formation of complex legal structures to obscure source of funds.

- **Financing of Terrorism**

Reporting Entities, particularly in the MVTs Sector, continued to show heightened awareness of the FT threat through the identification of suspected FT transactions and submission of STRs/SARs. In this reporting period, the FIUTT received 167 STRs/SARs on suspected FT compared to 112 in the previous reporting period. This represents a 49% increase of FT related STRs/SARs as shown in Diagram 13.

61 Intelligence Reports linked to suspect Foreign Terrorist Fighters (FTFs), FT and Terrorism were disseminated to local and foreign LEAs and to foreign FIUs. The FIUTT's intelligence has revealed 382 persons suspected of being linked to terrorist activities. The persons came from a wide cross-section of society and from various socio-economic backgrounds and include both adult males and females. The FIUTT has prioritised the analysis, responses to requests from LEAs and dissemination of reports relating to FT activities.

**DIAGRAM 13**  
**SHOWS THE INCREASES IN FT STRs/SARs – 2015 to 2018**

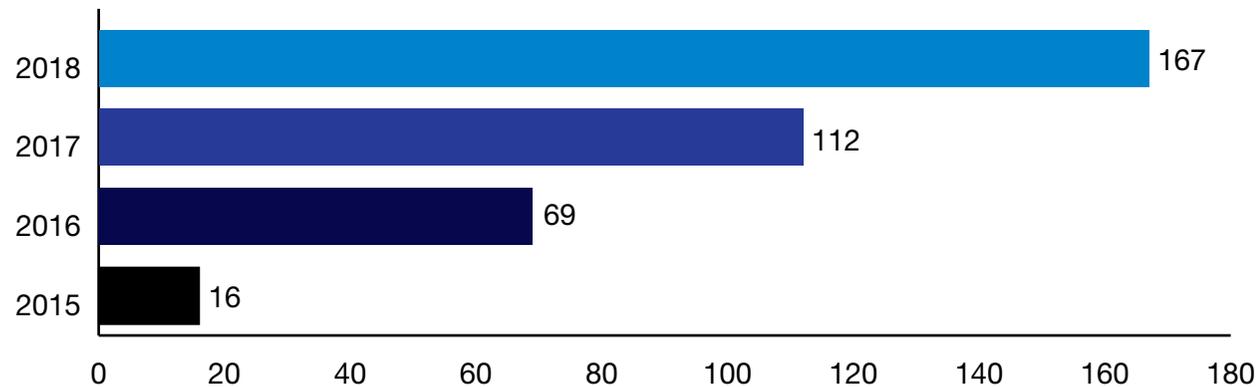


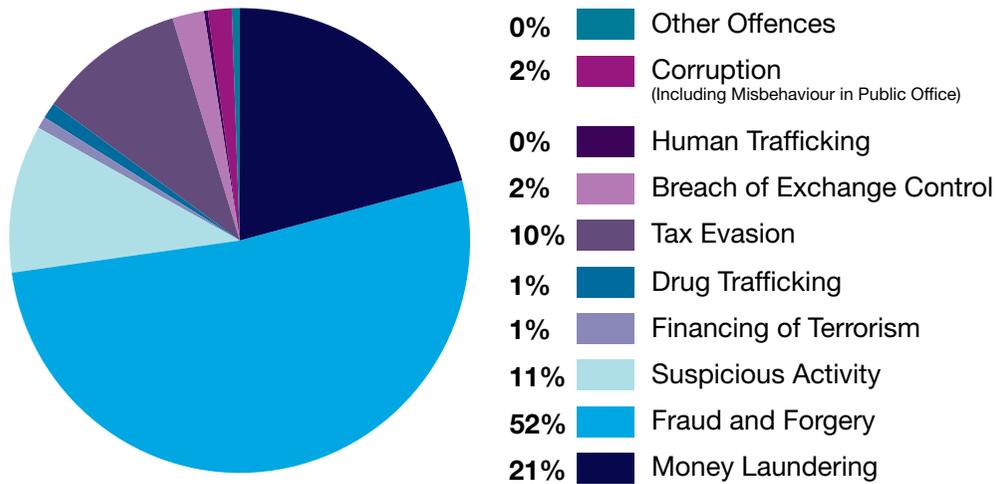
Table 6 below provides a breakdown of the number of STRs/SARs and the dollar values of suspected criminal conduct as disclosed in the STRs/SARs.

**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	236	204,866,383	1,947,349	206,813,732
Fraud and Forgery	230	225,381,171	283,652,338	509,033,509
*Suspicious Activity	224	98,779,753	3,063,314	101,843,067
Financing of Terrorism	167	6,654,259	1,060	6,655,319
Drug Trafficking	118	10,143,430	0	10,143,430
Tax Evasion	75	101,064,544	0	101,064,544
Breach of Exchange Control	17	22,915,172	185,000	23,100,172
Human Trafficking	11	2,072,382	0	2,072,382
Corruption (Including Misbehaviour in Public Office)	10	17,887,949	0	17,887,949
Extortion	6	537,444	0	537,444
Larceny	2	90,000	335,000	425,000
Murder	1	0	0	0
Wildlife Smuggling	1	143,997	0	143,997
Illegal Gambling & Tax Evasion	1	2,019,358	0	2,019,358
Breach of Gambling & Betting Act	1	1,500	0	1,500
<b>TOTAL</b>	<b>1100</b>	<b>692,557,342</b>	<b>289,184,061</b>	<b>981,741,403</b>
*See explanation of Suspicious activity on page 28 STRs/SARs Trend Analysis - Suspected Criminal Conduct				

Diagram 14 below shows the six most common suspected kinds of criminal conduct with a breakdown by percentage of dollar values disclosed in the STRs/SARs.

**DIAGRAM 14  
SUSPECTED CRIMINAL CONDUCT BASED ON  
TOTAL DOLLAR VALUE OF STRs/SARs**



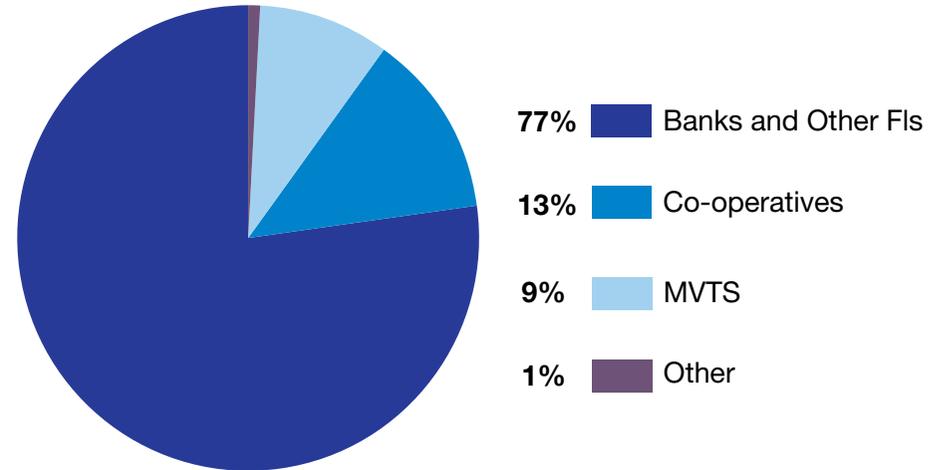
## 2. REQUESTS FOR INFORMATION

### i. Written Information Requests

In the reporting period, the FIUTT made 2,290 Production of Information Requests to Reporting Entities and Government Authorities for analytical purposes. Compared to the 1,667 requests made during the previous reporting period, this represents an approximate increase of 37.37%.

Diagram 15 illustrates FIUTT’s Production of Information Requests by sector.

**DIAGRAM 15  
PRODUCTION OF INFORMATION REQUESTS BY SECTOR**



### ii. Electronic Access to Information

For the period under review, the FIUTT made in excess of 15,000 electronic Requests for Information stored in databases of Public Authorities. A significant portion of these requests were conducted in order to verify beneficial owners, verify KYC documentation, trace assets and identify criminals and their associates.

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

According to Section 10 of the FIUA, “where the FIU receives a suspicious transaction or suspicious activity report or information from a financial institution or listed business under the Act [POCA], or under the ATA it shall provide feedback

*in writing on the report*". In compliance with this obligation the FIUTT provided feedback to FIs and LBs which can be broadly categorised into the following two areas:

- 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"*; and
- Deficiency Feedback – assists the Reporting Entity in improving the quality or timeliness of its submissions.

The FIUTT provided 618 Special Feedback and 42 Deficiency Feedback Letters, during this reporting period.

### 3. USE OF FIUTT'S INTELLIGENCE

The FIUTT assists local and foreign LEAs and foreign FIUs by providing valuable financial intelligence needed by law enforcement to conduct their investigations. These investigations are usually to determine whether an offence has been committed, or whether the proceeds of crime are located in Trinidad and Tobago or elsewhere. The intelligence can be used by the relevant authorities to obtain the necessary evidence to proffer charges, secure convictions, forfeit criminal property and the issuing of confiscation orders.

#### FIUTT's Intelligence Used In:

- **Money Laundering Charges**

In this reporting period, the FIUTT assisted law enforcement in providing actionable financial intelligence to support their investigations. The TTPS proffered 1,135 ML charges against 21 persons. The monetary value of the illicit proceeds from the ML charges amounted to TT\$32,694,899.51 and US\$1,057,540.00. The predicate offence of the criminal proceeds were from illegal gambling, fraud, larceny and drug trafficking.

- **Cash Seizures**

The FIUTT provided intelligence to law enforcement in the investigation of seized cash under Section 38 of the POCA. In this reporting period, the FIB of the TTPS investigated 39 cases where cash, in TT\$ and US\$ currencies were seized. In each case, intelligence was requested from the FIUTT. The value of the currencies seized were TT\$4,602,761.00 and US\$108,041.00.

- **Intelligence on FT**

The very nature of a FT offence necessitates that financial intelligence would form a key component of a terrorism investigation. Due to the potential catastrophic consequences including the loss of life, priority is given to all LEAs' and FIUs' requests for financial intelligence. During the period under review, the FIUTT assisted in providing financial intelligence to over 60 investigations into terrorism offences by local and foreign competent authorities.

- **Usefulness to LEAs on Intelligence disseminated**

Feedback received from domestic LEAs indicated that the intelligence provided by the FIUTT was of high quality, identified new suspects, was used to launch new investigations, identified new assets or was shared with other LEAs. In one case, an LEA indicated that the FIUTT's intelligence guided the officers throughout their investigation to arrive at a timely conclusion and to clear a suspect. Other feedback provided from LEAs included:

- o *"very professional and thorough information."*;

- o *“disclosure was timely and elevated the investigation from a civil cash detention to criminal prosecution.” ; and*
- o *“the disclosure was very timely and detailed. It eliminated institutions where the defrauded money was not present. This therefore provided the opportunity to focus on other avenues.”*

- **Permission to Share**

In keeping with the standards set by the FATF and the Egmont Group on confidentiality and information sharing, the FIUTT requires that permission is first sought by the requesting FIU before intelligence provided by the FIUTT is disseminated to relevant third parties. In 30 cases, the receiving agency requested ‘Permission to Share’ the intelligence with other LEAs. This is an indication that the intelligence provided by the FIUTT was of sufficient value to be used for investigative purposes by foreign LEAs.

## 4. STRATEGIC ANALYSIS

### i. Strategic Analysis Projects

In compliance with the FATF mandate, FIUs are required to conduct “Strategic Analysis”, to provide law enforcement and policy makers with information and intelligence on observed trends, patterns and indicators of ML/FT and related criminal activity. During this reporting period, the FIUTT embarked on three strategic analysis projects which are scheduled to be completed in the next reporting period. The projects identified are:

- human trafficking and its financial flows;
- drug trafficking, and;
- loss of government revenue through fraud and corruption.

Such strategic assessments require extensive research and co-operation from local and international FIU/LEA partners. Various jurisdictions including Columbia,

Dominican Republic, Venezuela and several Caribbean countries have already been engaged in an effort to source intelligence/data relevant to the ongoing analysis.

### ii. Typology: “Operation Blackjack”

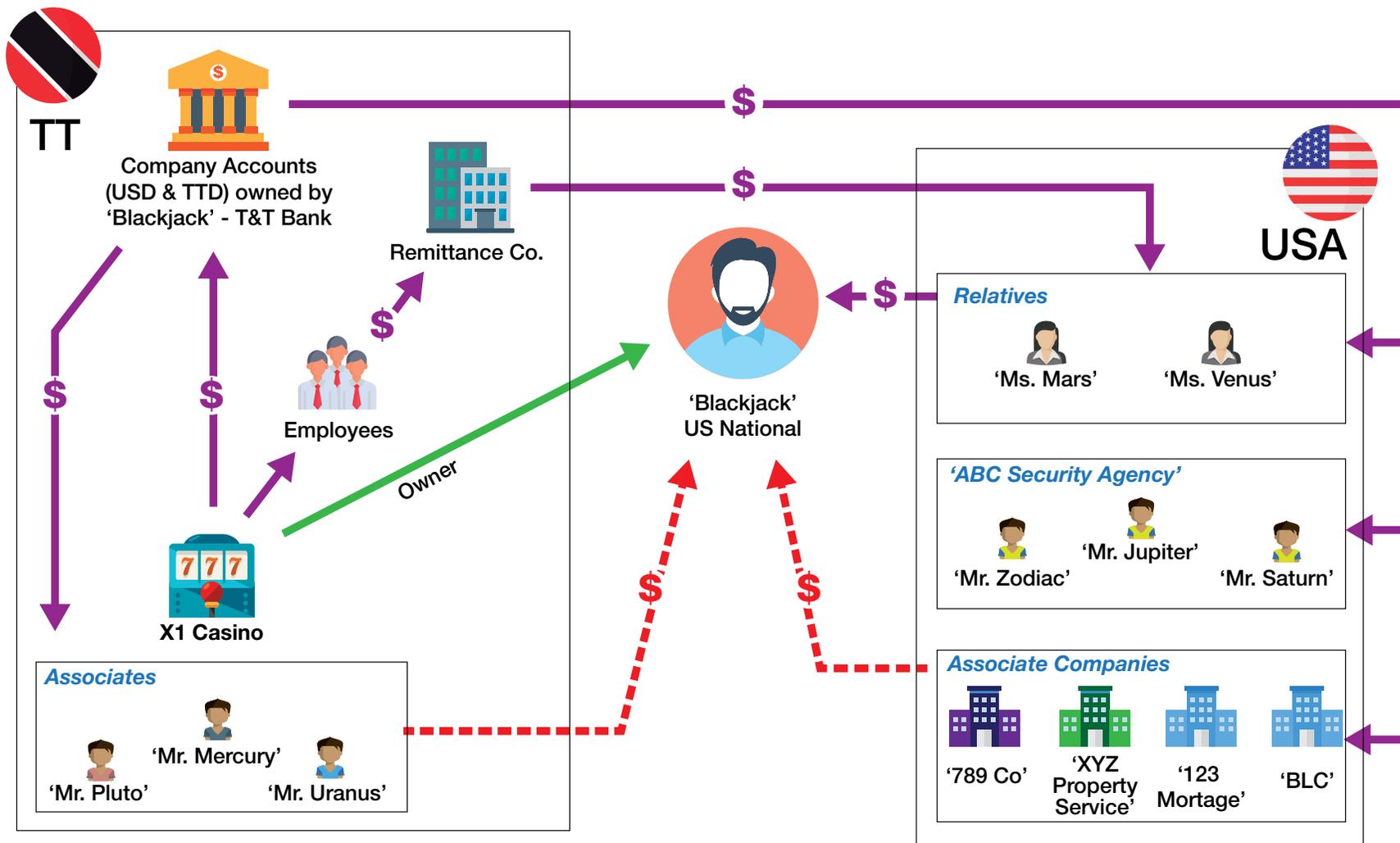
This typology concerns cases where foreign nationals of **Jurisdiction A**, resident in Trinidad and Tobago (**Jurisdiction T&T**), created complex legal structures and in a financial scheme to avoid payment of taxes in Jurisdiction A on income earned in **Jurisdiction T&T**.

FIUTT’s analysis of such cases revealed:

- existence of bank accounts held by nationals of **Jurisdiction A** in financial institutions in Jurisdiction T&T, which were unknown to **Jurisdiction A**;
- previous STRs/SARs on the subjects, associates and companies;
- transfers of large sums of money via wire remittance companies to associates in **Jurisdiction A**;
- frequent and large wire transfers out of **Jurisdiction T&T** by associates (both individuals and companies) of the foreign national ;
- use of the third party senders (individuals & companies) in **Jurisdiction T&T**, which indicated attempts to conceal and disguise the identity of the ultimate beneficiary;
- large cash transactions such as account deposits, payment of insurance premiums and outgoing wire transfers were frequently conducted by employees of the foreign nationals in both jurisdictions; and
- movement of funds outside of **Jurisdiction T&T** by both individuals and companies.

In one such successful case, the subject, ‘Blackjack’ pleaded guilty and was sentenced to a 46 month prison term and three years of supervised release. As part of the plea agreement, ‘Blackjack’ was ordered to pay restitution of US\$1,286,657. ‘Blackjack’ has paid all of his restitution which shows the success of this multi-jurisdiction tax investigation.

**'BLACKJACK' SCHEME - MOVEMENT OF FUNDS BETWEEN ASSOCIATES AND LEGAL STRUCTURES**



**Legend**



## 5. CHALLENGES FOR THE ANALYSIS DIVISION

For this reporting period, the work of the Analysis Division was constrained by:

- o the time consuming processes required in a manual data management system which significantly reduces the available time for actual analysis;
- o the inability to access tax information; and
- o insufficient feedback from local LEAs.

The manual filing systems results in inherent inefficiencies and reduced output and the Division awaits the implementation of the FIUTT's new e-filing system in the next reporting period. The FIUTT's analysis will have greater value, if it can have access to tax information since tax avoidance is criminal conduct which can lead to money laundering. As well, feedback from local LEAs, compared with foreign LEAs, is insufficient. Feedback from local LEAs on the usefulness of the intelligence provided by the FIUTT will help improve the intelligence product and thereby add value to an investigation or prosecution.

# CHAPTER IV – ENFORCEMENT

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## 1. FIUTT ENFORCEMENT

The FIUA gives the FIUTT a legal mandate to monitor Supervised Entities and to take enforcement action to secure their compliance with AML/CFT obligations. The FIUTT has the authority to issue a directive to a Supervised Entity to cease or refrain from committing an act or violation or to take remedial action within a specific time frame. Where a Supervised Entity fails to comply with a directive issued by the FIUTT, the FIUTT may apply to the High Court for an order compelling the entity to comply with the directive.

Enforcement action is initiated upon the findings of compliance audits, surveillance, monitoring, interventions or enquiries in accordance with the following procedure:

- i. notification of the breach to the entity and a warning to comply;
- ii. failure to comply with (i) above results in a Legal Notice being served on the entity requiring their attendance at a FIUTT hearing following which a Directive may be issued; and
- iii. if the entity fails to comply with the FIUTT's Directive, proceedings are instituted in the High Court.

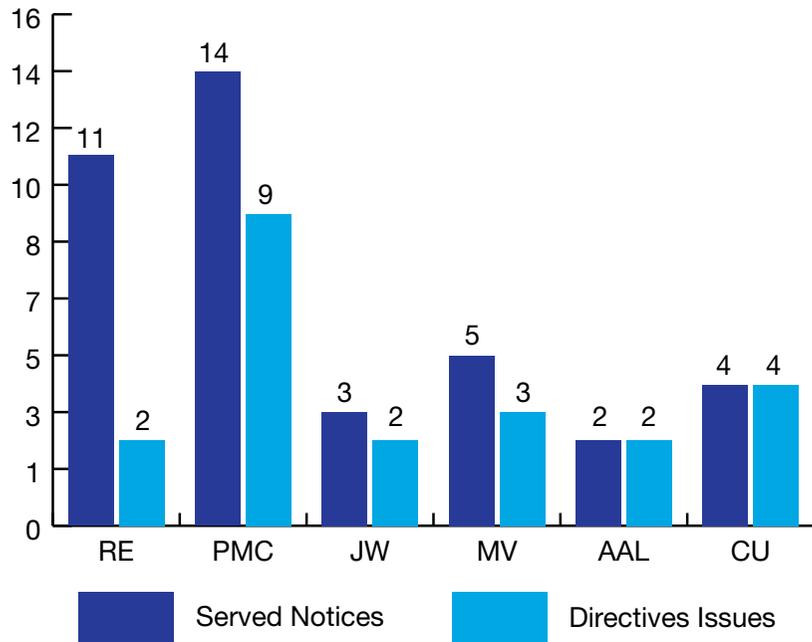
The above steps are designed to ensure that the non-compliant entity is afforded the opportunity to take remedial action before the matter is escalated to either an FIUTT Directive or to the High Court. The outcome of this process is that most entities comply so that very few non-compliance cases ever reach the High Court.

In this reporting period, the FIUTT issued 144 warning letters to Supervised Entities for various breaches. These warning letters comprised 82 for failure to register with the FIUTT, 30 for failure to rectify AML/CFT deficiencies, 7 for failure to designate a CO or ACO and 25 for failure to submit QTRs.

Thereafter, a total of 39 Supervised Entities were identified for an FIUTT Enforcement Hearing. However, prior to the FIUTT Enforcement Hearing, several entities rectified the identified breaches so further enforcement action was not required. FIUTT Directives were issued to 22 Supervised Entities.

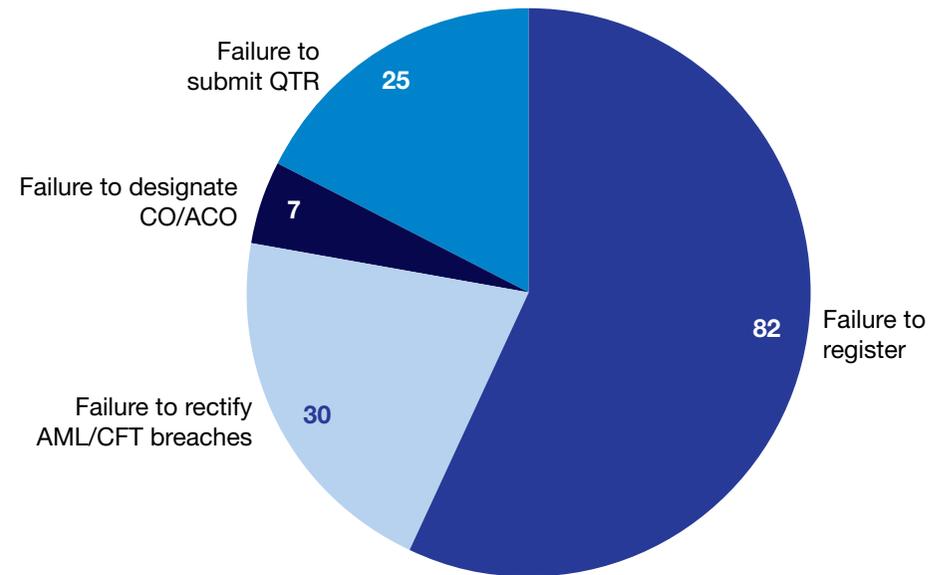
Diagram 16 illustrates the sectors against whom enforcement action was instituted and Diagram 17 depicts the breaches for which enforcement action was taken.

**DIAGRAM 16  
ENFORCEMENT ACTION**



RE: Real Estate; PMC: Private Members' Club; JW: Jewellers; MVS: Motor Vehicle Sales; AAL: Attorneys-at-Law; CU: Credit Union

**DIAGRAM 17  
WARNING LETTERS ISSUED**



## 2. CHARGES BY THE TTPS

The FIUTT has intensified its efforts to provide LEAs with useful financial intelligence to assist in their investigations. The FIUTT conducted an assessment review of its operational analysis of STRs/SARs and participated in inter-agency collaboration and task forces to ensure that its Intelligence Reports and information disseminated support the investigative needs of LEAs. This approach generated more use of the FIUTT's intelligence and supported the laying of ML charges. The criminal conduct which led to the ML charges were illegal gambling, fraud, larceny and drug trafficking.

In this reporting period, 21 persons were charged with ML offences amounting to a total monetary value of **TT\$32,694,899.51** and **US\$1,057,540.00**.

Table 7 below contains a summary of the ML charges for the period October, 2017 to September, 2018.

To date, a total of 42 individuals have been charged for ML and the total monetary value of the charges is **TT\$51,080,003.03** and **US\$1,792,436.00**.

Table 8 below shows TTPS-FIB cash seizures for the period October, 2017 to July, 2018 amounting to 31 cash seizures with a total monetary value of **TT\$4,602,761.00** and **US\$1,098,146.00**.

**TABLE 7  
SUMMARY OF TTPS ML CHARGES FOR THE PERIOD OCT. 2017 TO SEPT. 2018**

No	SUBJECT	Date Charged	Agency	Charges	Value	Nature of Charge
1	Lihao Zhou	04/10/2017	FIB	1 charge	TT\$61,853.00	ML, predicate, Illegal Gambling
2	Jason Richards	16/10/2017	Anti-Corruption	62 charges	TT\$1,074,613.00	ML, Corruption
3	Josimar Belgrave			47 charges	TT\$1,069,220.00	
4	Kizzy Bernard	18/12/2017	Northern Division	1 charge	TT\$250,000.00	ML, Robbery
5	Kenol Singh	18/12/2017		1 charge		ML, Robbery
6	Michael Fournillier	03/01/2018	Fraud Squad	9 charges	TT\$209,300.00	ML, Fraud
7	Derrick Cooper	04/06/2018	FIB	1 charge	US\$693,040.00	ML stand alone
8	Chris Ramsawak	21/06/2018	Fraud Squad	32 charges	TT\$6,132,103.00 US\$364,500.00	ML, Fraud
9	Kelly Afzal Mohammed	27/06/2018	Fraud Squad	4 charges	TT\$82,000.00	ML, Fraud

**TABLE 7 (Continued)**  
**SUMMARY OF TTPS ML CHARGES FOR THE PERIOD OCT. 2017 TO SEPT. 2018**

No	SUBJECT	Date Charged	Agency	Charges	Value	Nature of Charge
10	Talot Ali	31/07/2018	ACIB	2 charges	TT\$3,503,445.34	Conspiracy to Defraud
				100 charges		Falsification of Accounts
				100 charges		Money Laundering
11	Masood Ali	31/07/2018	ACIB	1 charges	TT\$753,863.26	Conspiracy to Defraud
				57 charges		Money Laundering
12	Sadeeq Mohammed	31/07/2018	ACIB	1 charge	TT\$2,600,108.23	Conspiracy to Defraud
				100 charges		Money Laundering
13	Zaheer Mohammed	31/07/2018	ACIB	1 charge	TT\$3,211,229.06	Conspiracy to Defraud
				100 charges		Money Laundering
14	Nizam Ali	31/07/2018	ACIB	1 charge	TT\$1,232,951.00	Conspiracy to Defraud
				95 charges		Money Laundering
15	Renika Gayah	31/07/2018	ACIB	1 charge	TT\$2,771,778.22	Conspiracy to Defraud
				100 charges		Money Laundering
16	James Rodgers	31/07/2018	ACIB	1 charge	TT\$2,314,844.44	Conspiracy to Defraud
				100 charges		Money Laundering
17	Brandon Dilbar	31/07/2018	ACIB	1 charge	TT\$344,764.00	Conspiracy to Defraud
				30 charges		Money Laundering
18	Irshad Ali	31/07/2018	ACIB	1 charge	TT\$2,720,031.56	Conspiracy to Defraud
				63 charges		Money Laundering

**TABLE 7 (Continued)**  
**SUMMARY OF TTPS ML CHARGES FOR THE PERIOD OCT. 2017 TO SEPT. 2018**

No	SUBJECT	Date Charged	Agency	Charges	Value	Nature of Charge
19	Tevin Le Blanc	31/07/2018	ACIB	1 charge	TT\$639,111.13	Conspiracy to Defraud
				100 charges		Money Laundering
20	Stephen Ramsaroop	31/07/2018	ACIB	1 charge	TT\$2,720,469.35	Conspiracy to Defraud
				100 charges		Money Laundering
21	Deanne Naalini Bazzard	22/08/2018	Fraud Squad	32 charges	TT\$1,003,214.92	Larceny Servant
				24 charges		Falsification of Accounts
				32 charges		Money Laundering

**Total Number of Persons Charged ----- 21**  
**Total Number of ML Charges ----- 1,135**  
**Total Monetary Value ----- TT\$32,694,899.51**  
**US\$1,057,540.00**

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

**TABLE 8**  
**TTPS – FIB CASE SEIZURE INVESTIGATIONS FOR**  
**THE PERIOD OCT. 2017 - SEPT. 2018**

	Oct. 2017 - Sept. 2018
Total Number of Cash Seizures	39
Total Number of Subjects	45
Total Number of Detention Orders Granted	35
Total Value of Cash Seized In TT\$	TT\$4,602,761.00
Total Value of Cash Seized In US\$	US\$108,0841.00

## CHAPTER V –

# STRATEGIC ALLIANCES: CO-OPERATION AND COLLABORATION

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## 1. INTRODUCTION

The FATF standards require co-operation among all stakeholders responsible for protecting the financial system from ML, FT, Proliferation Financing (PF) and related criminal activities.

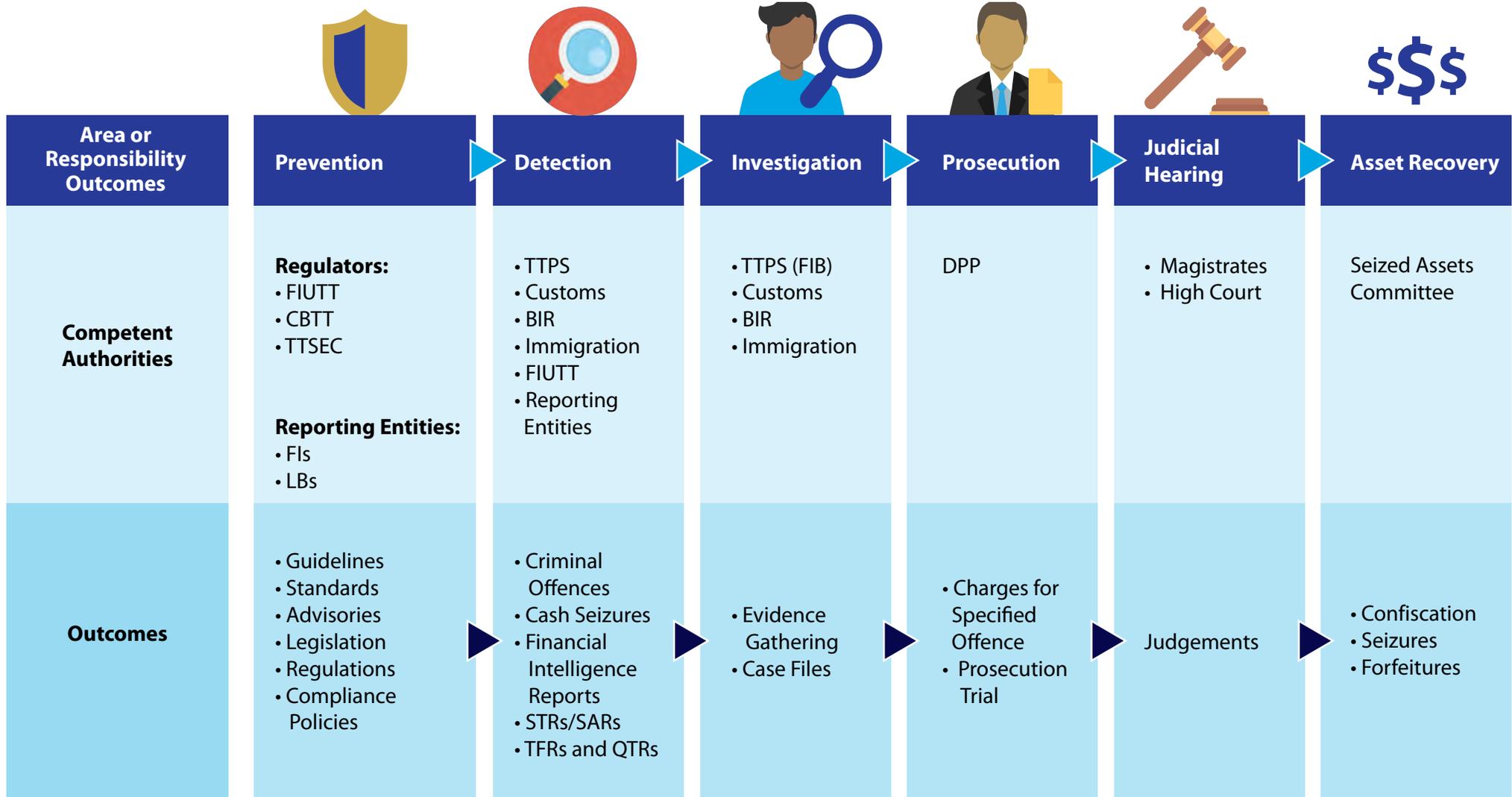
Consequently, the FIUTT is mandated by law to assist local and foreign authorities in their analyses, investigations and prosecutions of ML, FT and related crimes, upon request and spontaneously through collaborative mechanisms established with its stakeholders. In addition, the FIUTT co-operates with the other AML/CFT Supervisors in regulating Reporting Entities and assisting them to fulfil their AML/CFT legal obligations.

Internationally, the Egmont Group of FIUs' principles and rules provide the mechanism for co-operation and information exchange with foreign FIUs. There are currently 159 FIUs worldwide. FIUs, LEAs and Intelligence Agencies use a range of channels and networks for exchanging information. These include national legislation and Memoranda of Understanding (MOUs) that provide opportunities for synergising prevention and suppression actions.

Domestically, the FIUTT co-ordinates with Reporting Entities, Supervisory Authorities, Public Authorities, LEAs and Intelligence Agencies on operational and strategic matters of mutual interest. Through these public and private sector stakeholder partnerships, the FIUTT can work more effectively to expand its knowledge of trends, patterns and criminal typologies.

Diagram 18 illustrates the AML/CFT chain of responsibility among the Reporting Entities and competent authorities.

**DIAGRAM 18  
THE AML/CFT CHAIN OF RESPONSIBILITY**



## 2. DOMESTIC CO-ORDINATION AND ENGAGEMENT

### i. Law Enforcement Authorities

The Law Enforcement Working Group (LEWG) was formed to provide an avenue for inter-agency co-operation to allow for more effective co-ordination of ML/FT investigations, sharing of intelligence, evidence gathering and building expertise. It also provides 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.

Since 2017 the LEWG has been chaired by the Office of the Director of Public Prosecutions (DPP). The current members include; Fraud Squad, Special Branch, Organised Crime Intelligence Unit (OCIU) and Anti-Corruption Bureau (ACIB), FIUTT, FIB, Customs and Excise, Immigration and the Criminal Tax Investigation Unit. Nine LEWG meetings were held during this reporting period to further cases for prosecution.

In addition, the FIUTT communicated on several cases with the agencies investigating criminal conduct involving ML and FT. These agencies include FIB, OCIU, Fraud Squad, Special Branch, ACIB, Homicide Bureau of Investigations, and other Police Divisions, the Immigration Division as well as specialised investigative units such as the Counter Trafficking Unit.

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

A significant increase in the flow of information between the FIUTT and LEAs was observed in this reporting period consistent with the increasing flow of information observed from 2010 to 2017. The increase in the number of LEAs requests for assistance shows a greater use of financial intelligence in pursuing investigative leads, to identify new subjects, gather evidence, trace assets and to identify emerging trend and patterns of criminal activity. This substantiates the central role of the FIUTT in AML/CFT investigations.

Table 9 shows that the FIUTT received 174 requests on 565 subjects from LEAs in 2018 compared to the 121 requests which were received in the previous reporting period. This represents a 44% increase.

Diagram 19 below illustrates the number of requests the FIUTT received for the period 2010 to 2018.

FT was the highest suspected criminal conduct of the number of requests received, amounting to 44 which represents 25% of the number of requests, a 159% increase compared to 17 FT requests in the previous reporting period. The other significant categories were Fraud 28 or 16%; Drug Trafficking 25 or 14% and Cash Seizure 17 or 10%.

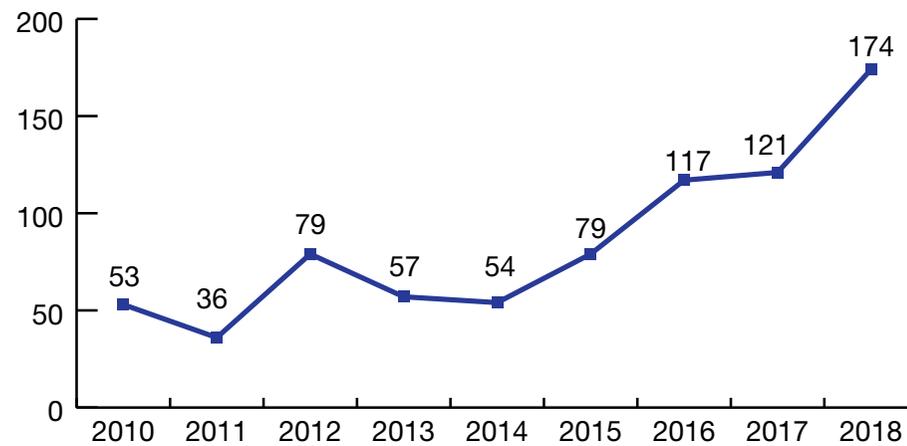
In the course of analysing STRs/SARs and to respond to requests from foreign stakeholders, the FIUTT made 51 requests to LEAs and 13 to Public Authorities. This is a total of 64 requests, as compared with 41 requests made in the previous reporting period. While the number of written requests to Public Authorities decreased in this period, the FIUTT made over 15,000 direct electronic queries to databases held by Public Authorities. The significant increase in requests from the FIUTT to LEAs and Public Authorities may be largely attributed to the complex cases under analysis from SARs/STRs filed by Reporting Entities, more requests for information from foreign FIUs and LEAs and the development of strategic analysis products.

In accordance with FATF's Recommendation 29, FIUs are required to disseminate financial intelligence spontaneously and upon request. In this reporting period, the FIUTT disseminated 16 Spontaneous Disclosures which represents a 167% increase over the previous reporting period. The suspected criminal conduct related to FT, Drug Trafficking, Tax Evasion and Fraud. In particular, the FIUTT disseminated the results of its Strategic Intelligence Analysis on *"Real Property Fraud"* and *"Fraud in the Insurance Sector"* to LEAs and other stakeholders.

**TABLE 9  
COLLABORATION WITH LEAs AND PUBLIC AUTHORITIES**

	SUSPECTED CRIMINAL CONDUCT CATEGORIES																TOTAL	YEAR	
	Human Trafficking	Drug Trafficking	Money Laundering	Fraud	Proliferation Financing	Terrorism	Robbery/Larceny	Financing of Terrorism	Possession of firearms & ammunition	Extortion	Corruption	Murder/Homicide	Misbehaviour in Public Office	Tax Crimes	Cash Seizure	Kidnapping for Ransom			
Exchange of Information with LEAs and Public Authorities	No. of incoming requests from LEAs	1	25	11	28	1	3	6	44	2	2	8	8	4	3	17	11	<b>174</b>	<b>2018</b>
	No. of outgoing requests to LEAs and Public Authorities	4	3	24	11	0	0	0	21	0	0	0	0	1	0	0	0	<b>64</b>	<b>2018</b>

**DIAGRAM 19  
INFORMATION REQUESTS  
RECEIVED FROM LEAs**



### iii. Supervisory Authorities and Supervised Entities

#### • Co-operation with Supervisory Authorities

The Supervisory Authorities responsible for ensuring that Reporting Entities comply with their AML/CFT obligations are the FIUTT, the Central Bank of Trinidad and Tobago (CBTT) and the Trinidad and Tobago Securities and Exchange Commission (TTSEC). To this end, the FIUTT has established co-operative relationships with CBTT and TTSEC, through MOUs and regular quarterly meetings for co-ordination in applying AML/CFT standards.

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

- o issuing standards, regulations and guidance notes;
- o identifying amendments to our AML/CFT laws to conform with the FATF 40 Recommendations;
- o developing standards for co-operation; and
- o providing information relative to quantity, quality of STRs/SARs and QTRs filings for compliance examinations by CBTT and TTSEC.

#### • FIUTT Private Sector Partnership

In 2011 the FIUTT established the the Supervised Entities Working Group (SEWG), which provided a forum for representatives from the NRFIs and LBs sectors to discuss AML/CFT matters affecting their respective industries. In 2018 the FIUTT restructured the SEWG to encourage more effective engagement with the private sector. The SEWG was renamed “the Supervised Entities Partnership Engagement” (SEPE).

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

- o current ML Trends and typologies;
- o FATF initiatives and guidance notes published;
- o the results of FIUTT’s Strategic Analyses;
- o proliferation financing;
- o changes to the Consolidated List;
- o improving the quality and quantity of STRs/SARs;
- o implementing a Risk Based Approach to AML/CFT compliance;
- o legislative changes to the AML/CFT regime;
- o updates of both FATF Public Statements and CFATF Public Statements; and
- o progress in the Action Plan endorsed by FATF to address strategic deficiencies.

### iv. The National AML/CFT Committee and the AML/CFT Compliance Unit

The NAMLC was established in March 2006 as the national co-ordinating body for all competent authorities in the AML/CFT regime. Administratively, it falls within the Ministry of National Security since the Minister of National Security is the Prime Contact to FATF and CFATF. The AML/CFT Compliance Unit in the Ministry of National Security acts as the secretariat for the NAMLC.

Consistent with FATF’s Recommendation 2, NAMLC’s terms of reference include developing strategies to rectify deficiencies identified in the 4th MER of Trinidad and Tobago and to engage with stakeholders to strengthen Trinidad and Tobago’s AML/CFT regime. The Director of the AML/CFT Compliance Unit chairs the Committee. NAMLC committee members include the FIUTT, LEAs, the CBTT, the TTSEC, the

Office of the DPP, Ministry of Finance, and the Central Authority of the Ministry of the Attorney General.

## 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 ten such meetings and one workshop 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 assists the Office of the Attorney General in applying sanctions under the ATA. A Standard Operating Procedure has been agreed on the procedures to be followed by the FIUTT and the Attorney General in performing their functions and 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.

An Anti-Terrorism Desk has been established in the Ministry of the Attorney General, which leads a Task Force, which includes the FIUTT, 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 successes including:

- o identification and prioritisation of persons of interest such as suspected FTFs, financiers, recruiters;

- o strategic intelligence which identify travel patterns, trends in recruitments, funding sources;
- o profiling persons of interest;
- o identification of assets; and
- o designation of a number of individuals and entities under UNSCR 1267 and UNSCR 1373.

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 individuals and entities as terrorists and to freeze their funds. The Court granted twelve Orders (including one amended Order) which designated 20 individuals and entities under UNSCR 1373. Similarly, the Attorney General of Trinidad and Tobago petitioned the High Court of Justice of the Republic of Trinidad and Tobago to de-list designated individuals and entities. The Court granted six Orders to de-list and unfreeze assets of 13 designated individuals and entities.

The FIUTT published a total of eight Notices received from the High Court, seven for freezing terrorist funds and one for the unfreezing of terrorist funds. The Reporting Entities were notified immediately of the Orders and their obligations to verify if any of those 20 persons had funds in their institution, to freeze such funds and notify the FIUTT if any such person attempted to enter into a transaction.

The consolidated list of court Orders can be found at [www.fiu.gov.tt](http://www.fiu.gov.tt)

## vi. 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;

- CARICOM Implementation Agency for Crime and Security (IMPACS);
- Auditor General's Department;
- ACAMS;
- Embassies and High Commissions;
- Western Union International;
- FIs and NRFIs
- UNODC;
- National Centre for State Courts, USA
- Integrity Commission of Trinidad and Tobago; and
- International Monetary Fund (IMF).

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

The FIUA empowers the Director of the FIUTT to enter into Memoranda of Understanding (MOUs) with local authorities to give effect to domestic sharing of Information. During this reporting period, the FIUTT signed an MOU with the Transport Commissioner on April 19, 2018 for more timely access to information.

## **MOU SIGNING AT MINISTRY OF WORKS AND TRANSPORT, TRINIDAD AND TOBAGO**



*From L to R: Mrs. Sonia Francis-Yearwood, Permanent Secretary Ministry of Works and Transport and Mr. Nigel Stoddard, Deputy Director, FIUTT.*

### 3. INTERNATIONAL ENGAGEMENT AND CO-OPERATION

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

At the global level, co-operation between FIUs is governed by the Egmont Group of FIUs standards within the framework of FATF Recommendations 29 and 40 which require an FIU to have the power to engage independently with foreign counterparts on the exchange of financial intelligence and information. The Egmont standards require FIUs to provide the utmost co-operation and exchange of information at the international level either spontaneously or upon request, and in a timely and effective manner. This standard is met by section 8 of the FIUA which mandates the FIUTT to co-operate with foreign authorities for the prevention and detection of ML/FT. The intelligence shared in this manner can be used to assist in investigations.

During this reporting period, the FIUTT received 16 requests, which covered 70 subjects, from foreign authorities. In the majority of cases the suspected criminal

conduct was ML with five requests containing 18 subjects, followed by FT with four requests containing 17 subjects.

The FIUTT significantly increased the number of requests to foreign authorities for financial intelligence and information. The FIUTT made 56 requests on 114 subjects, which is a 250% increase from the previous reporting period which was 16. The majority of the FIUTT's requests to foreign authorities involved cases of suspected FT 17, Fraud 15 and ML 14.

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.

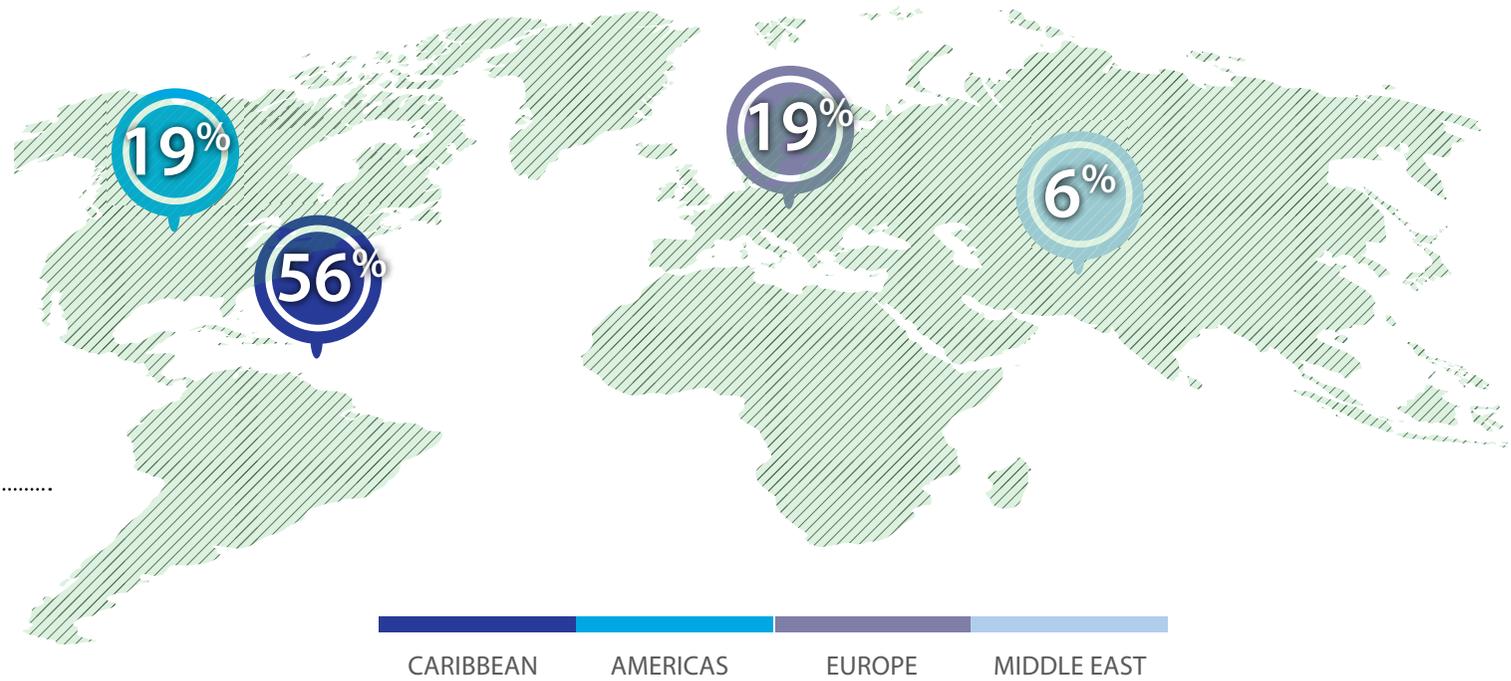
Diagram 20 illustrates the international exchange of information.

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

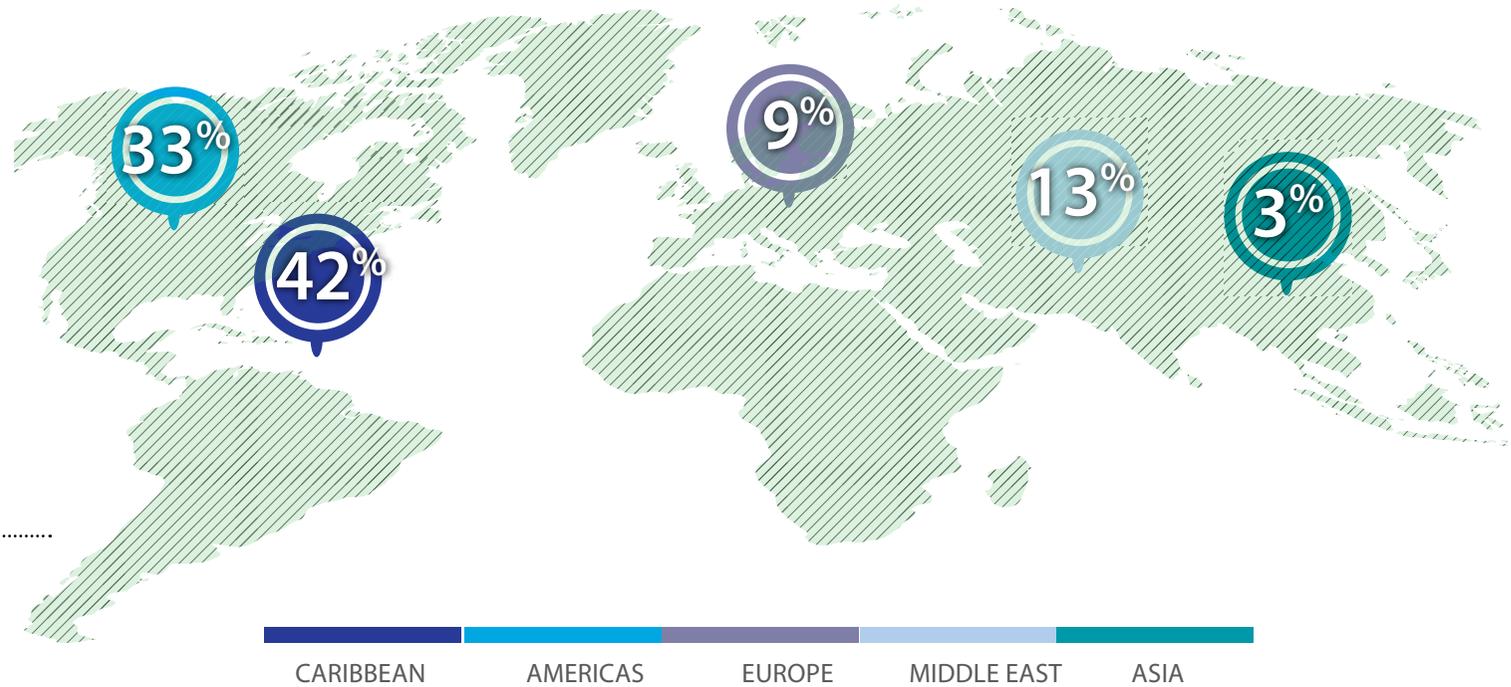
	SUSPECTED CRIMINAL CONDUCT CATEGORIES								TOTAL CRIMINAL CONDUCT ML/FT	YEAR
	Financing of Terrorism	Money Laundering	Drug Trafficking	Corruption	Fraud	Cash Seizure	Tax Crimes			
Exchange of Information with Foreign Authorities	<b>INCOMING REQUESTS TO FIUTT</b>									
	No. of incoming requests from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

**DIAGRAM 20**  
**INTERNATIONAL EXCHANGE**  
**OF INFORMATION**

**REQUESTS RECEIVED FROM  
 FOREIGN AUTHORITIES**



**REQUESTS SENT TO  
 FOREIGN AUTHORITIES**



## ii. Spontaneous Disclosures of Information to Foreign Authorities

The FIUTT's capacity to exchange information is autonomous and direct. In addition to fulfilling requests made for financial intelligence and information, the FIUTT also provides such intelligence and information spontaneously or on its own motion when ML/FT links are identified in foreign jurisdictions. In so doing, the FIUTT seeks to comply with FATF's Recommendation 29.5 specifically, which requires an FIU to disseminate financial intelligence spontaneously that is, outside of a request, if a suspected link to a criminal conduct in another jurisdiction is identified.

During this reporting period, the FIUTT disseminated 68 Spontaneous Disclosures to foreign FIUs and LEAs, as compared with 33 in the previous reporting period; an increase by 106%. This significant increase of spontaneous disseminations may be attributed to more STRs/SARs with foreign links, increase in analysis of STRs/SARs and an increase in the number of FT related STRs/SARs with links in foreign jurisdictions.

The spontaneous dissemination of intelligence was linked to the suspected criminal conduct related to FT, ML, Fraud, Corruption, Drug Trafficking and Tax Evasion. It is to be noted that FT accounted for 35% of the spontaneous intelligence disseminated, while ML accounted for 28% and Drug Trafficking at 26%.

The FIUTT has 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

The FIUTT can exchange information with 159 FIUs around the world to support investigation of ML, FT or related crimes. The FIUTT is not bound by constraints of obtaining Governmental approval or an MOU. However, 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 Egmont Group's rapid and secure electronic communication system.

In this reporting period, the FIUTT entered into MOUs with four foreign FIUs which brings the total number of MOUs signed to 31. <sup>3</sup>Negotiations are ongoing with the FIU of Ukraine and it is expected that this MOU will be finalised in the next reporting period.

Table 11 below lists MOUs signed with foreign FIUs.

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<sup>3</sup> The MOU between FIU Ukraine and FIUTT was executed on October 8, 2018.

**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 MARTEEN	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)	10/06/2015
15.	TURKS AND CAICOS	FINANCIAL INTELLIGENCE AGENCY	10/06/2015
16.	SOUTH AFRICA	FINANCIAL INTELLIGENCE CENTRE	08/07/2015
17.	BARBADOS	FINANCIAL INTELLIGENCE UNIT	26/11/2015
18.	AUSTRALIA	AUSTRALIAN TRANSACTION REPORTS AND ANALYSIS CENTRE (AUSTRAC)	18/01/2016

NO.	COUNTRY	COUNTERPARTS	DATE OF SIGNING
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

## MOU SIGNING WITH VENEZUELA AT CFATF XLVI PLENARY



*From L to R: Mr. Antonio José Morales Rodríguez, Superintendent of UNIF and Ms. Susan S. François, Director, FIUTT.*

## MOU EXCHANGE WITH SRI LANKA AT FATF-GAFILAT XXIX PLENARY



*From L to R: Mr. Wendell Lucas, TTPS, Mr. Sanjay Rajarathnam, Attorney General's Department, Sri Lanka, the Honourable Mr. Faris Al Rawi, Attorney General of Trinidad and Tobago, the Honourable Ms. Rhondalee Braithwaite-Knowles, Attorney General of the Turks and Caicos Islands and Chairperson CFATF, Mr. C.J.P. Siriwardena, Central Bank Sri Lanka, Dr. H. Amarathunga, Director FIU-Sri Lanka and Mr. Nigel Stoddard, Deputy Director FIUTT.*

## MOU SIGNING AT WITH CUBA AT FATF-GAFILAT XXIX PLENARY



*Second from left, Mr. Fernando Luís Camejo de la Rosa, Director DGOIF, second from right, Mr. Nigel Stoddard, Deputy Director FIUTT; the Honourable Ms. Rhondalee Braithwaite-Knowles, Attorney General of the Turks and Caicos Islands and Chairperson of CFATF, left, and the Honourable Mr. Faris Al Rawi, Attorney General of Trinidad and Tobago, right.*

## 5. PARTICIPATION IN INTERNATIONAL FORA

During this reporting period, the FIUTT continued to actively participate in and contribute to the activities and events of the regional and international bodies tasked with combatting ML/FT and other related crimes.

### i. The Egmont Group of FIUs

The Egmont Group membership now numbers 159 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 and to facilitate the rapid and secure exchange of information between FIUs. The Egmont Group developed and manages the Egmont Secure Web (ESW), an encrypted platform for the exchange of information between FIUs. See [www.egmontgroup.org](http://www.egmontgroup.org).

- The FIUTT participated at the Egmont Group Working Groups and Heads of FIUs Meeting which was held in Buenos Aires, Argentina during March 12-15, 2018. The FIUTT was also an active participant at the various Working Group and Committee Meetings which addressed topics in countering terrorist financing, domestic co-ordination, international co-operation and information sharing, beneficial ownership information and new technologies risks. This participation allowed for the FIUTT to create working synergies with other FIUs from around the world.
- The FIUTT's Director of the Analysis division co-facilitated the Egmont Strategic Analysis Course for the East and Southern African Region hosted by the Egmont Group and Namibia's Financial Intelligence Centre Unit in Windhoek, Namibia from July 23-27, 2018. The course was attended by 24 participants from FIUs from East and Southern African countries that required knowledge in conducting strategic analysis in order to fully comply with FATF Recommendation 29.

### 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).

- FATF Plenaries and Working Groups
  - o Trinidad and Tobago was represented by a team led by the Honourable Mr. Faris Al Rawi, the Attorney General and included the Deputy Director of the FIUTT, representatives from the Ministry of the Attorney General and Legal Affairs and the FIB at the joint FATF/GAFILAT Plenary, Argentina during the period October 29 - November 3, 2017. During this Plenary, FATF Working Groups shared information on latest developments in order to take informed and effective action to tackle FT. Also the plenary adopted the Private Sector Information Sharing Guidance and a report on the Financing of Recruitment for Terrorist Purposes.
  - o Trinidad and Tobago was represented by Director, FIUTT and a representative from the CBTT at the joint third FATF/MENFATF Plenary Meeting held in Paris, France from June 24 – 29, 2018. The Plenary adopted a joint FATF-Egmont Group study on the concealment of beneficial ownership to which the FIUTT had contributed.

### 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).

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

- o The FIUTT's Senior Analyst trained 55 FIU Analysts from regional FIUs in four CFATF/EU Accreditation Training workshops over the period June 2017 to July 2018. This training in tactical and strategic analysis is expected to improve the quality of analysis and assist the regional FIUs in fully complying with FATF Recommendation 29.
- o The FIUTT as a member of the CFATF's Working Group on Risks Trends and Methods (CRTMG), submitted four typology reports (two ML and two FT) as part of CFATF Typology Project. The CFATF Typology Report is expected to be published after the November 2018 plenary.

### • CFATF XLVI and CFATF XLVII Plenaries and Working Groups

- o The XLVI CFATF Plenary was held in Georgetown, Guyana in November 2017. 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 included the Director of the FIUTT, representatives from the Ministry of the Attorney General and Legal Affairs, the Ministry of National Security, the CBTT, the Office of the DPP and the TTPS.
- o The CFATF XLVII Plenary was held in Port of Spain, Trinidad and Tobago in May 2018. 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 Second Follow-up Report was adopted at this Plenary.

### iv. Sharing experiences with Foreign FIUs

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.

# RESOURCES AND INFRASTRUCTURE

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## 1. RESOURCES

The FIUTT's organisational structure consists of 49 positions of which 13 are Public Service offices on the Staff Establishment and 36 are contract positions. Each category of staff is governed by different terms and conditions.

During this reporting period, the following staff changes took place:

- o the FIUTT was staffed with the full complement of Analysts in the Analysis Division;
- o the Legal Division was strengthened by an additional Legal Officer; and
- o Several employment contracts expired and the FIUTT is awaiting approval on the renewal of the contract positions.

Short-term employment, for periods of three months, was used as an interim measure to fill vacancies in the Compliance and Outreach Division, until the expired contract positions are renewed and persons recruited. Steps were taken to create Public Service posts in the Analysis Division and the Director of Personnel Administration has commenced the recruitment process to fill these newly classified offices.

In order to address one of the key shortcomings identified in Trinidad and Tobago's 4<sup>th</sup> MER, namely the disparity between the large number of entities to be supervised and the low number of staff in the Compliance and Outreach Division, the FIUTT submitted a restructuring proposal to the Ministry of Finance.

During this reporting period, there were five staff appointments to the senior post of Administrative Officer V, for very brief periods. This high 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, has posed a challenge to the effective and efficient operations of all the Divisions in the FIUTT. The FIUTT anticipates that this issue will be resolved in the next reporting period.

## 2. INFORMATION SYSTEMS AND TECHNOLOGY

### i. FIUTT Online

The FIUTT website is a learning resource tool for Reporting Entities, Supervisory Authorities, LEAs and the public. In this reporting period, the following updates were published on the FIUTT's website [www.fiu.gov.tt](http://www.fiu.gov.tt):

- o 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;
- o Guidance Note dated July 13, 2018 on amendments made to the FIUTT Act and Regulations;
- o updated quarterly statistics on the number and monetary value of STRs/ SARs received and Intelligence Reports sent by the FIUTT to LEAs;

- o notice to FIs and LBs for Freezing and Unfreezing Terrorist Funds;
- o FIB cash seizure investigations data as at July 31, 2018;
- o updated TTPS ML charges before the Courts;
- o publication of foreign LEA case between the United States Inland Revenue Service and the FIUTT;
- o information on AML/CFT obligations of registered Supervised Entities;
- o 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;
- o updated list of Registrants and De-Registrants;
- o Guidance Note on appointment and approval of CO and ACO;
- o Guidance Note to FIs for QTR;
- o Compliance Officer Fit and Proper Questionnaire; and
- o Annual Report 2017.

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

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

- **Acquisition of FIUConnect secure online reporting solution**

The FIUTT acquired FIUConnect, a secure online reporting solution. FIUConnect is a web-based e-reporting and case management solution. The acquisition of FIUConnect was funded by the Government of the United States and the Government of Trinidad and Tobago. FIUConnect was developed in the Commonwealth of Dominica and has been implemented by Dominica's FIU and other FIUs in the

region. The implementation of FIUConnect would reduce the manual processes involved in the receipt of reports submitted by Reporting Entities, such as STRs/SARs and QTRs. This objective will be achieved through the electronic submission of these reports and the automatic import of data into FIUTT's database.

Benefits of the FIUConnect secure online reporting solution include:

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

It is envisioned that FIUConnect will provide a platform which will further improve the information flow between the FIUTT and Reporting Entities and between the FIUTT and LEAs. Key milestones achieved in the reporting period were:

- o a site visit to the Commonwealth of Dominica to determine the feasibility of implementing FIUConnect in the Trinidad and Tobago environment;
- o signing of a contract for the acquisition and deployment of FIUConnect by the Permanent Secretary, Ministry of Finance and Krystallion Inc. of the Commonwealth of Dominica in September 2018;
- o handover of server equipment donated by the Embassy of the United States for the FIUConnect project on Friday September 21, 2018; and
- o completion of pre-implementation activities to prepare the infrastructure for the deployment of FIUConnect.

- **Modern Data Centre (ICT Security Posture)**

Prior to the implementation of the FIUConnect, the FIUTT reviewed and fortified its ICT security posture and strengthened its perimeter security in order to mitigate risks and vulnerabilities associated with an online footprint. Phase I of this initiative was successfully implemented during this reporting period.

- **Redesign and upgrade of the FIUTT's website**

The FIUTT utilises the <http://www.fiu.gov.tt> website as a strategic tool for the dissemination of information to Supervised Entities, key stakeholders and the general public. The implementation of FIUConnect will allow the website to be used to facilitate the secure submission of electronic reports, such as STRs/SARs and QTRs, to the FIUTT by Reporting Entities.

The pictures below are screenshots of the Home Page of FIUTT's website and FIUConnect Introductory Page.

The FIUTT has commenced project activities for the redesign and upgrade of its website. This initiative will improve the way information is presented, accessed and disseminated to stakeholders. Key objectives of the redesigned website are:

- o to improve user-friendliness thus facilitating easier navigation and searching for relevant content;

- o to facilitate the secure submission of key reports by Reporting Entities to the FIUTT;
- o to highlight relevant statistical information, such as quarterly statistics on STRs/SARs, in a user-friendly format; and
- o to increase awareness of the reporting obligations of LBs and NRFIs.

Key milestones achieved in this reporting period include the completion of a requirements definition document in June 2018; and the signing of a website development contract and service level agreement by the Permanent Secretary, Ministry of Finance and SIGHTFACTORY LTD in September 2018. The implementation of the redesigned website is carded for the first quarter of the next reporting period.

- **Connectivity to Stakeholders**

An MOU between the Ministry of Works and Transport (MOWT) and the FIUTT to allow access to the MOWT's data was signed on April 23, 2018. Access to this data facilitates more efficient analysis of STRs/SARs. This initiative aligns with FATF's Recommendation 29.3 (b) which states that *"the FIUTT should have access to the widest possible range of financial, administrative and law enforcement information that it requires to properly undertake its functions."*

# FIUTT HOME PAGE WITH LINK TO FIUCONNECT INTRODUCTORY PAGE



Government of the Republic of Trinidad and Tobago



## Global Reach

Working with the Financial Action Task Force (FATF) to combat money laundering and terrorist financing across the globe.

**FIU** Financial Intelligence Unit  
TRINIDAD AND TOBAGO

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[er the Anti-Terrorism Act 12:07](#)

[Trinidad and Tobago 4th Round Mutual Evaluation Report](#)

[Legal Notice - Financial Intelligence Unit of Trinidad and Tobago Enhanc](#)

## Financial Intelligence Unit - Overview

The Financial Intelligence Unit (FIU) of Trinidad and Tobago, incorporated under the Financial Intelligence Unit of Trinidad and Tobago Act of 2009, has been established to implement the anti-money laundering and combatting the financing of terrorism policies of the [Financial Action Task Force \(FATF\)](#) – an intergovernmental organization set up by the Group of Seven industrialized countries. [On the 3<sup>rd</sup> July, 2013 the FIU was admitted as a member of the EGDMONT Group of FIUs.](#)

### Latest News

- › [Notice to Financial Institutions and Listed Businesses for Unfreezing Terrorist Funds](#)  
New

### Featured

- › [List of Registrants as at September 30, 2018](#)
- › [List of De-Registrants as at September 30, 2018](#)

**FIUConnect**  
Secure Electronic Reporting (e-Filing)  
[Click Here](#)

### Important

# FIUCONNECT INTRODUCTORY PAGE



Government of the Republic of Trinidad and Tobago



## Global Reach

Working with the Financial Action Task Force (FATF) to combat money laundering and terrorist financing across the globe.

**FIU** Financial Intelligence Unit  
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[Legal Notice - Financial Intelligence Unit of Trinidad and Tobago Enhanced Due Diligence Requirements Order 2016](#) [FIU ISSUES SCAM ALERT! - May 03, 2016 \(click\)](#)

## FIUConnect

### Secure Electronic Reporting (e-Filing) - Coming Soon!

The Financial Intelligence Unit of Trinidad and Tobago (FIUTT) is in the process of implementing a secure electronic reporting solution called FIUConnect. This solution is designed to allow Reporting Entities to prepare and electronically submit Suspicious Transaction Reports/Suspicious Activity Reports (STRs/SARs) and Quarterly Terrorist Property Reports (QTRs) to the FIUTT in a secure and efficient manner.

With the implementation of FIUConnect, it is anticipated that the hand delivery of paper based reports by Reporting Entities to the FIUTT will be reduced with the adoption of this new filing method. Reporting Entities seeking to submit reports using the secure reporting solution must be registered in FIUConnect.

### Contact Us

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## SIGNING OF HANDOVER DOCUMENTS FOR SERVERS FOR FIUCONNECT BY THE US EMBASSY AND MINISTRY OF FINANCE



*L to R: Ms. Savitree Seepersad, Deputy Permanent Secretary Ministry of Finance, Mr. John W. McIntyre, Chargé d'Affaires US Embassy, Port of Spain Trinidad and Ms. Susan S. François, Director FIUTT.*

## HANDOVER OF SERVERS FOR FIUCONNECT TO THE FIUTT BY THE US EMBASSY



*L to R: Ms. Susan S. François, Director FIUTT, Mr. John W. McIntyre, Chargé d’Affaires US Embassy, Port of Spain Trinidad, Mr. Rabindra Bansi, Information Systems Manager (Ag.) FIUTT and Mr. Nigel Stoddard, Deputy Director FIUTT.*

### 3. BUILDING EXPERTISE

The FIUTT recognises the value of continuous professional development to improve the performance of its staff. During the reporting period, FIUTT staff members enhanced their skills by actively participating in training courses, workshops and seminars held locally and internationally.

Notably, Analysts of the FIUTT was selected to co-facilitate the delivery of the Egmont's Strategic Analysis training and CFATF Accreditation training in operational and strategic analysis to better equip FIUs both in the region and internationally to effectively meet Recommendation 29 of the FATF standards.

Staff members also engaged in IBM i2 iBase, iBase Designer and Analyst Notebook certification training in relation to enhancing the FIUTT's operational and strategic analysis products and also in preparation of a secure electronic reporting solution.

The FIUTT staff participated in a workshop on Money Laundering and Asset forfeiture hosted by the National Centre for State Courts. This workshop provided a clear understanding of the AML/CFT chain of responsibility and how compliance monitoring, effective STRs/SARs filings, and financial intelligence can lead to effective investigations, prosecutions and convictions and forfeiture of assets.

Details of the training received are shown in Table 12 below.

**TABLE 12  
STAFF TRAINING**

NO.	PLACE OF TRAINING	DESCRIPTION OF COURSE/ PROGRAMME	ORGANISER/PRESENTER	PARTICIPANTS FROM FIUTT
1	Port of Spain Trinidad	ANB Essentials	US Embassy	Network Administrator
2	Port of Spain Trinidad	IBM i2 -ANB Essentials - Level 1	US Embassy	Intelligence Research Specialist and Analysts
3	Old Fire Station Building Trinidad	EDP for Senior Public Officers - Module IV Analysis and Decision Making	Public Service Academy	Network Administrator
4	Port of Spain Trinidad	ANB with examination	US Embassy	Network Administrator and Intelligence Research Specialist
5	Port of Spain Trinidad	IBM i2 - ANB Certification with examination	US Embassy	Analysts
6	Port of Spain Trinidad	iBase User	US Embassy	Network Administrator, Database Administrator and Intelligence Research Specialist

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

NO.	PLACE OF TRAINING	DESCRIPTION OF COURSE/ PROGRAMME	ORGANISER/PRESENTER	PARTICIPANTS FROM FIUTT
7	Port of Spain Trinidad	iBase Designer	US Embassy	Network Administrator and Database Administrator
8	Port of Spain Trinidad	ANB Basic	US Embassy	Director Analysis Division and Analysts
9	Port of Spain Trinidad	International Institute of Justice and Rule of Law Terrorism Training	Ministry of the Attorney General and Legal Affairs	Director, Senior Analyst, Intelligence Research Specialist and Analysts
10	Radisson Hotel Trinidad	Technical Anti-Money Laundering Seminar	NEM Leadership Consultants	Director Compliance and Outreach, Compliance Outreach Officers, Director Legal and Legal Officer I
11	Old Fire Station Building Trinidad	EDP for Senior Public Officers - Module V – Innovation and Change	Public Service Academy	Network Administrator
12	Port of Spain Trinidad	Money Laundering and Asset Forfeiture	US Embassy	Senior Analyst, Analyst and Legal Officer I
13	Port of Spain Trinidad	ANB Certification	US Embassy	Director Analysis Division, Senior Analyst and Analysts
14	Port of Spain Trinidad	iBase User	US Embassy	Director Analysis Division, Analysts
15	Port of Spain Trinidad	USSEC & TTSEC Capital Market Oversight and Development	USSEC/TTSEC	Compliance Outreach Officers
16	Port of Spain Trinidad	Procurement Training	Public Service Academy	Analysis Division Staff, Compliance and Outreach Division staff, Administrative Support Division staff, IT staff and Legal staff
17	Port of Spain Trinidad	Counter Terrorism Workshop	Ministry of National Security/EU	Senior Analyst and Analyst
18	Port of Spain Trinidad	CFATF Plenary	CFATF	Director Analysis Division, Analysts and Legal Officer I

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

NO.	PLACE OF TRAINING	DESCRIPTION OF COURSE/ PROGRAMME	ORGANISER/PRESENTER	PARTICIPANTS FROM FIUTT
19	Port of Spain Trinidad	Judicial Workshop on Money Laundering and Asset Forfeiture	Judicial Education Institute of Trinidad and Tobago	The Director, Supervisor Compliance and Outreach Division and Legal Officer I
20	Port of Spain Trinidad	Workshop on Money Laundering and Asset Forfeiture	National Centre For State Courts (NCSC) In Collaboration With The Office Of The Director Of Public Prosecution	Director and Deputy Director, Director Legal and Legal Officer I
21	Port of Spain Trinidad	CFATF Standards Training Workshop	CFATF	Compliance Outreach Officers and Legal Officer I
22	Port of Spain Trinidad	Confiscation Sensitisation Session	Ministry of National Security	Legal Officer I
23	Port of Spain Trinidad	Countering the Financing of Terrorism	Trinidad and Tobago Police Station	Compliance Outreach Officer
24	Port of Spain Trinidad	Terrorism Investigation Unit Training	International Institute for Justice and the Rule of Law	Senior Analyst
25	Port of Spain Trinidad	Caribbean Defence & Security Seminar	Department of Defence, Embassy of the United States of America, Port-of-Spain	Intelligence Research Specialist, Analyst
26	Antigua and Barbuda	CFATF Accreditation Training	EU/CFATF	Senior Analysts and Analysts
27	Guyana	Assessor Training	CFATF	Compliance Outreach Officer
28	Argentina	Egmont Plenary	Egmont Group	Intelligence Research Specialist
29	Antigua and Barbuda	CFATF Open Source Training	EU/CFATF	Director Analysis Division, Senior Analysts and Analysts
30	Jamaica	CFATF Open Source Training	EU/CFATF	Analyst
31	Antigua and Barbuda	CFATF Training and Accreditation Project	EU/CFATF	Analyst

## NATIONAL CENTRE FOR STATE COURTS (NCSC) WORKSHOP ON MONEY LAUNDERING AND ASSET FORFEITURE IN PORT OF SPAIN, TRINIDAD



*From L to R: Ms. Joanne Richardson, NCSC Project Director and Senior Programme Manager, Ms. Susan S. François, FIUTT Director, Ms. Julie Younts, Asset Forfeiture Division US Marshals Service Senior Inspector, Mr. Joshua Royster, United States Attorney's Office in the Eastern district of North Carolina, Deputy Chief of the Civil Division, the Hon. Mr. Faris Al Rawi, Attorney General of Trinidad and Tobago, Mr. Thomas Beers, Internal Revenue Service former Special Agent and Ms. Nicola Saunders Suter, Bureau of International Narcotics and Law Enforcement Affairs, US Department of State, Financial Crimes Advisor.*

# STRATEGIC PRIORITIES 2018: BUILDING ON STRENGTHS

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The FIUTT plays a key role in this jurisdiction's effort to combat ML, FT, PF and related criminal activity. It is also a critical agency for Trinidad and Tobago to demonstrate its ability to effectively implement the FATF 40 Recommendations. Our priority actions for the next reporting period are largely driven by the findings of the 4<sup>th</sup> MER and will focus on human resource needs, IT systems, and legislative measures.

## 1. HUMAN RESOURCES

The FIUTT recognises that its human resources are its most valuable asset and strives for an environment which fosters employee engagement. This is evident from the staff's motivation and commitment to the job, teamwork, productive workplace and high organisational performance. The FIUTT is 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 in the Compliance and Outreach Division;
- 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 with the additional positions, which is awaiting approval;
- 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

In the next reporting period, the FIUTT will undertake the task of strengthening its ICT infrastructure to improve its availability, robustness and security, as well as, the upgrade of key ICT services and systems. A full evaluation of the existing infrastructure will be carried out to determine areas for improvement or replacement. Strengthening the ICT infrastructure will enable the FIUTT to achieve sustainability in the provision of its services.

This initiative encompasses:

- improving and expanding FIUConnect to enable the FIUTT to streamline additional key business processes and to introduce new functionalities within this e-reporting solution;
- upgrading and optimising the ICT environment and the core infrastructure to meet the strategic needs of the FIUTT. The scope of this initiative is to enhance implementation of a disaster recovery solution;
- strengthening FIUTT's security posture. Proposals have been prepared to commence activities in the next reporting period; and
- training and development of the IT staff to ensure that they are equipped to support the business initiatives of the FIUTT.

### 3. LEGAL PROJECTIONS

Trinidad and Tobago has implemented a comprehensive legislative framework aimed at mitigating the risks of ML/FT and other related criminal conduct in our financial system.

However, based on the findings of the CFATF on Trinidad and Tobago's AML/CFT regime documented in the 4th MER and the action plan endorsed by the FATF at the October 2017 FATF Plenary, Trinidad and Tobago must accomplish the following objectives:

- adopt and implement the relevant measures to enhance international co-operation;
- address measures for transparency and beneficial ownership;
- complete the legislative efforts to enhance the processing of ML charges before the courts;

- take measures to enhance tracing and confiscation of criminal assets;
- enforce Targeted Financial Sanctions without delay and implement appropriate measures to monitor NPOs on the basis of risk; and
- develop, adopt, and implement the necessary framework to counter PF.

Currently, there are numerous pieces of legislation before Parliament or in draft Bills which seek to address several of the aforementioned AML/CFT shortcomings, including:

- **The Non-Profit Organisation Bill, 2018**, which is intended to create a system for the regulation of NPOs with provision for the registration, transparency, supervision and investigation of NPOs. The Bill provides for certain categories of NPOs to register with the Registrar General's Department, Ministry of the Attorney General and Legal Affairs and that the FIUTT will be appointed the AML/CFT supervisor for these NPOs. The powers and experience of the FIUTT as an AML/CFT Supervisor will now be quickly brought to bear on this sector.
- **The Companies (Amendment) Bill, 2018**, which seeks to fill the gaps regarding the adequacy, accuracy and timeliness of beneficial ownership information and to provide dissuasive sanctions for non-compliance.
- **The Civil Asset Recovery, Management and Unexplained Wealth Bill, 2018**, which would provide for Property Forfeiture Orders and Civil Asset Recovery Orders to be made *in rem* against assets believed to be criminal property, terrorist property or instrumentalities of crime, rather than *in personam*, that is, against the person. It would provide that the standard of proof required to be used under the Act would be the standard as in civil proceedings.
- **Proliferation Financing - A Draft Policy** was finalised in October, 2017 to operationalise the Economic Sanctions Act, Chap. 81:05 to comply with the freezing obligations under the Economic Sanctions (Implementation of United Nations Resolutions on The Islamic Republic of Iran) and (Implementation of United Nations Resolutions on the Democratic People's Republic of Korea) Orders, 2018.

This Policy provides for the implementation of economic sanctions imposed by regional or international organisations and allows for the President to restrict or prohibit, by Order, specified activities as well as order the assets of a foreign state or any person in a foreign state situate in Trinidad and Tobago to be frozen. The Orders seek to protect citizens of Trinidad and Tobago from fear, intimidation and physical harm caused by weapons of mass destruction by introducing measures relating to the prevention, suppression, disruption of proliferation of weapons of mass destruction and its financing.

These Orders will further ensure that Trinidad and Tobago fulfils its international obligations under UNSCR 1540 and FATF Recommendation 7 in relation to the financing of proliferation of weapons of mass destruction by providing a legislative framework to ensure compliance with FATF standards.

- **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 that are vulnerable to ML and FT.

## 4. THE WAY FORWARD

Looking ahead the FIUTT remains committed to aligning our business strategies to achieve our vision as we prepare for the future. In the next reporting period, the FIUTT will focus on:

- fully implementing the FIUConnect secure online reporting solution to improve quality and timeliness of STRs/SARs filings and to enhance the FIUTT's analytical capabilities;
- actively promoting supportive alliances with Reporting Entities and other key stakeholders to address the challenges of criminal exploitation of the financial system;
- strengthening our international connections to better assist LEAs in their investigations of the serious crimes impacting Trinidad and Tobago;
- 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 our jurisdiction into compliance with the FATF 40 Recommendations.

# 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. Per the amendments, 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
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.	✓	✓
Art Dealers	✓	✓
Trust and Company Service Providers	✓	✓

FINANCIAL INSTITUTIONS (FIs)	SUPERVISED ENTITIES	REPORTING ENTITIES
A bank licensed under the Financial Institutions Act		✓
A Financial Institution licensed under the Financial Institutions Act		✓
An insurance company, agent or broker registered under the Insurance Act		✓
A person licensed under the exchange control act to operate an exchange bureau		✓
A person licensed under the Securities Act as a broker-dealer, underwriter or investment adviser		✓
Development banks, trust companies, mortgage companies		✓
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		✓

NON-REGULATED FINANCIAL INSTITUTIONS (NRFIS)	SUPERVISED ENTITIES	REPORTING ENTITIES
A society registered under the Co-operative Societies Act	✓	✓
A person who carries on money value or transfer services	✓	✓
A building society registered under the Building Societies Act	✓	✓

# 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>repeatedly changes attorneys</b> within a short period of time without any reasonable explanation.	✓	
Client <b>purchases property in names of other persons</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>record a lower value on documents</b> , paying the difference “under the table” (inadequate consideration).	✓	
Client’s documents such as identification, income statements or employment are provided by an <b>intermediary</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>no relationship seen between the transaction and the business activity</b> of the buying company, or the company has no business activity (Shell Company).	✓	✓
Client <b>requests the firm to act as his agents</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>Divergence</b> from the type, volume or frequency of transactions expected in the course of the business relationship.	✓	✓

# APPENDIX C

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GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO



FINANCIAL INTELLIGENCE UNIT  
OF TRINIDAD AND TOBAGO

## GUIDANCE TO SUPERVISED ENTITIES AND COMPLIANCE OFFICERS OF REPORTING ENTITIES TO HIGHLIGHT THE AMENDMENTS MADE TO THE FINANCIAL INTELLIGENCE UNIT OF TRINIDAD AND TOBAGO ACT, CHAP 72:01 AND THE FINANCIAL INTELLIGENCE UNIT OF TRINIDAD AND TOBAGO REGULATIONS, 2011.

FIU Reference: GN/002/2018

Pursuant to the **Miscellaneous Provisions (Mutual Assistance in Criminal Matters, Proceeds of Crime, Financial Intelligence Unit of Trinidad and Tobago, Customs and Exchange Control) Act, 2018** several amendments were made to the Financial Intelligence Unit of Trinidad and Tobago Act, Chap 72:01 (*“the Act”*) and the Financial Intelligence Unit of Trinidad and Tobago Regulations, 2011 (*“the Regulations”*).

### 1. Key Amendments made to the Act:

(i) **Section 12 (4)** of the Act now provides that a financial institution or listed business may be liable on **summary** conviction for failure to comply with a Court Order to disclose any information or documents requested by the Financial Intelligence Unit of Trinidad and Tobago (“FIU”).

(ii) New sub-sections were added to **Section 18G (2)**. **Sub-sections 18G (2A), (2B), (2C), (2D) and (2E)** now provide for the powers of the FIU and the Police Officer executing the warrant. These subsections also state the offences and penalties for a person who in any way hinders the conduct of the warrant. The law now provides that:

The FIU has the power to require any person to provide documents, information or explanation on any information in order to secure compliance. However, the FIU must advise the person on their right against self-incrimination - (**Section 18G (2A)**).

A search warrant may give the Police Officer executing the warrant the power to request any information or explanation from anyone present on the premises at the time - (**Section 18G (2B)**).

It is an offence for a person to wilfully obstruct, fail to comply and/or fail to assist a Police Officer in the course of executing the warrant. Further, where a person commits such an offence he may be liable on summary conviction to a fine of TT\$10,000.00 and to imprisonment for 12 months - **(Section 18G (2C))**.

It is an offence for a person to give false or misleading information to a Police Officer during the conduct of his duties. Where a person is found guilty of such an offence, he may be liable on summary conviction to a fine of TT\$10,000.00 and imprisonment for twelve (12) months - **(Section 18G (2D))**.

Further, a person is not required to give any information that may be incriminating – **(Section 18G (2E))**.

- (iii)** Two (2) new sub-sections were added to **Section 27** of the Act. **Section 27 (3)** now provides that where a person commits an offence under the Regulations, he may be liable on summary or indictable convictions and **Section 27 (4)** provides for the penalties for committing any such offence as follows:

On summary conviction – a fine of TT\$500,000.00 and a further fine of TT\$25,000.00 for each day that the offence continues; or

On conviction on indictment – a fine of TT\$1 Million dollars and a further fine of TT\$50,000.00 for each day that the offence continues.

## 2. Key Amendments made to the Regulations:

- (i)** In accordance with **Regulation 28 (1)** a Supervised Entity has a continued duty to register with the FIU within three (3) months of commencing business activity or incorporation as a company under the laws of Trinidad and Tobago. However, **Regulation 28 (1)** now provides that the form which a Supervised Entity must use for registration must be a form which is **approved by the FIU** instead of **the form set out in the Schedule to the Regulations**. It is noted that the Schedule to the Regulations has now been repealed.

Please note that the Registration Form (RG1) is accessible on the FIU's website, [www.fiu.gov.tt](http://www.fiu.gov.tt), and can be located by navigating to “**RESOURCES**” TAB → “**FIU PUBLICATIONS**” → “**FIU FORMS**” or via [http://www.fiu.gov.tt/content/FIU Registration Form.pdf](http://www.fiu.gov.tt/content/FIU%20Registration%20Form.pdf).

Also, a copy of the RG1 form is hereto attached for ease of reference.

- (ii)** In accordance with **Regulation 29(1)** a Supervised Entity has a continued duty to notify the FIU where there is a change of its registered office or principal place of business. However, **Regulation 29(1)** now provides that the Supervised Entity must notify the FIU within **thirty (30) days** of any such change as opposed to sixty (60) days as previously stated in the Regulations.

- (iii)** In accordance with **Regulation 29A (1)** a Supervised Entity has a continued duty to notify the FIU where any change is made to its named Directors, Owners, Partners or Compliance Officer. However, the **Regulation 29A (1)** now provides that the Supervised Entity notify the FIU within **thirty (30) days** of such change as opposed to sixty (60) days as previously stated in the Regulations.

- (iv)** It is reiterated that the **Schedule** to the Regulations has been **repealed** and as such the Schedule *should no longer* be used by Supervised Entities. Instead Supervised Entities are asked to refer to the link provided at 2(i) above.

Please note that this Guidance does not replace the obligation of Supervised Entities and Compliance Officers of Reporting Entities to inform themselves of all the changes under the **Miscellaneous Provisions (Mutual Assistance in Criminal Matters, Proceeds of Crime, Financial Intelligence Unit of Trinidad and Tobago, Customs and Exchange Control) Act, 2018**.

Dated this 13<sup>th</sup> day of July, 2018.

**Susan S. François**  
**Director**  
**Financial Intelligence Unit**

# APPENDIX D



GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO



FINANCIAL INTELLIGENCE UNIT  
OF TRINIDAD AND TOBAGO

## FIU ISSUES SCAM ALERT

The Financial Intelligence Unit of Trinidad and Tobago alerts the public of a continuing trend in 'scams' initiated primarily through the Internet. Scam techniques change constantly but retain one common feature – victims are led to believe that they have a chance to obtain a large financial benefit in return for a small up-front payment.

Some scams observed involve FAKE lottery winnings, conferences, inherited wealth, business opportunities, internet romances, work permit assistance and job offers.

Citizens of Trinidad and Tobago including senior citizens have fallen victims to these scams and have lost considerable sums.

**Anyone who is aware of fraudulent scams should report it immediately to:**

The Trinidad and Tobago Police Service, Fraud Squad at Telephone: 1(868) 625-2310; 1(868) 623-2644 and 1 (868) 652-8594 or Email: fraud@ttps.gov.tt.

### S.T.O.P...!!



STOP **S**ENDING funds to persons you **DO NOT KNOW**.



STOP **T**RANSFERRING your 'hard earned funds' to persons you **DO NOT KNOW** located in countries abroad based on an email, a letter, a text message, a telephone call or social media contact.



Do not **O**FFER or give your bank account details to persons you do not know. This could be an attempt to use your account for illegal purposes.



**P**REVENT Money Laundering and Financing of Terrorism. **SAY NO** to persons promising 'free' money. It could be an attempt to steal your money, or to use you to launder money by **FRAUD** or **TRICKERY!!**

**Be wise....S.T.O.P!!**

# GLOSSARY

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## BENEFICIAL OWNER

Beneficial owner refers to the natural person(s) who ultimately owns or controls a customer 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.

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<sup>5</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>6</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.

## **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.

## **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.

## **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](#)





**FINANCIAL INTELLIGENCE UNIT  
OF TRINIDAD AND TOBAGO**

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