



Annual Report

2020 – 2021



NATIONAL COORDINATING COMMITTEE
ON COMBATING MONEY LAUNDERING
AND FUNDING OF TERRORISM

**© The National Coordinating Committee on
Combating Money Laundering and Funding of Terrorism, 2021**

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LETTER OF TRANSMITTAL TO THE MINISTER OF FINANCE AND EMPLOYMENT

Hon. Minister of Finance and Employment

30, Maison Demandols,
South Street,
Valletta, VLT 1102.

Hon. Clyde Caruana,

Through the Chairperson of the National Coordinating Committee on Combating Money Laundering and Funding of Terrorism, and in accordance with Article 11 of the National Coordinating Committee on Combating Money Laundering and Funding of Terrorism Regulations, Subsidiary Legislation 373.02, I have the honour to transmit to you in your capacity as Minister responsible for Finance, a copy of the Annual Report on the operations of the National Coordinating Committee on Combating Money Laundering and Funding of Terrorism, and the supporting Secretariat for the year ended 31 March 2021.



Dr Helga Buttigieg Debono
Executive Head of the National Coordinating Committee on Combating Money
Laundering and Funding of Terrorism

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The objectives of the NCC

- Ensure full transparency on Malta's Anti-Money Laundering and Countering of Terrorism Financing risks
- Comprehensive, coordinated and communicated strategy for managing the risks
- Effective execution of and follow-through on decisions made
- Effective ongoing cooperation and intelligence sharing among stakeholders



NATIONAL COORDINATING COMMITTEE
ON COMBATING MONEY LAUNDERING
AND FUNDING OF TERRORISM

The NCC Board Members

Entity	Designated person	Appointed person
Ministry for Finance and Employment	Permanent Secretary	Mr. Alfred Camilleri NCC Chairperson
Asset Recovery Bureau	Chairperson	Judge Emeritus Dr. Joseph David Camilleri
Central Bank of Malta	Governor	Dr. Mario Vella (until 31.12.2020) Prof. Edward Scicluna (from 01.01.2021)
Commissioner for Revenue	Commissioner	Mr. Marvin Gaerty
Financial Intelligence Analysis Unit	Chairperson	Mr. Jesmond Gatt
Malta Financial Services Authority	Chairperson	Prof. John Mamo
Malta Gaming Authority	Chairperson	Dr. Ryan C. Pace
Malta Police Force	Commissioner	Mr. Carmelo Magri (Acting till 22.06.2020) Mr. Angelo Gafa (from 23.06.2020)
Ministry for Home Affairs, National Security and Law Enforcement	Permanent Secretary	Mr. Kevin Mahoney
Ministry for Justice, Equality and Governance	Permanent Secretary	Mr. Johan Galea
Office of the Attorney General	Attorney General	Dr. Peter Grech (until 08.09.2020) Dr. Victoria Buttigieg (from 09.09.2020)

OUR MISSION STATEMENT:

**To oversee the national effort on Anti-Money
Laundering and Countering the Financing of
Terrorism**



**NATIONAL COORDINATING COMMITTEE
ON COMBATING MONEY LAUNDERING
AND FUNDING OF TERRORISM**

Overview

This report provides a description of all the work the NCC Secretariat has been coordinating together with the supervising authorities and relevant government entities to enhance the country's fight against money laundering, terrorism financing and proliferation financing. During the past year, the NCC Secretariat has managed to:

- conclude the 2017 – 2020 National Anti-Money Laundering and the Countering of Terrorism Financing Strategy,
- create and launch a new Strategy for the years 2021 - 2023,
- drafted and submitted the Technical Compliance Follow-up report of the 2019 Mutual Evaluation Report to MONEYVAL,
- performed several sectorial risk assessments,
- launched the update of the National Risk Assessment,
- coordinated the assessment of the 4th Anti-Money Laundering Directive,
- and organized a number of outreach and training events for people from both public and the private sector.

The NCC Secretariat is currently made up of an Executive Head, which position is currently held by Dr Helga Buttigieg Debono. The Secretariat also includes a Chief Economics Officer, a Senior Project Implementation Manager, and an Administration Manager, each having specific tasks which ensure that the NCC is performing its role as a national coordinator in the fight against money laundering and the funding of terrorism.

Conclusion of the 2017-2020 National Anti-Money Laundering and Combating of Terrorism Financing Strategy

The National Anti-Money Laundering and Combating Terrorism Financing Strategy was formulated in 2017 with actions deliverable by 2020, including the related initiatives to improve the national framework on the subject. The Action Plan was built on the insights of the 2017 National Risk Assessment, which identified certain deficiencies that impeded the ability to effectively combat Money Laundering and Terrorism Financing such as:

- Lack of national coordination
- Limited evidence of the effectiveness of supervision
- Ineffective law enforcement and judiciary setup (investigation, prosecution, and recovery)
- Limited resources and skills
- Deficiencies in access to relevant data and availability of digital tools

Malta's National Strategy relied on seven key components:

- I. **Establish a national coordination mechanism** responsible for defining the overall Anti-Money Laundering and Combating the Financing of Terrorism strategy and overseeing its implementation
- II. **Strengthen and clarify supervisory framework** by extending the breadth and dept of supervision and increasing resources
- III. **Enhance the internal capabilities of the Financial Intelligence Analysis Unit**, especially in terms of staff number and training, access to databases and use of analytical tools
- IV. **Enhance investigation and prosecution organisation** with increased resources, specialisation, and tools, to improve the number of investigations and their translation into legal enforcement
- V. **Establish an effective asset recovery unit** with a well-equipped agency dedicated to tracing, confiscating, and managing assets
- VI. **Increase transparency of legal entities and arrangements** particularly with regards to their beneficial ownership
- VII. **Build on the existing international cooperation setup** particularly to ensure the timely and effective enactment of targeted financial sanctions and to raise the role of Malta's supervisors in international fora.

Work blocks were created under each key component and each work block included a list of recommendations in relation to the deficiencies mentioned earlier. The NCC Secretariat created sub-committees for each of the seven key initiatives outlined in the plan, with each group

addressing a separate work block. Officials representing the competent authorities attended regular meetings during which the invited attendees discussed each of the 48 actions outlined in the plan and agreed on a way forward to fulfil each recommendation. A list of all recommendations can be found attached as Annex I, while a list of meetings held for each work block can be found attached as Annex II.

Overall Progress of all the 48 recommendations

As one can see in Figure 1 below, the involved entities managed to make extensive progress in fulfilling the recommendations laid out in this strategy. The vast majority of the recommendations, 45 out of 48, have been completed. Of these 45 recommendations, 30 are of continuous nature, which means that the entities involved under these recommendations must continue their work to keep abreast with the requirements laid down in the recommendation.

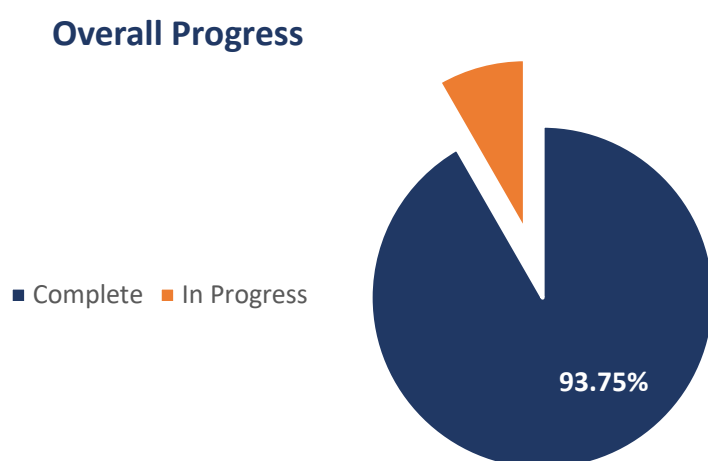


Figure 1: Overall Progress of the 2017-2020 Action Plan

Conversely, three recommendations are still work-in-progress, which means that although action has been taken to achieve the desired outcome, the recommendations could not be considered as fulfilled yet. Details of these recommendations can be found below:

II.6 Finalise review and implement National Strategy for electronic payments

The Central Bank of Malta is in the process of finalizing a directive on endorsed and blank cheques. The directive will also introduce lower bound limits on cheque amounts. Moreover, a sub-committee on decreasing the use of cash and cheques has been established as part of the 2021-2021 National Anti-Money Laundering, Combating the Financing of Terrorism and Targeted Financial Sanctions Strategy, and its primary objective is to create an action plan to increase the use of electronic payment while decreasing the use of cash and cheques.

VI.5 Enhance the effectiveness and functionality of the Land Registry

In 2019, the Land Registry embarked on a new project to fulfil the recommendation addressed at enhancing the effectiveness of the land register. The project involves the establishment of a new electronic land registry. The NCC assisted the Land Registry by arranging meetings with different stake holders so that each would discuss what should be included in the register with an aim of holding details which would aid in ensuring effective anti-money laundering and combating of terrorism financing. The project commenced in March 2019 and it is estimated that it will be terminated in June 2022.

VII.3 Strengthen and formalise procedures with regards to sending and responding to Mutual Legal Assistance

Apart from the work that the Malta Police Force has already been doing to strengthen its work with regards to Mutual Legal Assistance, the Malta Police Force is also in the process of setting up the International Unit. This unit will provide better Mutual Legal Assistance to foreign jurisdictions in the remit of financial crimes, money laundering and terrorist financing.

National Anti-Money Laundering, Combating the Financing of Terrorism and Targeted Financial Sanctions Strategy 2021-2023

During the period when the National Strategy for the year 2017-2020 was coming to an end, the NCC Secretariat commenced work to compile a new strategy. The responsibilities and functions of the NCC are set in Subsidiary Legislation 373.02 which also includes the drawing up and implementation of a National Strategy to combat money laundering, terrorism financing and proliferation financing.

The National Strategy covers the period 2021-2023 and has the objective of addressing the important aspect that effectiveness is key. The emphasis of the previous strategy was on ensuring that the right tools and having the necessary legislation were in place to combat money laundering and terrorism financing. Indeed, the 2017-2020 National Strategy focused on addressing the gaps that impeded the ability to effectively combat money laundering and terrorism financing. The focus in the 2021-2023 strategy is on using the means that have been implemented to achieve concrete ends.

Aims of the National Strategy

The Strategy for 2021-2023 aims to:

- Enhance the element of sharing of information, thus reducing the mentality of acting in silo.
- Address the importance of constantly acting on a risk-based approach encompassing the fact that risks are dynamic and ever changing in nature.
- Focus on the importance of additional capacity building and using the tools to have effective outcomes.

In producing the final strategy, the NCC Secretariat has concentrated on the following three key actions:

1. **Prioritize actions** – identifying the most important actions and obviously presenting by order of priority
2. **Consolidating actions** pertaining to training, outreach, and Memorandum of Understandings.

3. Enhance the importance of updating money laundering, terrorism financing and proliferation financing vulnerabilities and threats in line with the objective of updating the **National Risk Assessment**.

The action plan of the National Strategy can be found under Annex IV.

Given the importance of having a sound and sustainable strategy to help further in the objective of combating money laundering and counteracting the financing of terrorism, the NCC hosted meetings on every action plan that was received by the respective entities to assess whether all the objectives were met and to ensure that the actions presented could be concretely measured. A total of 18 meetings were held with the stakeholders of this strategy, the NCC Secretariat and the assistance of an external consultant. Details of the meetings held with the entities on this strategy are attached as Annex III. Due to the restrictions imposed owing to the COVID-19 pandemic, all meetings were held virtually.

Involved entities

The strategy, coordinated by the NCC Secretariat involved the participation of the following entities:

Financial Intelligence Analysis Unit
Malta Financial Services Authority
Malta Gaming Authority
Malta Police Force
Office of the Attorney General
Office of the State Advocate
Office of the Commissioner for Revenue
Malta Security Services
Malta Business Registry
Department of Customs
Asset Recovery Bureau
Office of the Commissioner for Voluntary Organisations
Sanctions Monitoring Board
Central Bank of Malta
National Statistics Office
Ministry for Finance and Employment
Malta Digital Innovation Authority

Seven Policy Goals

The Strategy for 2021-2023 is built on seven policy goals:

Policy Goal I: The legislative Anti-Money Laundering / Countering the Financing of Terrorism / Counter Proliferation Financing framework will be constantly updated to ensure adherence with international (Financial Action Task Force) and European standards, as well as other best practices worldwide

Policy Goal II: Anti-Money Laundering / Countering the Financing of Terrorism policies and activities of all authorities will be prioritized and guided by an updated risk assessment focusing on Malta's profile as a financial centre and other risk factors (e.g., virtual assets, geographical location of Malta etc)

Policy Goal III: All Anti-Money Laundering / Countering the Financing of Terrorism / Counter Proliferation Financing activities, domestic and international, will be proactive and fully coordinated by the NCC, fostering the maximum possible information exchange. Outcomes will be measured on a regular basis to ensure the utmost effectiveness of both preventative and oppressive measures.

Policy Goal IV: Preventing criminals and their associates, as well as proceeds of crime from entering the Maltese financial system, and specifically also by improving the transparency and accuracy of beneficial ownership information, will be a priority for all supervisors. Effective risk-based supervision and dissuasive sanctioning, and other public-private cooperation mechanisms, will be applied to achieve these goals, while ensuring competitiveness, and minimizing de-risking policies.

Policy Goal V: Detecting investigating and prosecuting money laundering will be of the highest priority.

Policy Goal VI: Effective risk-based detection and management of all assets (including virtual) subject to potential confiscation, and the collection of tax from criminal activities, will be prioritized.

Policy Goal VII: Terror financing and sanction evading risks will be carefully monitored on a risk-based approach to ensure the Maltese economy is not abused.

Principles of the Strategy

Every entity's anti-money laundering, combating the financing of terrorism and targeted financial sanctions action plan takes into consideration not only the seven strategic goals but also the following principles:

- Every action plan gauges the specific characteristics of the Maltese Islands, be it from the demographic, social, political, institutional, legal, economic, and financial context.
- Every action plan addresses the threats and vulnerabilities that are inherent in the characteristics of the Maltese Islands and is risk-based and actions are prioritized in accordance with the type of risk that is being addressed.
- Every action plan holds the ownership concept, whereby stake owners are assigned to each and every action thus, enabling progress reporting and escalation and tracking of issues.
- Actions are clearly defined, indicating as well how they are to be implemented, with necessary milestones clearly highlighted, along with the necessary details on how such milestones are to be reached.

Sub-committees

To address thoroughly the risks related to money-laundering, terrorism financing and proliferation financing the strategy has in place seven subcommittees:

Sub-committee for Monitoring Ministerial Government Legislative Initiatives related to anti-money laundering and terrorism financing (Policy Goal I Action 1)
Members: NCC, Financial Intelligence Analysis Unit, Malta Financial Services Authority, Malta Gaming Authority, Office of the Attorney General, Malta Business Registry, Office of the Commissioner for Revenue, Asset Recovery Bureau, Ministry for Justice and Governance, Ministry for Home Affairs, National Security and Law Enforcement, Sanction Monitoring Board and Office of the Commissioner of the Voluntary Organisations
Sub-committee for the 2021/2022 Update of the National Risk Assessment (Policy Goal II Action 1)
Members: NCC, Financial Intelligence Analysis Unit, Office of the Attorney General, Office of the Commissioner for Revenue, Malta Financial Services Authority, Malta Business Registry, Malta Gaming Authority, Malta Police Force, Malta Security Services, Asset Recovery Bureau, Sanction Monitoring Board, Office of the Commissioner of the Voluntary Organisations, Central Bank of Malta, and private sector representatives
Sub-committee for the decrease of the use of cash and cheques as a means of payment (Policy Goal II Action 2)
Member: NCC, Central Bank of Malta, Ministry for Finance and Employment, and Office of the Commissioner for Revenue

Sub-committee focusing on the risks and challenges presented by Virtual Financial Assets (Policy Goal II Action 5)
Members: NCC, Malta Financial Services Authority, Financial Intelligence Analysis Unit, Office of the Attorney General, Malta Police Force, Ministry for Finance and Employment, Asset Recovery Bureau, Ministry for Home Affairs, National Security and Law Enforcement and Office of the Commissioner for Revenue
Sub-committee that coordinates anti-money laundering, terrorism financing and counter proliferation financing outreach and training initiatives (Policy Goal III Action 1)
Members: NCC, Financial Intelligence Analysis Unit, Malta Police Force, Office of the Attorney General, Malta Business Registry, Malta Financial Services Authority, Office of the Commissioner for Revenue, Malta Gaming Authority, Asset Recovery Bureau, Sanction Monitoring Board, Office of the Commissioner for Voluntary Organisations, Department of Customs.
Sub-committee that focuses on improving the gathering of money laundering, terrorism financing and proliferation financing related statistics (Policy Goal III Action 2)
Members: NCC, Financial Intelligence Analysis Unit, Malta Police Force, National Statistics Office, Asset Recovery Bureau, Office of the Attorney General, Law Courts, Office of the Commissioner for Revenue, Malta Financial Services Authority, Malta Business Registry, Malta Gaming Authority, Sanction Monitoring Board, Customs and Office of the Commissioner for Voluntary Organisations
Sub-committee for coordinating international participation on topics related to anti-money laundering, combating terrorism financing and counter proliferation financing (Policy Goal III Action 3)
Members: : NCC, Financial Intelligence Analysis Unit, Malta Police Force, Asset Recovery Bureau, Office of the Attorney General, Office of the Commissioner for Revenue, Malta Business Registry, Office of the Commissioner for Voluntary Organisations, Customs, State Advocate, Ministry for Justice and Governance and Ministry for Home Affairs, National Security and Law Enforcement

The sub-committees have already been established and dates of the first meetings can be found in Annex VI. Due to COVID-19 restrictions, meetings were performed remotely.

Mutual Evaluation Report: Technical Compliance follow-up report

Following the 2019's Mutual Evaluation Report, Malta's focus has been that of having in place a sustainable, risk based proactive, responsive and effective anti-money laundering and counteracting the funding of terrorism framework. To achieve this, all the key players in this field, from the supervisory, the investigative and the prosecutorial have all improved their approach to coordination and cooperation, capacity building, strengthening of the legal/regulatory infrastructure, collection, analysis and sharing of intelligence, and the communication and reporting. Since the publishing of the 2019 Mutual Evaluation Report, the NCC turned the Mutual Evaluation Report recommendations that were in the final report, into an action plan which was circulated to the competent authorities to enable them to report their plans and give timeframes as to when the deficiencies were to be effectively addressed.

The NCC Secretariat reached out periodically to all the competent authorities to report on progress made so that information on the status of implementation of the different actions could be compiled regularly. This also enabled the NCC Secretariat to identify what was still outstanding and thereby formulate appropriate follow-up action. The Technical Compliance follow-up report presented the reply by Malta following its assessment by MONEYVAL. The first part of the report focused on the level of technical compliance with the Financial Action Task Force 40 Recommendations, whereas the last part presented a brief overview on the significant progress that Malta has made in the level of effectiveness of Malta's anti-money laundering and system.

Achievements following the 2019 Mutual Evaluation Report

The following is a summary of the improvements Malta made following the 2019 Mutual Evaluation Report report.

The NCC promoted and financed training for officials from the competent authorities. More detail on outreach and training is provided in the chapter dedicated for outreach and training by the NCC of this document. Moreover, through the sharing of intelligence, the collection of statistics and the analysis of the intelligence gathered, several sectoral risk assessments are now complete. More details on these sectoral risk assessments can be found in a subsequent chapter.

As a result, better coordination and assistance between departments has been enhanced due to the assignment of personnel from one department to another. Among these, the following additions are of particular significance:

- The assignment of a prosecutor from the Office of the Attorney General with the Financial Crimes Investigations Department.
- Office of the Commissioner for Revenue tax auditors assigned to assist Financial Crimes Investigations Department officers

- Assigned liaison officer from the Financial Crimes Investigations Department at the Financial Intelligence Analysis Unit.
- Police officer assigned at the Asset Recovery Bureau

Another step encouraged by the NCC was the adoption of several new or updated Memorandum of Understandings and standard operating procedures on inter-agency co-operation and exchange of information between Office of the Attorney General, the Malta Police Force, the Office of the Commissioner for Revenue, the Malta Financial Services Authority, the Malta Gaming Authority, the Sanction Monitoring Board, the Malta Business Registry, the Dealers in Precious Metals and Stones and the Real Estates Licensing Board. Coordination on supervision between the Financial Intelligence Analysis Unit, the Malta Financial Services Authority and the Malta Gaming Authority was also enhanced through a Memorandum of Understanding. Task forces on counteracting money laundering and funding of terrorism have been created to keep various entities updated on identified risks, typologies, and trends and to discuss policy matters of relevance and propose strategies and actions.

In addition, there were also changes in the legal and regulatory framework. These include:

- Enactment or new legislation, and amendment of others
 - Proceeds of Crime Act including non-conviction- based confiscation
 - Tax amendments allowing among other things for more effective exchange of information
 - Transposition of the 5th Anti-Money Laundering Directive
 - Amendments to the Criminal Code (Chapter 9 of the Laws of Malta) which strengthen the terror financing offence
 - Cash control regulations
 - Regulation of real estate agents
 - Regulation of the Dealers in Precious Metals and Stones sector
- Amendments to the Company Service Providers Act.
- There was also the divestment of prosecution from the Malta Police and its integration in a newly set up prosecution service as from the 1 October 2020 which led to 17 prosecutions as at mid-March 2021.
- Adoption of sector-specific guidance and procedures for banks, financial institutions, gaming companies and company service providers.
- Increased and enhanced written guidance to industry stakeholders and operators.
- Establishment and opening of ultimate beneficial ownership registers for companies and trusts.

Financial and human resources of regulatory, supervisory, and investigative agencies increased across the board in order to enhance the fight against money laundering and terrorism financing.

Risk Assessments

In the course of 2020 and 2021, the NCC continued working to understand the national risks arising from specific sectors. This was done by carrying out sectorial risk assessments. In late 2019 and early 2020, the NCC had already finalised and published the key results and action plans of three sectorial risk assessments, which are available on the NCC website (ncc.gov.mt). Details of the sectorial risk assessments which were carried out between the year 2020 and 2021 follow subsequently.

Analysing the main predicate offences associated with foreign proceeds of crime

In January 2021, the NCC completed a risk assessment on money laundering in Malta and the proceeds of foreign predicate offences. This was carried out with the assistance of intelligence sharing from the Office of the Attorney General, the Office of the Commissioner for Revenue, the Financial Intelligence Analysis Unit, the Malta Police Force, and the Malta Gaming Authority. As a financial centre, incoming requests for Mutual Legal Assistance and the European Investigation Orders turned out to be a very good indicator for local law enforcement to determine whether a particular type of crime is prevalent. Other sources used were Financial Intelligence Analysis Unit analysis and disseminations, as well as exchanges of information and cooperation with other jurisdictions on tax matters. The risk assessment includes various case studies which provide information on the methods and typologies of money laundering involving foreign predicate offences, including the misuse of legal entities. The risk assessment provides red flags that competent authorities can identify to improve their understanding of risks. The risk assessment also reflects on additional indicators that will deserve further analysis in the next iteration of the National Risk Assessment. This assessment was made available to all the competent authorities and supervisors to assist them in a better risk understanding through the red flags raised.

Risks and threats from local Organised Crime Groups

A risk assessment on money laundering related to organised crime in Malta was carried out in 2020 and finalised in January 2021. The risk assessment provides information on organised crime based locally, including foreign Organised Crime Groups operating in the country, which have taken a more prominent role compared to local Organised Crime Groups since the 2019 Mutual Evaluation Report (a key trend in the drug trafficking sector). The risk assessment presents the threats from local and foreign Organised Crime Groups across several sectors including drug/human trafficking, counterfeiting activity, arson, fraud, tax, and gaming sector, as well as a general assessment of money laundering threats linked to local Organised Crime Groups. Moreover, the assessment analyses the risks of infiltration of the local economy by foreign Organised Crime Groups. The risk assessment provides red flags and remedial measures to mitigate the identified threats and was distributed to all competent authorities

to inform their work. The Organised Crime Groups risk assessment and linked recommendations were presented and approved at the NCC board meeting held on the 8 February 2021.

Threats and vulnerabilities related to the shadow/cash economy

A risk assessment on the shadow/cash economy was carried out as cash poses a threat which it is hard to trace. This is the most significant barrier to successful investigations into misuse of this instrument. The risk assessment looked at the cash usage being reported to the Financial Intelligence Analysis Unit via suspicious transaction reports. Most of these suspicious transaction reports were associated with suspicions of undeclared income and tax evasion, where individuals receive income in cash and deposit such funds using Automated Teller Machines to possibly avoid contact with the bank representatives. The recently introduced cash limitation policy should assist in further reinforcing the mitigating measures in place. The risk assessment noted that even after considering the mitigating measures, the risk of the use of cash in Malta for money laundering was still substantial, and thus various red flags and additional mitigating measures are suggested.

Money laundering and terror financing risks and implications from a tax perspective

A sectoral risk assessment on tax evasion looked at the main risks of money laundering from a tax perspective, whether emanating from domestic or foreign tax evasion, cash linked to tax crimes and the misuse of individual or corporate bank accounts. The risk assessment identified methods and typologies related to suspicious transaction reports, tax audits and investigations, and lists various red flags which are meant to alert the competent authorities and the private sector. The risk assessment also included recommendations regarding outreach to the private sector, matching of data received from foreign tax authorities with declarations made by the relevant entities and/or individuals in Malta and the set-up of a system to analyse this data in a holistic way. The risk assessment took note of the mitigating effects that the new law to regulate the use of cash in certain sectors of the economy and the amendments to the revenues act would be expected to have. This analysis will be followed up in the next update of the National Risk Assessment.

An assessment of measures to combat corruption in Malta and their significance on the money-laundering, terrorism financing and proliferation financing risks

Another assessment endorsed in January 2021, covered the measures to combat corruption in Malta and their significance on the money laundering, funding of terrorism and proliferation financing risks. The risk assessment on corruption focused on examining both the adequacy of mitigating measures to mitigate corruption risks but also probed based on a strategic analysis by the Financial Intelligence Analysis Unit, the money laundering threat and

risks emanating from corruption and identified common money laundering typologies. This assessment found that various measures were taken or were in the process of being taken to build a more robust rule of law framework, such as the introduction of a Judicial Appointments Committee and of a system of rolling call for the filling of vacancies in the judiciary. The document pointed at enhanced outreach to the entities that are reporting less about corruption, at specialisation in prosecution and continuous training, and at alongside international cooperation as key areas for future action.

Update of the National Risk Assessment

Subsidiary legislation 373.02, Article 5 (1)(c) under which the NCC was enacted states:

‘Conduct any necessary follow-up action to monitor and ascertain the effective implementation of the national strategy and policies and the actions intended to address any threats, vulnerabilities and risks identified following the carrying out of national risk assessments and to keep that risk assessment up to date;’

It is cognisant that money-laundering and terrorism financing risks are dynamic and ever changing. Therefore, there is ongoing need for the continuous appraisal and awareness of such risks and threats. On the 8 February 2021, the NCC officially launched the update of the National Risk Assessment. This launching was done via a webinar where all the competent authorities were invited, including the new supervisory authorities of the Dealers in Precious Metals and Stones and the real estate sector. A total of 61 participants were present for the launching of the National Risk Assessment and this included NCC board members, Permanent Secretaries, and senior officials of several government entities including the State Advocate, the Asset Recovery Bureau and the National Statistics Office. To pave the way for the need of having an update of the National Risk Assessment, this webinar was used as a platform to disseminate the results of the five risk assessments that were carried out by the NCC during 2020 and officially endorsed by the NCC board members in January 2021. The NCC, in carrying out these five additional assessments, adopted a horizontal approach and reached out to the actual sources of information to gather intelligence. Therefore, it adopted a holistic approach.

The 2021-2022 Update of the National Risk Assessment will involve an assessment of the vulnerabilities and control measures of the various regulated sectors. For this role several working groups will focus on carrying out sectorial risk assessments to cover the following sectors: Banks, Financial institutions (money remitters, payment service providers, e-money institutions), Investment Services Providers and Virtual Asset Service Providers, Insurance and Pension schemes, remote gaming operators, land-based casinos and other land-based gaming outlets, Trusts and Company Service Providers, Lawyers, Accountants and Auditors, Notaries and Real estate agents, and Dealers in Precious Metals and Stones. In the sectorial risk assessment of the above-mentioned sectors, representative bodies of private sector entities as well as several private sector entities shall be participating in the respective working groups which shall be tasked with analysing the collected information and assessing the risks.

The update of the National Risk Assessment has also been included as part of the 2021-2023 National anti-money laundering, combating the financing of terrorism and targeted financial sanctions strategy where a specific sub-committee has also been created to address in more

detail the conclusions from the 2017 National Risk Assessment but embracing as well, the new and emerging threats, risks, and vulnerabilities. This will be achieved by developing sectorial risk assessments where necessary. A workplan was also presented under Policy Goal II of the mentioned Strategy.

Outreach and training organized by the NCC

As the government entity entrusted with the National coordination of the fight against money laundering and terrorism financing, the NCC feels the responsibility to increase awareness and knowledge amongst authorities and supervisors. To do this, the NCC Secretariat has been organizing and coordinating training events for different entities with the intent to increase the level of expertise of their respective staff. The NCC Secretariat also assists entities when they are organising training events to their staff or outreach events to the public. During the past year, the NCC Secretariat assisted and participated in webinars and events organized by the Financial Intelligence Analysis Unit and the Malta Business Registry. Due to the COVID-19 situation all training events had to be done virtually which ultimately led to increased participation and increased activity due to the enhanced flexibility. More details on the events can be found below and in Annex V.

Outreach and Training events organized or sponsored by the NCC

The Role of Forensic Accountancy in the fight against money laundering and funding of terrorism – 170 participants

In July 2020, the NCC organised a webinar on the role of forensic accountancy in the fight against money laundering and the funding of terrorism. The purpose of the webinar was to provide guidance and training with regards to money-laundering and terrorism financing risks, red flags, trends, and typologies. The webinar, which was attended by mostly accountants and auditors, also provided training on reporting obligations.

Due Diligence Certified Masterclass - 12 participants

In November 2020, the NCC sponsored a Due Diligence course which was delivered by a due diligence expert from the United States. The course curriculum covered three consecutive days of training and successful candidates were presented with a certificate.

Anti-Money Laundering and Financial Crime course – 55 participants

In November 2020, the NCC also sponsored a five-week online training course which was delivered by a British accredited institution. The course, which was called 'Focus on Anti-Money Laundering and Financial Crime', comprised of five modules covering various aspects of the fight against money-laundering and terrorism financing regime and students were also presented with a certificate after they have achieved a pass mark from all modules.

Webinar on the Financial Action Task Force Standards methodology – 98 participants

In November 2020 the NCC organized a two-day webinar for competent authorities on the Financial Action Task Force standards methodology, and the implications on the activities of competent authorities during Malta's 2019 Mutual Evaluation Report follow-up process. This webinar was intended to enhance the understanding of the Financial Action Task Force methodology to have a better understanding of the risk-based approach in the fight against money laundering and the funding of terrorism. The webinar was delivered online by an international consultant.

Asset Recovery and International Exchange of Intelligence and Information – 22 participants

In January 2021, the NCC organized a three-day webinar on asset recovery and international exchange of intelligence and information. The webinar took place between the 27 and the 29 January 2021 and was attended by members from the Office of the Attorney General, the Asset Recovery Bureau, the Office of the Commissioner for Revenue, the Malta Police Force.

Training for the Dealers in Precious Metals and Stones and the Real Estate Licencing Sectors – 32 participants

In February 2021, the NCC organized a webinar called Training on Fitness and Proper Checks using a Risk-Based Approach for the Dealers in Precious Metals and Stones and the Real Estate Licensing sectors. This webinar was intended to address the need for a better understanding of money-laundering and terrorism financing risks as well as an increased awareness of the money-laundering typologies on the Dealers in Precious Metals and Stones and the real estate licensing sectors and an increased understanding of fit and proper checks. The webinar was delivered by officials from the Malta Financial Services Authority, Financial Intelligence Analysis Unit and the Malta Business Registry and also by an international consultant.

Training for Police officers on various topics related to money-laundering – 95 participants

In February 2021, the NCC also organized a webinar to Police officers in order to enhance their knowledge and expertise when investigating money laundering cases. The webinar, which was mainly attended by officers from the Malta Police Force, spanned over five afternoons and involved several speakers from several entities including the Financial Intelligence Analysis Unit, the Malta Financial Services Authority, the Office of the Commissioner for Revenue and the Malta Business Registry.

Seminars for lawyers of the Office of the Attorney General – 35 participants

Between January and March 2021, the NCC sponsored training for lawyers of the Office of the Attorney General. The training was delivered online over four afternoons and covered topics including:

- Elements of money laundering including stand-alone money laundering with special reference to case-law - 27 January 2021
- Circumstantial evidence and the use of money laundering typologies - 11 February 2021
- Legal instruments available (attachment orders, investigating orders, monitoring orders, freezing orders, confiscation orders) and overview of the Proceeds of Crime Act - 25 February 2021
- Confiscation - Third party rights/human rights implications - 11 March 2021

The lectures were delivered by a senior lawyer from the Office of the Attorney General and by foreign consultants.

Other events

In March 2018, the Financial Action Task Force in collaboration with Egmont Group, delivered a webinar on trade-based money laundering. The NCC Secretariat invited police officers from the Financial Crimes Investigations Department, the Customs, and the Financial Intelligence Analysis Unit to attend for this webinar. Apart from the events mentioned above, the NCC participated in a two-day webinar on terrorism financing which was organised by the Financial Intelligence Analysis Unit for the public. The webinars took place on the 26 and 28 August 2020 where the Executive Head of the NCC Secretariat, Dr. Helga Buttigieg Debono, and a foreign consultant were invited as speakers. The NCC also participated in a webinar organised by the Malta Business Registry on money laundering risks associated with trustees and company service providers which was held on the 9 October 2020. During this webinar Dr. Helga Buttigieg Debono gave a presentation on the legal entities, legal arrangements and voluntary organisations risk assessment which was carried out by the NCC.

Participation in meetings of the Expert Group on Money Laundering and Terrorism Financing

Throughout the year 2020 and the beginning of 2021, the NCC Secretariat has attended and participating in meetings of the Expert Group on Money Laundering and Terrorism Financing. The Expert Group on Money Laundering and Terrorism Financing (EGMLTF) is a permanent group which falls under the responsibility of the Directorate General on Financial Stability, Financial Services and Capital Markets Union of the European Commission. The purpose of this group is to:

- Assist the European Commission in the preparation of delegated acts

- Assist the European Commission in the preparation of legislative proposals and policy initiatives
- Coordinate with Member States, exchange of views
- Provides expertise to the European Commission when preparing implementing measures, i.e., before the European Commission submits these draft measures to a comitology committee

The members of this group are representatives of high administrative level responsible for anti-money laundering in national administrations of the EU Member States and European Economic Area countries. Meetings are held almost on a monthly basis and during these meetings the main topics of discussions include a number of projects the European Commission and the Financial Action Task Force undertake in order to address deficiencies in the anti-money laundering and the countering of terrorism financing framework.

A list of meetings for which the NCC Secretariat participated between April 2020 and March 2021 can be found below:

Meeting	Date
24 th EGMLTF meeting	19 May 2020
25 th EGMLTF meeting	9 and 10 June 2020
26 th EGMLTF meeting	7 September 2020
27 th EGMLTF meeting	6 and 7 October 2020
28 th EGMLTF meeting	22 January 2021
29 th EGMLTF meeting	10 February 2021
30 th EGMLTF meeting	2 March 2021

Due to the COVID-19 pandemic, all meetings were held virtually.

Anti-Money Laundering Directives

Assessment of the 4th Anti-Money Laundering Directive

Directive 2015/849/EU of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering and terrorist financing, also known as the 4th anti-money laundering Directive, mandated the European Commission to draw up a report on the implementation of the Directive and to submit it to the European Parliament and to the European Council. The European Commission performed assessments on each member state with a focus on the effectiveness of the application of the rules in addition to highlighting the completeness and technical compliance of the transposition of the provisions of the 4th anti-money laundering Directive into national law. A report covering the main findings and trends across all European Union Member States will be prepared by the European Commission upon completion of the full cycle of individual Member State assessments. The report will be delivered to the European Parliament and to the European Council by 11 January 2022.

Malta's assessment commenced in the beginning of the year 2020, where the NCC coordinated the submissions on the effectiveness of the implementation of the 4th anti-money laundering Directive and a report was submitted to the European Commission. An onsite visit was planned in the first quarter of 2020, however, due to the unprecedented circumstances of the COVID-19 pandemic, this visit was postponed to October 2020 and the meetings were held remotely.

Diverse Maltese institutions, entities and individuals met with the assessment team during the remote visit. These included:

- Ministry of Finance and Employment
- Financial Intelligence Analysis Unit
- National Coordination Committee on Combatting Money Laundering and Funding of Terrorism
- Malta Financial Services Authority
- Malta Gaming Authority
- Parliamentary Secretary for Lands and Construction
- Malta Commerce Department
- Maltese Accountancy Board
- Notarial Council of Malta
- Representatives of law enforcement and the prosecution service
- Representatives of the legal profession
- Representative sample of local money remittance services, e-money institutions, currency exchange services and other payment services
- Representative sample of company service providers and exempt corporate service providers

- Representative sample of trust service providers
- Representative sample of gambling providers
- Representative sample of accountants, tax advisors and auditors
- Representative sample of the real-estate sector
- Representative sample of investment institutions.

The full agenda for the on-site visit can be found attached as Annex VII.

Following the remote meetings, a report was forwarded to NCC for comments. The report presented the analysis on the effectiveness of implementation and practical application of the select provisions of the 4th anti-money laundering Directive divided into four main themes as follows:

- a. **Status of Transposition:** Includes an overview of the remaining deficiencies related to the transposition (incompleteness or non-conformity). Where relevant, the relation to the scoping of issues for further analysis is noted.
- b. **Analysis of Application in Practice:** Assessment of the issues affecting the effectiveness of implementation and practical application for each Article of the 4th anti-money laundering Directive under the respective theme.
- c. **Compensatory Measures and Detrimental Factors Section:** Presents any underlying reasons for the deficiencies in the practical application of the 4th anti-money laundering Directive of a systemic nature, related to contextual factors, as well as any additional legal requirements, practices and procedures that impact the practical application. Alternative measures that contribute to the effectiveness even in the case of gaps in transposition or application are also identified.
- d. **Conclusions:** Conclusions on the level of practical application are presented in a standard, uniform manner ensuring consistency between the themes and with other reports. The overall effect on the anti-money laundering and terrorism financing objective of the Member State and the application of other provisions of the 4th anti-money laundering Directive is also assessed, where relevant. Finally, the analysis focuses on the impact of the observed deficiencies on the effective application of the directive.

5th anti-money laundering Directive

One of the requirements of the 5th anti-money laundering Directive, which came into force on the 10 January 2020, states that all Member States needed to draw up a public functional Politically Exposed Persons' list to assist businesses to identify the Politically Exposed Persons and therefore perform enhanced due diligence during the know-your-

client process. The European Union will also compile and release an EU-level version of the list. During the 28th EGMLTF meeting, which was held on the 22 January 2021, Member States were instructed to start compiling this Politically Exposed Persons list and forward it to the European Commission. The role of the NCC Secretariat was crucial in coordinating the compilation of such list which eventually was forwarded to the European Commission on the 12 March 2021. The document contained two lists which included a list of national functions and a list of functions at international organisations.

The effects of the COVID-19 Pandemic

The year 2020 - 2021 was characterised by a new reality. Since the COVID-19 virus was introduced in Malta in March 2020, the imposed restrictions have created disruptions in the normal working environments of the NCC and the competent authorities. During this period of uncertainty, the NCC had to adapt to a new norm, i.e., relying more on technology to perform its tasks to address progress in its national fight against money laundering and terrorism financing. The NCC Secretariat coordinated most of its work which included meetings with public and private entities, outreach events and training, remotely. After a whole year working under such circumstances, the NCC Secretariat can report that it still managed to perform its tasks. During the past year, the NCC managed to conclude the 2017 – 2020 National Anti-Money Laundering and Counter-Terrorism Financing Strategy, compile and kickstart the new 2021-2023 National Anti-Money Laundering, Combating the Financing of Terrorism and Targeted Financial Sanctions Strategy, submit the follow-up report of the 2019 Mutual Evaluation Report, started working on the 2021-2022 National Risk Assessment, and kept working with all stakeholder to improve the country's fight against money laundering and terrorism financing.

All this highlighted the need for continued vigilance, coordination, and enhanced supervision to be able to address and mitigate such emerging risks and challenges. Until the first quarter of 2021, the pandemic was still in full force and there is no end in sight to this situation. The NCC Secretariat will keep working with the respective authorities to make sure that all commitments are reached, and risks are mitigated as much as possible.

Annex I: Overall Progress of the 2017 – 2020 National Anti-Money Laundering and Terrorism Financing Strategy

Work Block I

Rec. No	Recommendation	Overall progress
I.1	Establish a National Coordination Committee	Complete
I.2	Establish a secretariat to support the coordinating body	Complete
I.3	Oversee and coordinate implementation of Anti-Money Laundering/Countering of Terrorism Financing strategy	Complete
I.4	Prepare for and coordinate MONEYVAL evaluation	Complete
I.5	Create NCC sub-committees in charge of specific areas	Complete
I.6	Coordinate and publish thematic risk assessments	Continuous
I.7	Introduce coordination mechanism for proliferation finance	Complete
I.8	Set up common database to collect Anti-Money Laundering/Countering of Terrorism Financing statistics	Continuous
I.9	Involve private sector by creating a public-private partnership	Complete
I.10	Update National Risk Assessment annexes and Anti-Money Laundering/Countering of Terrorism Financing strategy in 2020	Complete

Work Block II

Rec. No	Recommendation	Overall progress
II.1	Define Anti-Money Laundering/Countering of Terrorism Financing supervisory framework and target operating model	Complete
II.2	Strengthen Malta Financial Services Authority Anti-Money Laundering/Countering of Terrorism Financing supervisory function	Continuous
II.3	Strengthen Malta Gaming Authority Anti-Money Laundering/Countering of Terrorism Financing supervisory function	Continuous
II.4	Increase supervisory capacity and skills	Continuous
II.5	Review the Anti-Money Laundering/Countering of Terrorism Financing obligations applicable to Dealers of Precious Metals and Stones	Continuous
II.6	Finalise review and implement national strategy for electronic payments	In Progress
II.7	Review and strengthen Anti-Money Laundering/Countering of Terrorism Financing capabilities within government	Continuous

II.8	Revise penalties and improve enforceability of Anti-Money Laundering/Countering of Terrorism Financing obligations and sanctions	Complete
II.9	Increase supervisory outreach to industry on Anti-Money Laundering/Countering of Terrorism Financing obligations	Continuous
II.10	Increase breadth of supervision through thematic reviews	Continuous
II.11	Conduct sector- and product-specific risk assessments and analyses	Continuous

Work Block III

Rec. No	Recommendation	Overall progress
III.1	Increase Financial Intelligence Analysis Unit staff capacity and skills	Continuous
III.2	Provide the Financial Intelligence Analysis Unit with direct access to all relevant databases	Continuous
III.3	Enhance IT capabilities for operational analysis	Continuous
III.4	Develop approach to and initiate strategic analyses	Continuous
III.5	Require and train all government entity employees to file Suspicious Transaction Reports or contact Financial Intelligence Analysis Unit	Continuous
III.6	Further improve feedback loop with private sector	Continuous
III.7	Increase coordination between Financial Intelligence Analysis Unit and Office of the Commissioner for Revenue	Continuous

Work Block IV

Rec. No	Recommendation	Overall progress
IV.1	Review organisation and increase the Economic Crimes Unit capacity and skills	Continuous
IV.2	Separate investigatory and prosecutorial functions	Complete
IV.3	Improve effectiveness of investigation and prosecution	Continuous
IV.4	Improve efficiency of investigation and prosecution	Continuous
IV.5	Define serious/major crime to help prioritise investigation and prosecution efforts	Continuous
IV.6	Improve collection of statistics on money-laundering/ terrorism financing crimes investigated, prosecuted, and convicted	Continuous
IV.7	Increase focus on investigating and prosecuting tax crimes	Continuous

IV.8	Review Anti-Money Laundering/Countering of Terrorism Financing controls within Customs Department	Continuous
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Work Block V

Rec. No	Recommendation	Overall progress
V.1	Establish Asset Recovery Bureau	Complete
V.2	Enhance effectiveness of Asset Recovery Bureau	Continuous

Work Block VI

Rec. No	Recommendation	Overall progress
VI.1	Amend existing register of companies to include Beneficial Ownership information for legal entities	Complete
VI.2	Create a beneficial ownership database of legal arrangements	Complete
VI.3	Establish a process to ensure beneficial ownership database is accurate and up to date	Continuous
VI.4	Strengthen transparency and supervision of voluntary organisations	Continuous
VI.5	Enhance effectiveness and functionality of Land Registry	In Progress

Work Block VII

Rec. No	Recommendation	Overall progress
VII.1	Review and simplify process for targeted financial sanctions	Continuous
VII.2	Develop and implement an international coordination framework for each supervisor	Continuous
VII.3	Strengthen and formalise procedures and coordination with regards to sending and responding to Mutual Legal Assistance	In Progress
VII.4	Take a leading role in international fora, especially in areas of local expertise	Continuous

Annex II: Sub-committee meetings for the 2017-2020 National Anti-Money Laundering/Countering of Terrorism Financing Strategy

Date	Time	Work- block	Meet- -ing	Subject
17 April 2018	09:00hrs-10:00hrs	1	1	Work block I - Establish a national coordination mechanism (NCC Meeting)
27 June 2018	08:30hrs-10:00hrs	1	2	Work block I - Establish a national coordination mechanism (NCC Meeting)
31 July 2018	08:30hrs-10:30hrs	1	3	Work block I - Establish a national coordination mechanism (NCC Meeting)
28 September 2018	09:00hrs-10:30hrs	1	4	Work block I - Establish a national coordination mechanism (NCC Meeting)
14 January 2019	14:00hrs-16:00hrs	1	5	Work block I - Establish a national coordination mechanism (NCC Meeting)
12 July 2019	12:30hrs-14:30hrs	1	6	Work block I - Establish a national coordination mechanism (NCC Meeting)
30 July 2019	09:00hrs-11:00hrs	1	7	Work block I - Establish a national coordination mechanism (NCC Meeting)
19 September 2019	09:00hrs-10:30hrs	1	8	Work block I - Establish a national coordination mechanism (NCC Meeting)
11 November 2019	09:00hrs-11:00hrs	1	9	Work block I - Establish a national coordination mechanism (NCC Meeting)
10 December 2019	09:00hrs-11:00hrs	1	10	Work block I - Establish a national coordination mechanism (NCC Meeting)
19 December 2019	09:00hrs-10:30hrs	1	11	Work block I - Establish a national coordination mechanism (NCC Meeting)
9 March 2020	09:00hrs-12:00hrs	1	12	Discussion of Memorandum of Understandings between authorities
27 April 2020	10.30hrs – 12.30hrs	1	13	Discussion of the updating for the National Risk Assessment
29 May 2020	10.00hrs – 12.00hrs	1	14	Discussion of the updating for the National Risk Assessment
21 July 2020	10.00hrs – 11.00hrs	1	15	Discussion of the updating for the National Risk Assessment
31 August 2020	10.00hrs – 11.00hrs	1	16	Discussion of the updating for the National Risk Assessment
3 September 2020	10.00hrs – 11.00hrs	1	17	Discussion of the updating for the National Risk Assessment

10 May 2018	15:15hrs-17:15hrs	2	1	Work block II - Strengthen and clarify supervisory framework
30 May 2018	15:00hrs-17:00hrs	2	2	Work block II - Strengthen and clarify supervisory framework
30 October 2018	13:00hrs-15:00hrs	2	3	Work block II - Strengthen and clarify supervisory framework
29 March 2019	09:00hrs-11:00hrs	2	4	Work block II - Strengthen and clarify supervisory framework
22 January 2020	14.00hrs – 15.00hrs	2	5	Work block II - Strengthen and clarify supervisory framework
7 July 2020	10.00hrs – 11.00hrs	2	6	Work block II - Strengthen and clarify supervisory framework
31 July 2020	11.00hrs – 12.00	2	7	Work block II - Strengthen and clarify supervisory framework
5 June 2018	09:00hrs-11:00hrs	3	1	Work block III - Enhance internal capabilities of the FIU
16 July 2018	11:00hrs-13:00hrs	3	2	Work block III - Enhance internal capabilities of the FIU
29 March 2019	11:30hrs-13:30hrs	3	3	Work block III - Enhance internal capabilities of the FIU
13 May 2019	12:45hrs-14:00hrs	3	4	Work block III - Enhance internal capabilities of the FIU
6 May 2020	9.30hrs – 10.30hrs	3	5	Work block III - Enhance internal capabilities of the FIU
9 July 2020	10.00hrs – 11.00hrs	3	6	Work block III - Enhance internal capabilities of the FIU
22 July 2020	10.00hrs – 11.00hrs	3	7	Work block III - Enhance internal capabilities of the FIU
21 May 2018	09:00hrs-10:30hrs	4	1	Work block IV - Enhance investigation and prosecution organisation
30 May 2018	09:00hrs-11:00hrs	4	2	Work block IV - Enhance investigation and prosecution organisation
10 December 2018	13:00hrs-15:00hrs	4	3	Work block IV - Enhance investigation and prosecution organisation
21 October 2019	10:30hrs-11:30hrs	4	4	Work block IV - Enhance investigation and prosecution organisation
28 May 2020	10.00hrs – 11.00 hrs	4	5	Work block IV - Enhance investigation and prosecution organisation
15 June 2020	10.00hrs – 11.00hrs	4	6	Work block IV - Enhance investigation and prosecution organisation
27 July 2020	10.00hrs – 11.00hrs	4	7	Work block IV - Enhance investigation and prosecution organisation
29 July 2020	11.00hrs – 12.00hrs	4	8	Work block IV - Enhance investigation and prosecution organisation

16 July 2020	11.00hrs – 12.00	4	9	Work block IV - Enhance investigation and prosecution organisation
19 June 2018	08:30hrs-10:30hrs	5	1	Work block V - Establish an effective asset recovery unit
28 August 2018	10:30hrs-12:30hrs	5	2	Work block V - Establish an effective asset recovery unit
8 March 2019	13:00hrs-15:00hrs	5	3	Work block V - Establish an effective asset recovery unit
3 June 2020	16.30hrs – 17.30hrs	5	4	Work block V - Establish an effective asset recovery unit
8 June 2020	10.00hrs-11.00hrs	5	5	Work block V - Establish an effective asset recovery unit
25 June 2018	11:00hrs-13:00hrs	6	1	Work block VI - Increase transparency of legal entities and arrangements
27 November 2018	10:30hrs-12:30hrs	6	2	Work block VI - Increase transparency of legal entities and arrangements
14 March 2019	09:00hrs-11:00hrs	6	3	Work block VI - Increase transparency of legal entities and arrangements
4 June 2019	09:00hrs-10:30hrs	6	4	Work block VI - Increase transparency of legal entities and arrangements
19 June 2019	10:00hrs-11:30hrs	6	5	Work block VI - Increase transparency of legal entities and arrangements
27 June 2019	13:00hrs-14:30hrs	6	6	Work block VI - Increase transparency of legal entities and arrangements
3 July 2019	11:30hrs-12:00hrs	6	7	Work block VI - Increase transparency of legal entities and arrangements
30 September 2019	10:00hrs-11:00hrs	6	8	Work block VI - Increase transparency of legal entities and arrangements
27 May 2020	12.00hrs – 13.00hrs	6	9	Work block VI - Increase transparency of legal entities and arrangements
4 June 2020	10.00hrs – 11.00hrs	6	10	Work block VI - Increase transparency of legal entities and arrangements
16 June 2020	10.00hrs – 11.00hrs	6	11	Work block VI - Increase transparency of legal entities and arrangements
16 July 2018	09:00hrs-11:00hrs	7	1	Work block VII - Build on the existing international cooperation setup
29 November 2018	09:00hrs-11:00hrs	7	2	Work block VII - Build on the existing international cooperation setup
15 March 2019	13:00hrs-15:00hrs	7	3	Work block VII - Build on the existing international cooperation setup

Annex III: 2021-2023 National Strategy Preparation meetings

Date	Participants	Time
3 November 2020	NCC and Central Bank of Malta	10.00 - 10.30
9 November 2020	NCC and Sanction Monitoring Board	11.15 - 12.30
11 November 2020	NCC and Financial Intelligence Analysis Unit	09.00 – 10.30
11 November 2020	NCC and Office of the Commissioner for Voluntary Organisations	10.30 – 12.00
12 November 2020	NCC and Malta Financial Services Authority	10.00 – 11.30
13 November 2020	NCC and Malta Business Registry	10.00 – 11.30
16 November 2020	NCC, Central Bank of Malta, Malta Financial Services Authority, Malta Digital Innovation Authority, Office of the Commissioner for Revenue	09.30 – 11.00
16 November 2020	NCC and Malta Police Force	12.45 – 14.15
17 November 2020	NCC	11.30 – 12.30
18 November 2020	NCC and Office of the Attorney General	10.00 – 11.30
23 November 2020	NCC and Office of the Commissioner for Revenue	09.00 – 10.00
24 November 2020	Malta Security Services	13.00 – 14.00
25 November 2020	NCC	10.15 – 11.15
25 November 2020	NCC and Sanction Monitoring Board	12.30 – 14.00
1 December 2020	Financial Intelligence Analysis Unit, Malta Financial Services Authority and Malta Gaming Authority	09.30 – 10.30
1 December 2020	Customs	12.00 – 13.30
1 December 2020	Office of the Attorney General and State Advocate	14.00 – 15.00
4 December 2020	Central Bank of Malta	09.30 – 10.30

Annex IV: Action Plan for the 2021-2023 National Anti-Money Laundering/Countering of Terrorism Financing/Targeted Financial Sanctions Strategy

Policy Goal 1: The legislative Anti-Money Laundering/Countering of Terrorism Financing/Counter-Proliferation Financing framework will be constantly updated to ensure adherence with international (Financial Action Task Force and European) standards, as well as other best practices worldwide.

Action	Leading agency (owner)	Timeframe
<p>Action 1</p> <p>Establishment of a sub-committee for monitoring Ministerial Government legislative initiatives related to money laundering and funding of terrorism.</p>	<p>Chair: State Advocate</p> <p>Members to include:</p> <ul style="list-style-type: none"> - the NCC - responsible senior lawyers of the competent authorities <p>Permanent Secretaries of involved Ministries</p>	Q1 2021
<p>Action 2</p> <p>Implement Government's Policy Decision to introduce a limitation on the use of cash.</p>	Financial Intelligence Analysis Unit / Ministry for Finance and Employment	Enacted in March 2020
<p>Action 3</p> <p>Legislative amendments to transpose the provisions of Directive (EU) 2019/1153.</p>	Financial Intelligence Analysis Unit / Ministry for Finance and Employment/ Malta Police Force	August 2021
<p>Action 4</p> <p>Transposing Directive (EU) 2018/1673 on combating money laundering by criminal law.</p>	Ministry for Justice and Government	Q1 2021

Action 5 Keep Maltese legislation in line with EU and UN sanctions regime.	Sanctions Monitoring Board	Every Quarter
Action 6 The European Commission plans to launch the second version of the Import Control System to allow Member States to receive and process these declarations for the purpose of further addressing safety and security controls at the borders.	Customs	March 2021

Policy Goal II: Anti-Money Laundering / Countering of Terrorism Financing Policies and activities of all authorities will be prioritized and guided by an updated risk assessment focusing on Malta's profile as a financial centre and other risk factors (e.g. virtual assets, geographical location of Malta etc).

Action	Leading agency (owner)	Timeframe
Action 1 Establishment of a committee that centres around the objective of updating the National Risk Assessment.	Chair: The NCC Members to include: Financial Intelligence Analysis Unit / Office of the Attorney General / Office of the Commissioner for Revenue / Malta Financial Services Authority / Malta Business Registry / Malta Gaming Authority / Malta Police Force / Malta Security Services / Asset Recovery Bureau/ Sanctions Monitoring Board / Office of the Commissioner for Voluntary Organisations / Central Bank of Malta and Private sector representatives	Q1 2021
Action 2 Setting up a core committee under the auspices of the NCC to increase substantially the use of electronic payments whilst simultaneously decreasing the use of cash and cheques as a means of payment.	Ministry for Finance and Employment / NCC / Office of the Commissioner for Revenue / Central Bank of Malta	April 2021

Action 3 Addressing the reduction in cheque usage.	Central Bank of Malta/Ministry for Finance and Employment	March 2021
Action 4 Improving understanding of tax related money-laundering, Terrorism Financing and Proliferation Financing risks in Malta as a financial centre	Office of the Commissioner for Revenue	June 2021
Action 5 A sub-committee focusing on the risks and challenges presented by Virtual Financial Assets.	Malta Financial Services Authority/ Malta Digital Innovation Authority / Financial Intelligence Analysis Unit / NCC / Office of the Attorney General/ Malta Police Force	Q1 2021
Action 6 Improved risk understanding with regard to Beneficial Ownership issues.	Malta Business Registry	In progress
Action 7 Update the national action plan as a result of the findings of the updated National Risk Assessment.	NCC / Financial Intelligence Analysis Unit / Malta Financial Services Authority / Malta Gaming Authority / Malta Police Force / Office of the Attorney General/ Malta Security Services / Malta Business Registry / Malta Financial Services Authority / Asset Recovery Bureau/ Sanction Monitoring Board / Office of the Commissioner for Voluntary Organisations	Q2 2022
Action 8 Outreach for the results of the updated National Risk Assessment.	NCC / Financial Intelligence Analysis Unit / Malta Financial Services Authority / Malta Gaming Authority /	Q2 2022

	Malta Business Registry / Sanction Monitoring Board	
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Policy Goal III: All Anti-Money Laundering / Countering of Terrorism Financing/ Counter-Proliferation Financing activities, domestic and international, will be proactive and fully coordinated by the NCC, fostering the maximum possible information exchange. Outcomes will be measured on a regular basis to ensure the outmost effectiveness of both preventative and oppressive measures.

Action	Leading agency (owner)	Timeframe
<p>Action 1</p> <p>Establishment of a committee that coordinates Anti-Money Laundering/Countering of Terrorism Financing/Counter-Proliferation Financing training and outreach initiatives.</p>	<p>Chair: The NCC Members to include:</p> <p>Financial Intelligence Analysis Unit / Office of the Attorney General/ Office of the Commissioner for Revenue / Malta Financial Services Authority / Malta Business Registry / Malta Gaming Authority / Asset Recovery Bureau/ Sanction Monitoring Board / Office of the Commissioner for Voluntary Organisations / FinanceMalta</p>	Q1 2021
<p>Action 2</p> <p>Establishment of a committee that focuses on improving the gathering of money-laundering, Terrorism Financing and Proliferation Financing related statistics.</p>	<p>Chair: Director General of the National Statistics Office</p> <p>Members to include:</p> <p>NCC / Financial Intelligence Analysis Unit / Office of the Attorney General/ Court Registrar / Office of the Commissioner for Revenue / Malta Financial Services Authority / Malta Business Registry / Malta Gaming Authority / Malta Police Force / Asset Recovery Bureau/ Sanction Monitoring Board /</p>	Q1 2021

	Office of the Commissioner for Voluntary Organisations	
Action 3 Establishment of a sub-committee with the objective of ensuring that all Maltese competent authorities are proactive and well-coordinated among themselves, when participating in international fora on topics related to Anti-Money Laundering/Countering of Terrorism Financing/ Counter Proliferation Financing.	Chair: Financial Intelligence Analysis Unit Members: NCC / Office of the Attorney General/ State Advocate / Malta Financial Services Authority / Malta Gaming Authority / Customs / Malta Business Registry / Office of the Commissioner for Revenue / Asset Recovery Bureau/ Office of the Commissioner for Voluntary Organisations / Sanction Monitoring Board	Q1 2021
Action 4 Better coordination between the Police and Financial Intelligence Analysis Unit.	Malta Police Force/ Financial Intelligence Analysis Unit	In progress
Action 5 Intensive training of Economic Crimes Unit within the Financial Crimes Investigations Department by Officials of the Office of the Commissioner for Revenue	Office of the Commissioner for Revenue	In progress
Action 6 Closer cooperation at a national and international level with competent authorities regarding Asset Recovery Practices.	Malta Police Force / Office of the Commissioner for Revenue / Asset Recovery Bureau	In progress
Action 7 Enhance the work of the current Financial Crime Task Force.	Financial Intelligence Analysis Unit / Malta Police Force / Office of the Attorney General	In progress
Action 8 Enhance the work of the Inter-Agency Committee for the Countering of Funding of Terrorism.	Financial Intelligence Analysis Unit / Office of the Attorney General/ Malta Security Services / Customs / Malta Police Force	In progress

<p>Action 9</p> <p>Increased tax collection from proceeds of crime.</p>	<p>Office of the Commissioner for Revenue / Malta Police Force/ Asset Recovery Bureau</p>	<p>In progress</p>
<p>Action 10</p> <p>Improved coordination between Financial Intelligence Analysis Unit, Customs and Police in monitoring money-laundering risks associated with cross-border cash movements.</p>	<p>Malta Police Force / Customs / Financial Intelligence Analysis Unit</p>	<p>December 2021</p>
<p>Action 11</p> <p>Amend Chapter 391, The Malta Security Service Act, since as it stands it precludes the service from sharing information.</p>	<p>Malta Security Services</p>	<p>In progress</p>
<p>Action 12</p> <p>Finalize and update all Memorandum of Understandings still necessary relating to Anti-Money Laundering/Countering of Terrorism Financing/Counter-Proliferation Financing .</p>	<p>All the authorities</p>	<p>In progress</p>
<p>Action 13</p> <p>Develop the current FINREP as a platform for the on-going exchange of information on money-laundering/terrorism financing risks.</p>	<p>Financial Intelligence Analysis Unit</p>	<p>In progress</p>
<p>Action 14</p> <p>Specialized subgroup for sanctions evasion and listing.</p>	<p>Sanction Monitoring Board (Police, Malta Security Services, Financial Intelligence Analysis Unit, Malta Gaming Authority, Malta Financial Services Authority)</p>	<p>In progress</p>
<p>Action 15</p> <p>Easy access of the Beneficial Ownership register to all competent authorities.</p>	<p>Malta Business Registry</p>	<p>In progress</p>

Policy Goal IV: Preventing criminals and their associates, as well as proceeds of crime from entering the Maltese system, and specifically also by improving the transparency and accuracy of Beneficial Ownership information, will be a priority for all supervisors. Effective risk-based supervision and dissuasive sanctioning, and other public-private cooperation

mechanisms, will be applied to achieve these goals, while ensuring competitiveness, and minimizing de-risking policies.

Action	Leading agency (owner)	Timeframe
Action 1 Amendment of legislation setting up regulators addressing the importance of dissuasive sanctioning.	Financial Intelligence Analysis Unit /Malta Financial Services Authority/Malta Gaming Authority/Office of the State Advocate/Office of the Attorney General	Q2 2021
Action 2 More qualitative and risk-based Anti-Money Laundering/Countering of Terrorism Financing supervision.	Financial Intelligence Analysis Unit, Malta Financial Services Authority and Malta Business Registry	In progress
Action 3 Identifying low-risk gaming operators for simplified due diligence and supervise them accordingly.	Financial Intelligence Analysis Unit / Malta Gaming Authority	In progress
Action 4 Using strategic analysis for improved supervision.	Financial Intelligence Analysis Unit / Malta Business Registry / Malta Gaming Authority / Malta Financial Services Authority	In progress
Action 5 Enhance supervisory Anti-Money Laundering actions against new and high-risk sectors (especially within the Trustee, Company Service Provider, Real Estate, Notaries and Lawyers Sectors).	Financial Intelligence Analysis Unit / Malta Financial Services Authority / Malta Business Registry	2021
Action 6 Enhance the accuracy of Beneficial Ownership information retained by subject persons.	Financial Intelligence Analysis Unit and Malta Financial Services Authority	In progress
Action 7 More effective risk-based register.	Malta Business Registry	In progress

Action 8 Enhance the Financial Intelligence Analysis Unit's Anti-Money Laundering / Countering of Terrorism Financing Whistleblowing Unit.	Financial Intelligence Analysis Unit	In progress
Action 9 Focus on providing more practical guidance/outreach to the private sector on Anti-Money Laundering/Countering of Terrorism Financing obligations and money-laundering/terrorism financing trends and typologies.	Financial Intelligence Analysis Unit	In progress
Action 10 Increase the effectiveness in sanctioning and enforcing measures for Anti-Money Laundering/Countering of Terrorism Financing obligations.	Financial Intelligence Analysis Unit / Malta Financial Services Authority / Malta Business Registry	In progress
Action 11 Promote and raise awareness of the implementation of risk-based Anti-Money Laundering/Countering of Terrorism Financing policies by banks as opposed to de-risking measures.	Financial Intelligence Analysis Unit / Malta Financial Services Authority	In progress
Action 12 Amendments to the Civil Code to include new measures for Foundations and Associations.	Malta Business Registry	End 2021
Action 13 Enhancing effectiveness of cash controls.	Customs	March 2021

Policy Goal V: Detecting investigating and prosecuting money laundering will be of the highest priority. Especially with regard to complex cases, those involving foreign predicate offences, or professional money laundering promoted by domestic enablers.

Action	Leading agency (owner)	Timeframe
Action 1 Increased Anti-Money Laundering training of competent authorities	Office of the Attorney General/Malta Police Force/	In progress

	Financial Intelligence Analysis Unit /Office of the Commissioner for Revenue	
Action 2 Training of the Judiciary, the lawyers in the Office of the Attorney General and senior police officers.	NCC, the Attorney General, Court Services Agency, University of Malta and Ministry for Justice and Governance	March 2021
Action 3 Identifying tax related money-laundering cases.	Malta Police Force / Office of the Commissioner for Revenue / Financial Intelligence Analysis Unit	In progress
Action 4 Recruitment of additional expert staff and expertise in financial crime and Anti-Money Laundering	Malta Police Force /Office of the Attorney General	In progress
Action 5 Improve efficiency of investigation and prosecution of money-laundering; better coordination between police and Office of the Attorney General.	Malta Police Force/ Office of the Attorney General	In progress
Action 6 Prioritization of investigations to be in line with Malta's risk profile	Malta Police Force /Office of the Attorney General	In progress
Action 7 Parallel financial investigations should be kick started and conducted.	Office of the Attorney General /Malta Police Force	In progress
Action 8 Identifying money-laundering cases through domestic predicate offences (drugs, etc).	Malta Police Force	In progress
Action 9 Identifying money-laundering cases through Customs.	Malta Police Force / Customs	In progress

Action 10 Identifying cases through incoming international requests (Mutual Legal Assistance, police-police and Egmont).	Malta Police Force /Office of the Attorney general /Financial Intelligence Analysis Unit	In progress
Action 11 Detection of money-laundering through the use of Voluntary Organisations;	Office of the Commissioner for Revenue	September 2021
Action 12 Further enhance the quantity and quality of STRs	Financial Intelligence Analysis Unit	In progress
Action 13 Increase effectiveness of detection of customs offences and associated money-laundering.	Customs	March 2021
Action 14 Increase detection of trade-based money laundering (trade-based money-laundering).	Customs	December 2021
Action 15 Increase in investigating of money-laundering cases involving breaches of sanctions and possible money laundering	Sanctioning Monitoring Board	In progress

Policy Goal VI: Effective detection of proceeds of crime, instrumentalities, and assets of equivalent value (including virtual), and their management all leading to their effective confiscation, as well as to the collection of tax from criminal activities, will be prioritized.

Action	Leading agency (owner)	Timeframe
Action 1 Structuring the Asset Recovery Bureau in line with Proceeds of Crime Act	Asset Recovery Bureau	In progress
Action 2 Training on the planned new legislation on the proceeds of crime and confiscation to all competent authorities and other entities and practitioners.	All competent authorities involved in detection, investigation and prosecution of both money-laundering/ terrorism financing and predicate offences	December 2021

<p>Action 3</p> <p>Update statistical template to show effectiveness in confiscation of proceeds, instrumentalities and property of equivalent value in line with the Proceeds of Crime Act.</p>	<p>National Statistics Office / Asset Recovery Bureau/ Malta Police Force / Office of the Attorney General/ Court Registry</p>	<p>End 2022</p>
<p>Action 4</p> <p>Update of policies and procedures on confiscation once the Proceeds of Crime Bill passes, including the internal policies and procedures of the Asset Recovery Bureau.</p>	<p>Asset Recovery Bureau/ Office of the Attorney General/ Malta Police Force / Customs</p>	<p>March 2021</p>
<p>Action 5</p> <p>Collection of tax from proceeds of crime; Asset Recovery Bureau to recruit officers which can be trained as tax officers. Create a policy, including pointers, as to when proceeds of confiscation are to be taxed.</p>	<p>Malta Financial Services Authority / Office of the Commissioner for Revenue / Asset Recovery Bureau/Financial Intelligence Analysis Unit / Malta Police Force / Office of the Attorney General/ Malta Gaming Authority</p>	<p>In progress</p>
<p>Action 6</p> <p>Increased involvement of JEFISI in issues relating to confiscation.</p>	<p>Sanction Monitoring Board</p>	<p>2021 – 2023</p>
<p>Action 7</p> <p>Subsidiary Legislation 233.07 allows Customs to restrain cash for a determined period pending investigations.</p>	<p>Customs</p>	<p>In progress</p>

Policy Goal VII: Terror financing and sanction evading risks will be carefully monitored on a risk-based approach to ensure the Maltese economy is not abused.

Action	Leading agency (owner)	Timeframe
<p>Action 1</p> <p>Aligning the Inter-Agency Committee on Financing of Terrorism activities with the Terrorism Financing risk assessment.</p>	<p>Financial Intelligence Analysis Unit /Malta Police Force /Office of the Attorney</p>	<p>In progress</p>

	General/ Customs / Malta Security Services	
Action 2 Enhance training on Terrorism Financing risks, trends and typologies.	Financial Intelligence Analysis Unit / Malta Financial Services Authority / Malta Gaming Authority / Office of the Attorney General/ Malta Police Force / Malta Business Registry / Sanction Monitoring Board / Office of the Commissioner for Voluntary Organisations	In progress
Action 3 Outreach initiatives addressing Terrorism Financing and sanction evading risks and the importance of adhering to a risk-based approach.	Financial Intelligence Analysis Unit/ Malta Financial Services Authority / Malta Gaming Authority / Sanction Monitoring Board / Office of the Commissioner for Voluntary Organisations/ Malta Business Registry	In progress
Action 4 Proactively examine sanction breaches from a Terrorism Financing perspective.	Sanction Monitoring Board / Financial Intelligence Analysis Unit	In progress
Action 5 Updating guidelines in line with Criminal Code Amendments with regards to financing of terrorist organisations.	Financial Intelligence Analysis Unit/ Malta Financial Services Authority / Malta Police Force / Malta Gaming Authority / Sanction Monitoring Board / Office of the Commissioner for Voluntary Organisations	In progress
Action 6 Proactive risk-based supervision of Voluntary Organisations. To register all Charity Shops with the Office of the Commissioner for Voluntary Organisations as per Legal Notice and Charity Shops Act; Send all lists of new administrators to competent authorities for screening.	Office of the Commissioner for Voluntary Organisations	July 2021
Action 7		

<ul style="list-style-type: none"> - To achieve full enrolment of Voluntary Organisations in Malta; - To achieve greater supervision of the Voluntary Organisation sector through achieving a higher submission rate of annual returns; - Enhanced due diligence by ensuring that Public Collections are done according to law by registered Voluntary Organisations and individuals with permits. 	Office of the Commissioner for Voluntary Organisations	In progress
<p>Action 8</p> <p>Enhance financial transparency of Voluntary Organisations.</p>	Office of the Commissioner for Voluntary Organisations / Malta Financial Services Authority / Central Bank of Malta	2021-2023
<p>Action 9</p> <p>Identifying cases through incoming international requests (Mutual Legal Assistance and Egmont).</p>	Office of the Attorney General/ Malta Police Force	In progress
<p>Action 10</p> <p>Enhance the Countering of Terrorism Financing component within supervisory examinations of subject persons most exposed to Terrorism Financing risk (i.e. Banks, Payment Service Providers and Money Remitters).</p>	Financial Intelligence Analysis Unit / Malta Financial Services Authority / Malta Gaming Authority / Malta Business Registry	In progress
<p>Action 11</p> <p>Evaluate the Risk Evaluation Questionnaires of the sectors most exposed to Terrorism Financing risks to improve the gathering of data on Terrorism Financing risks.</p>	Financial Intelligence Analysis Unit	In progress
<p>Action 12</p> <p>Carry out regular strategic analysis on Terrorism Financing risks.</p>	Financial Intelligence Analysis Unit / Central Bank of Malta /Malta Financial Services Authority	In progress
<p>Action 13</p> <p>Proactively initiate potential Targeted Financial Sanctions listings based on domestic investigations.</p>	Sanction Monitoring Board / Financial Intelligence Analysis Unit /Malta Police Force / Office of the Attorney General/ Customs	In progress

Action 14 Update JEFSI policies and procedures in line with risk assessment on Targeted Financial Sanctions and Proliferation Financing .	Sanction Monitoring Board	In progress
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Annex V: Outreach and training initiatives organized by the NCC

Date	Time	Participants	Topic
01/07/2020	3hrs	170	The Role of Forensic Accountancy in the fight against money laundering and funding of terrorism
23/11/2020	8hrs	12	Due Diligence Course and certification – Day 1
24/11/2020	8hrs	12	Due Diligence Course and certification – Day 2
25/11/2020	8hrs	12	Due Diligence Course and certification – Day 3
26/11/2020	8hrs	98	Webinar on Financial Action Task Force standards methodology by Mr Y. Shaffer - Day 1
27/11/2020	8hrs	98	Webinar on Financial Action Task Force standards methodology by Mr Y. Shaffer - Day 2
Nov - Dec 2020		51	Focus on Anti-Money Laundering and Financial Crime – five week course with certification
27/01/2021	8hrs	22	Asset Recovery and International Exchange of Intelligence and Information – Day 1
28/01/2021	8hrs	22	Asset Recovery and International Exchange of Intelligence and Information – Day 2
29/01/2021	8hrs	22	Asset Recovery and International Exchange of Intelligence and Information – Day 3
27/01/2021	3hrs	35	Elements of money laundering including stand-alone money laundering with special reference to case-law
11/02/2021	3hrs	35	Circumstantial evidence and the use of money laundering typologies
25/02/2021	3hrs	35	Legal instruments available (attachment orders, investigating orders, monitoring orders, freezing orders, confiscation orders) and overview of the Proceeds of Crime Act
11/03/2021	3hrs	35	Confiscation - Third party rights/human rights implications

09/02/2021	3hrs	32	Training on Fitness and Proper Checks using a Risk-Based Approach for the Dealers in Precious Metals and Stones and the Real Estate Licensing Sectors - Day 1
11/02/2021	3hrs	32	Training on Fitness and Proper Checks using a Risk-Based Approach for the Dealers in Precious Metals and Stones and the Real Estate Licensing Sectors - Day 2
18/02/2021	3hrs	95	Police Webinar - Day 1: Elements of proving Money Laundering: stand-alone Money Laundering and Client Privilege
19/02/2021	3hrs	95	Police Webinar - Day 2: Money laundering Typologies and their Investigations
22/02/2021	3hrs	95	Police Webinar - Day 3: Legal Persons, Legal Arrangements and Money laundering
23/02/2021	3hrs	95	Police Webinar - Day 4: Methods of Proving Income and unexplained wealth
26/02/2021	3hrs	95	Police Webinar - Day 5: Investigating Money Laundering violations by obliged entities
18/03/2021	1.5hrs	75	Webinar by the Financial Action Task Force on Trade-based Money Laundering. NCC registered members of the Financial Crime Investigation Department for this webinar.

Annex VI: 2021-2023 National Anti-Money Laundering/Countering of Terrorism Financing/Targeted Financial Sanctions Strategy Sub-committee meetings

Sub-committee	Members	First meeting
Sub-committee for Monitoring Ministerial Government Legislative Initiatives related to Anti-Money Laundering/Countering of Terrorism Financing	Financial Intelligence Analysis Unit , Malta Financial Services Authority, Malta Gaming Authority, Office of the Attorney General, Malta Business Registry , Office of the Commissioner for Revenue, Asset Recovery Bureau, Ministry for Justice and Governance, Ministry for Home Affairs, National Security and Law Enforcement, NCC, Sanction Monitoring Board, State Advocate and Office of the Commissioner for Voluntary Organisations	30 March 2021
Sub-committee for the 2021/2022 Update of the National Risk Assessment	NCC, Financial Intelligence Analysis Unit , Office of the Attorney General, Office of the Commissioner for Revenue, Malta Financial Services Authority, Malta Business Registry , Malta Gaming Authority, Malta Police Force, Malta Security Services, Asset Recovery Bureau, Sanction Monitoring Board, Office of the Commissioner for Voluntary Organisations , Central Bank of Malta, Ministry for Finance and Employment and Private Sector representatives	29 March 2021
Sub-committee on the decrease of use of cash	NCC, Central Bank of Malta, Ministry for Finance and Employment and Office of the Commissioner for Revenue	30 March 2021
Sub-committee focusing on the risks and challenges presented by Virtual Financial Assets	Malta Financial Services Authority, Financial Intelligence Analysis Unit , NCC, Office of the Attorney General, Malta Police Force, Malta Digital Innovation Authority, Ministry for Finance and Employment, Asset	30 March 2021

	Recovery Bureau, Ministry for Home Affairs, National Security and Law Enforcement, Office of the Commissioner for Revenue	
Sub-committee that coordinates Anti-Money Laundering/Countering of Terrorism Financing/Counter-Proliferation Financing outreach and training initiatives	NCC, Financial Intelligence Analysis Unit , Malta Police Force, Office of the Attorney General, Malta Business Registry , Malta Financial Services Authority, Office of the Commissioner for Revenue, Malta Gaming Authority, Asset Recovery Bureau, Sanction Monitoring Board, Office of the Commissioner for Voluntary Organisations and Customs	30 March 2021
Sub-committee that focuses on improving the gathering of money-laundering, Terrorism Financing and Proliferation Financing related statistics	National Statistics Office, NCC, Financial Intelligence Analysis Unit , Malta Police Force, Asset Recovery Bureau, Office of the Attorney General, Law Courts, Office of the Commissioner for Revenue, Malta Financial Services Authority, Malta Business Registry , Malta Gaming Authority, Sanction Monitoring Board, Customs, Ministry for Finance and Employment and Office of the Commissioner for Voluntary Organisations	9 April 2021
Sub-committee for coordinating international participation on topics related to Anti-Money Laundering/Countering of Terrorism Financing/ Counter Proliferation Financing	NCC, Financial Intelligence Analysis Unit , Malta Police Force, Asset Recovery Bureau, Office of the Attorney General, Office of the Commissioner for Revenue, Malta Business Registry , Office of the Commissioner for Voluntary Organisations , Customs, State Advocate, Ministry for Justice and Governance and Ministry for Home Affairs, National Security and Law Enforcement	29 March 2021

Annex VII: Agenda for the remote assessment of the 4th Anti-Money Laundering Directive

European Union - Council of Europe Assessment of the Concrete Implementation and Effective Application of the

Fourth Money Laundering Directive (4th Anti-Money Laundering Directive) in Malta

Meeting Venue: 4th Floor Boardroom, Ministry for Finance and Financial Services, Maison Demandols, South Street, Valletta

Tuesday, 6 October 2020		
<i>Time</i>	<i>Participants</i>	<i>Theme/4th Anti-Money Laundering Directive Provisions to be discussed</i>
09:00 – 10:30	Representatives of: <ul style="list-style-type: none"> - National Coordination Committee on Combatting Money Laundering and Funding of Terrorism - Ministry for Finance and Employment - Other relevant policy making bodies 	<ul style="list-style-type: none"> - Overall transposition, effectiveness of implementation - Policy priorities and planning - Contextual factors - National cooperation – Article 49
10:30 – 12:00	Financial Intelligence Analysis Unit	Financial Intelligence <ul style="list-style-type: none"> - Article 32 Suspicious transaction and other reporting <ul style="list-style-type: none"> - Articles 33, 34, 35, 36, 46.2 National cooperation <ul style="list-style-type: none"> - Article 49 International cooperation between FIUs <ul style="list-style-type: none"> - Articles 52 - 57
12:00 – 13:30	Lunch break	
13:30 – 14:00	BANK OF VALLETTA P.L.C.	<i>Domestic owned banks</i> Risk assessment, internal control and group policies <ul style="list-style-type: none"> - Articles 8, 45, 46

14:00 – 14:30	APS BANK P.L.C.	<p>General customer due diligence (CDD)</p> <ul style="list-style-type: none"> - Articles 13.1, 14, 18.1-18.3 <p>CDD for PEPs</p> <ul style="list-style-type: none"> - Articles 20-23
14:30 – 15:00	LOMBARD BANK MALTA PLC	<p>CDD related to performance by third parties</p> <ul style="list-style-type: none"> - Articles 25, 26, 27, 28, 29 <p>Cooperation with FIU</p>
15:00 – 15:30	BNF BANK PLC	<ul style="list-style-type: none"> - Article 32 <p>Suspicious transaction and other reporting</p> <ul style="list-style-type: none"> - Articles 33, 34, 35, 36, 46.2 <p>Data protection and record-retention</p> <ul style="list-style-type: none"> - Article 40 (Anti-Money Laundering relevance) <p>Supervision and sanctions</p> <ul style="list-style-type: none"> - Articles 47-48 - Articles 58-59 <p>Transparency of Beneficial Ownership</p> <ul style="list-style-type: none"> - Articles 30 and 31
15:30 – 16:00	MeDirect Bank (Malta) plc	<p><i>Foreign owned or only foreign clients</i></p> <p>Risk assessment, internal control and group policies</p> <ul style="list-style-type: none"> - Articles 8, 45, 46

16:00 – 16:30	Izola Bank plc	<p>General customer due diligence (CDD)</p> <ul style="list-style-type: none"> - Articles 13.1, 14, 18.1-18.3 <p>CDD for PEPs</p> <ul style="list-style-type: none"> - Articles 20-23 <p>CDD related to performance by third parties</p> <ul style="list-style-type: none"> - Articles 25, 26, 27, 28, 29
16:30 – 17:00	ECCM Bank plc	<p>Cooperation with FIU</p> <ul style="list-style-type: none"> - Article 32 <p>Suspicious transaction and other reporting</p> <ul style="list-style-type: none"> - Articles 33, 34, 35, 36, 46.2 <p>Data protection and record-retention</p> <ul style="list-style-type: none"> - Article 40 (Anti-Money Laundering relevance) <p>Supervision and sanctions</p> <ul style="list-style-type: none"> - Articles 47-48 - Articles 58-59 <p>Transparency of Beneficial Ownership</p> <p>Articles 30 and 31</p>
17:00 – 18:00	Malta Business Registry Malta Financial Services Authority	<p>Transparency of Beneficial Ownership</p> <p>Articles 30 and 31</p>

Wednesday, 7 October 2020

<i>Time</i>	<i>Participants</i>	<i>Theme/4th Anti-Money Laundering Directive Provisions to be discussed</i>
09:00 – 12:00	Financial Intelligence Analysis Unit and Malta Financial Services Authority	Supervision of financial institutions and Company Service Providers, fit and proper, market entry

		<ul style="list-style-type: none"> - Articles 47-48 Sanctions on financial institutions - Articles 58-59 International cooperation between supervisors - Articles 45.4, 48.4, 48.5 and 58.5 Transparency of Beneficial Ownership - Articles 30 and 31
12:00 – 13:15	Lunch break	
13:15 – 13:50	<p>Three representatives of trust service providers</p> <p>At least two belonging to very high or high residual risk population.</p>	<p>Risk assessment, internal control and group policies</p> <ul style="list-style-type: none"> - Articles 8, 45, 46 <p>General customer due diligence (CDD)</p> <ul style="list-style-type: none"> - Articles 13.1, 14, 18.1-18.3
13:50 - 14:30	<p>Four representatives of company service providers and exempt corporate service providers (only in this capacity)</p> <p>At least two belonging to very high or high residual risk population.</p>	<p>CDD for PEPs</p> <ul style="list-style-type: none"> - Articles 20-23 <p>CDD related to performance by third parties</p> <ul style="list-style-type: none"> - Articles 25, 26, 27, 28, 29
14:15 – 15:45	<p>Representatives of:</p> <ul style="list-style-type: none"> - 24 CAPITAL MANAGEMENT LTD - SAFE CAPITAL INVESTMENTS LTD - Dominion Global Trends SICAV p.l.c. - ABALONE ASSET MANAGEMENT LIMITED 	<p>Cooperation with FIU</p> <ul style="list-style-type: none"> - Article 32 <p>Suspicious transaction and other reporting</p> <ul style="list-style-type: none"> - Articles 33, 34, 35, 36, 46.2 <p>Data protection and record-retention</p> <ul style="list-style-type: none"> - Article 40 (Anti-Money Laundering relevance) <p>Supervision and sanctions</p> <ul style="list-style-type: none"> - Articles 47-48 - Articles 58-59

		<p>Transparency of Beneficial Ownership</p> <ul style="list-style-type: none"> - Articles 30 and 31
15:45 – 16:45	Financial Intelligence Analysis Unit and Malta Gaming Authority	<p>Supervision of gambling providers, market entry and fit and proper</p> <ul style="list-style-type: none"> - Articles 47-48 <p>Sanctions on financial institutions</p> <ul style="list-style-type: none"> - Articles 58-59 <p>International cooperation between supervisors</p> <ul style="list-style-type: none"> - Articles 45.4, 48.4, 48.5 and 58.5 <p>Transparency of Beneficial Ownership</p> <p>Articles 30 and 31</p> <p>Suspicious transaction and other reporting</p> <ul style="list-style-type: none"> - Articles 33, 34, 35, 36, 46.2

16:45 – 18:15	<p>Representatives of five gambling providers (at least three of remote gambling providers)</p> <p>At least two belonging to very high or high residual risk population.</p>	<p>Risk assessment, internal control and group policies</p> <ul style="list-style-type: none"> - Articles 8, 45, 46 <p>General customer due diligence (CDD)</p> <ul style="list-style-type: none"> - Articles 13.1, 14, 18.1-18.3 <p>CDD for PEPs</p> <ul style="list-style-type: none"> - Articles 20-23 <p>CDD related to performance by third parties</p> <ul style="list-style-type: none"> - Articles 25, 26, 27, 28, 29 <p>Cooperation with FIU</p> <ul style="list-style-type: none"> - Article 32 <p>Suspicious transaction and other reporting</p> <ul style="list-style-type: none"> - Articles 33, 34, 35, 36, 46.2 <p>Data protection and record-retention</p> <ul style="list-style-type: none"> - Article 40 (Anti-Money Laundering relevance) <p>Supervision and sanctions</p> <ul style="list-style-type: none"> - Articles 47-48 - Articles 58-59 <p>Transparency of Beneficial Ownership</p> <ul style="list-style-type: none"> - Articles 30 and 31
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Thursday, 8 October 2020		
<i>Time</i>	<i>Participants</i>	<i>Theme/4th Anti-Money Laundering Directive Provisions to be discussed</i>
09:00 – 11:00	Representatives of different size (firms v independent professionals): <ul style="list-style-type: none"> - Three lawyers - Two notaries At least one in each category belonging to very high or high residual risk population.	Risk assessment, internal control and group policies <ul style="list-style-type: none"> - Articles 8, 45, 46 General customer due diligence (CDD) <ul style="list-style-type: none"> - Articles 13.1, 14, 18.1-18.3 CDD for PEPs <ul style="list-style-type: none"> - Articles 20-23 CDD related to performance by third parties <ul style="list-style-type: none"> - Articles 25, 26, 27, 28, 29 Cooperation with FIU <ul style="list-style-type: none"> - Article 32 Suspicious transaction and other reporting <ul style="list-style-type: none"> - Articles 33, 34, 35, 36, 46.2 Data protection and record-retention
10:00 – 11:00	Representatives of different size (firms v independent professionals): <ul style="list-style-type: none"> - Three accountants - Three tax advisors and auditors At least one in each category belonging to very high or high residual risk population.	<ul style="list-style-type: none"> - Article 40 (Anti-Money Laundering relevance) Supervision and sanctions <ul style="list-style-type: none"> - Articles 47-48 - Articles 58-59 Transparency of Beneficial Ownership
11:30 – 12:30	Four Real Estate Agents At least two belonging to a high-risk residual population	<ul style="list-style-type: none"> - Articles 30 and 31
12:30 – 13:15	Lunch	
13:15 – 14:15	Financial Intelligence Analysis Unit Accountants Board	Supervision of DNFBPs, fit and proper

	Notaries Chamber	<ul style="list-style-type: none"> - Articles 47-48 Sanctions <ul style="list-style-type: none"> - Articles 58-59 Transparency of Beneficial Ownership Articles 30 and 31 Suspicious transaction and other reporting <ul style="list-style-type: none"> - Articles 33, 34, 35, 36, 46.2
14:15 – 15:45	Branches of foreign banks HSBC Malta plc FIMBank plc CommBank Europe Ltd. Credit Europe Bank NV Malta Branch	Risk assessment, internal control and group policies <ul style="list-style-type: none"> - Articles 8, 45, 46 General customer due diligence (CDD) <ul style="list-style-type: none"> - Articles 13.1, 14, 18.1-18.3
15:45 – 17:30	Two representatives of local money remittance Two representatives of e-money institutions Two representatives of other payment services Two representatives of financial institutions (other than banks) that offer currency exchange services	CDD for PEPs <ul style="list-style-type: none"> - Articles 20-23 CDD related to performance by third parties <ul style="list-style-type: none"> - Articles 25, 26, 27, 28, 29 Cooperation with FIU <ul style="list-style-type: none"> - Article 32 Suspicious transaction and other reporting <ul style="list-style-type: none"> - Articles 33, 34, 35, 36, 46.2 Data protection and record-retention <ul style="list-style-type: none"> - Article 40 (Anti-Money Laundering relevance) Supervision and sanctions <ul style="list-style-type: none"> - Articles 47-48 - Articles 58-59 Transparency of Beneficial Ownership

		Articles 30 and 31
17:30 – 18:30	Representatives of law enforcement and the prosecution service Office of the Commissioner for Revenue	National cooperation – Article 49 Access to Beneficial Ownership information – Arts. 30 and 31 Financial Intelligence - Article 32