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Monthly Statistical Report

Divisions : Financial Investigations and Analysis & Compliance and Monitoring
Reporting Period : 01 -30 December 2018
Date Compiled : 02 January 2018

1. Incoming Reports

Reports			
	December 18	December 17	Total
CBMCRs ¹	3	1	96
CTRs ²	3 750	9 776	301 638
EFTs ³	41 274	540 147	3 634 618
IFTs ⁴	80 615	178 598	3 425 149
SARs ⁵	17	4	625
STRs ⁶	81	103	5 094

The period under review has seen a significant reduction in the volumes of CTRs, EFTs, IFTs and STRs received by the FIC from Accountable and Reporting Institutions, when compared to the same period last year. The number of EFTs decreased extremely by 92.4% from 540 147 to only 41 274 transactions. Similarly, the number of IFTs declined by 54.9% from 178 598 to 80 615 transactions. The number of STRs received by the FIC also decreased from 103 to 81 Reports. Amongst others, various factors including the reduction in economic activities could be attributed to the significant decrease. On the other hand, the number of CBMCRs and SARs increased slightly.

Requests for Information			
	December 18	December 17	Total
IRDs ⁷	8	2	277
IRIs ⁸	1	0	48

A total of 8 IRDs were received during the period under review, indicating an increase from the only 2 IRDs received during the same period last year. Thus far, a total of 325 requests have been received by the FIC since inception.

¹ CBMCR: Cross Border Movement of Cash Report

² CTR: Cash Transaction Report

³ EFT: Electronic Funds Transfer

⁴ IFT: International Funds Transfer

⁵ SAR: Suspicious Activity Report

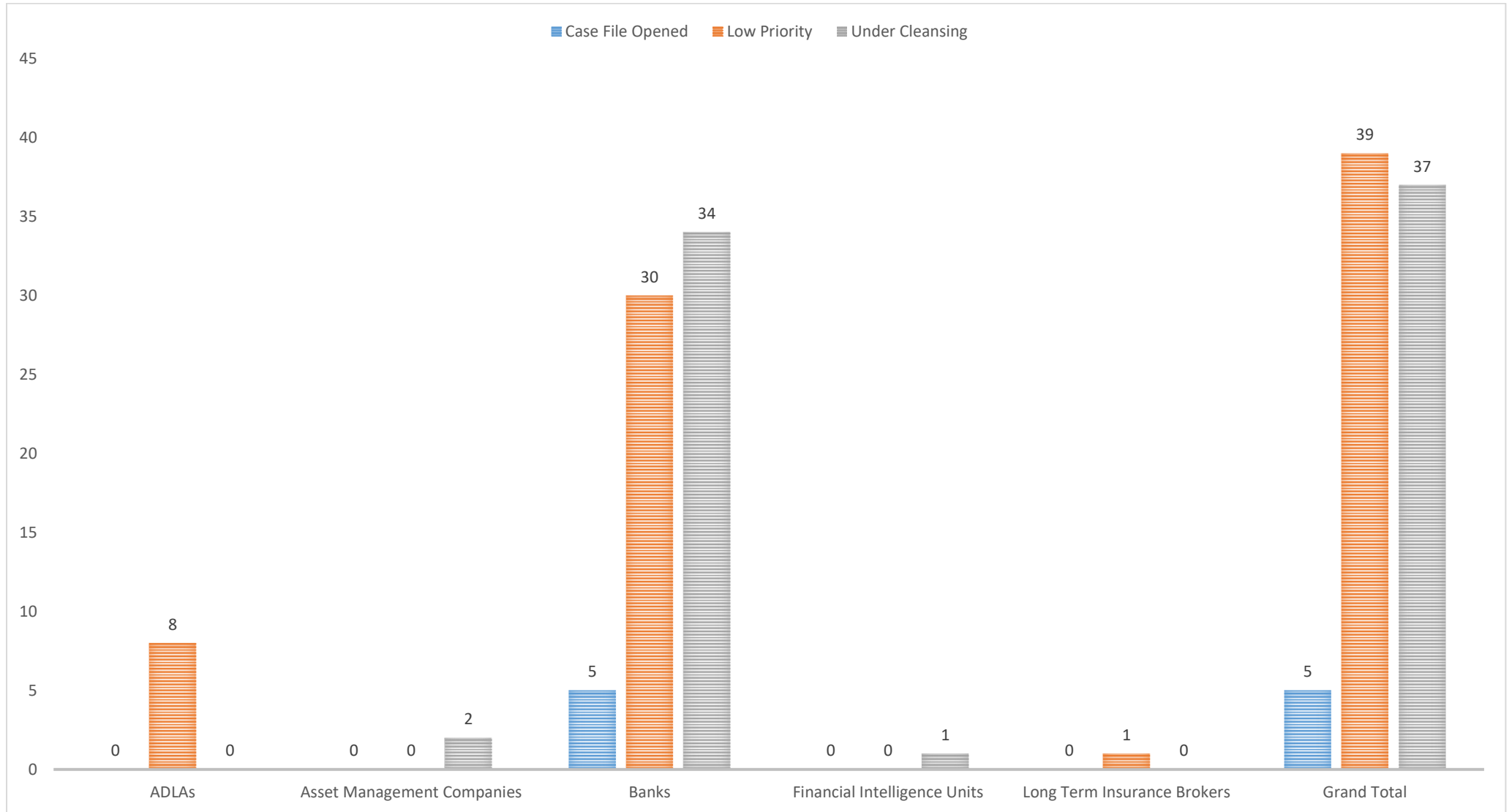
⁶ STR: Suspicious Transaction Report

⁷ IRD: Incoming Request-Domestic

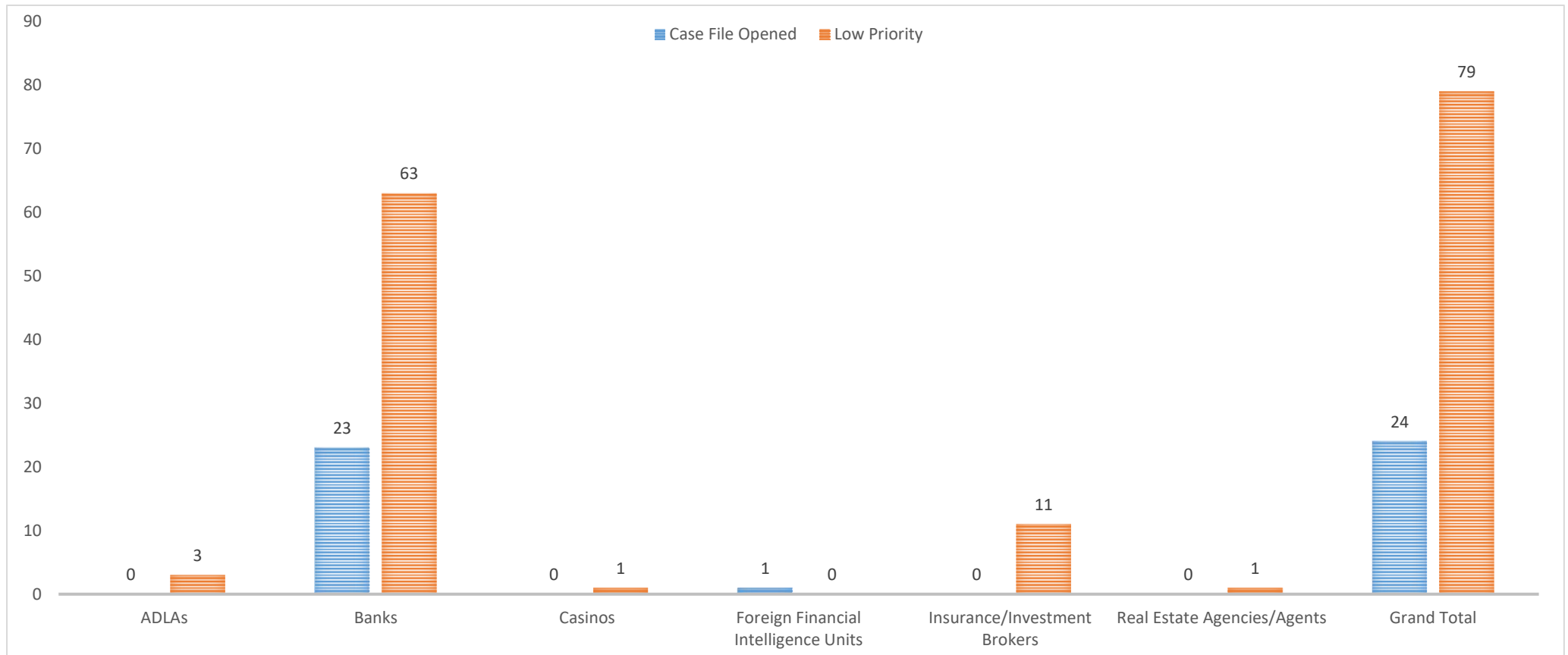
⁸ IRI: Incoming Request-International

2. STR's received by Source Type

Graph 2.1: STRs received in December 2018 by Source Type



Graph 2.2: STRs received in December 2017 by Source Type



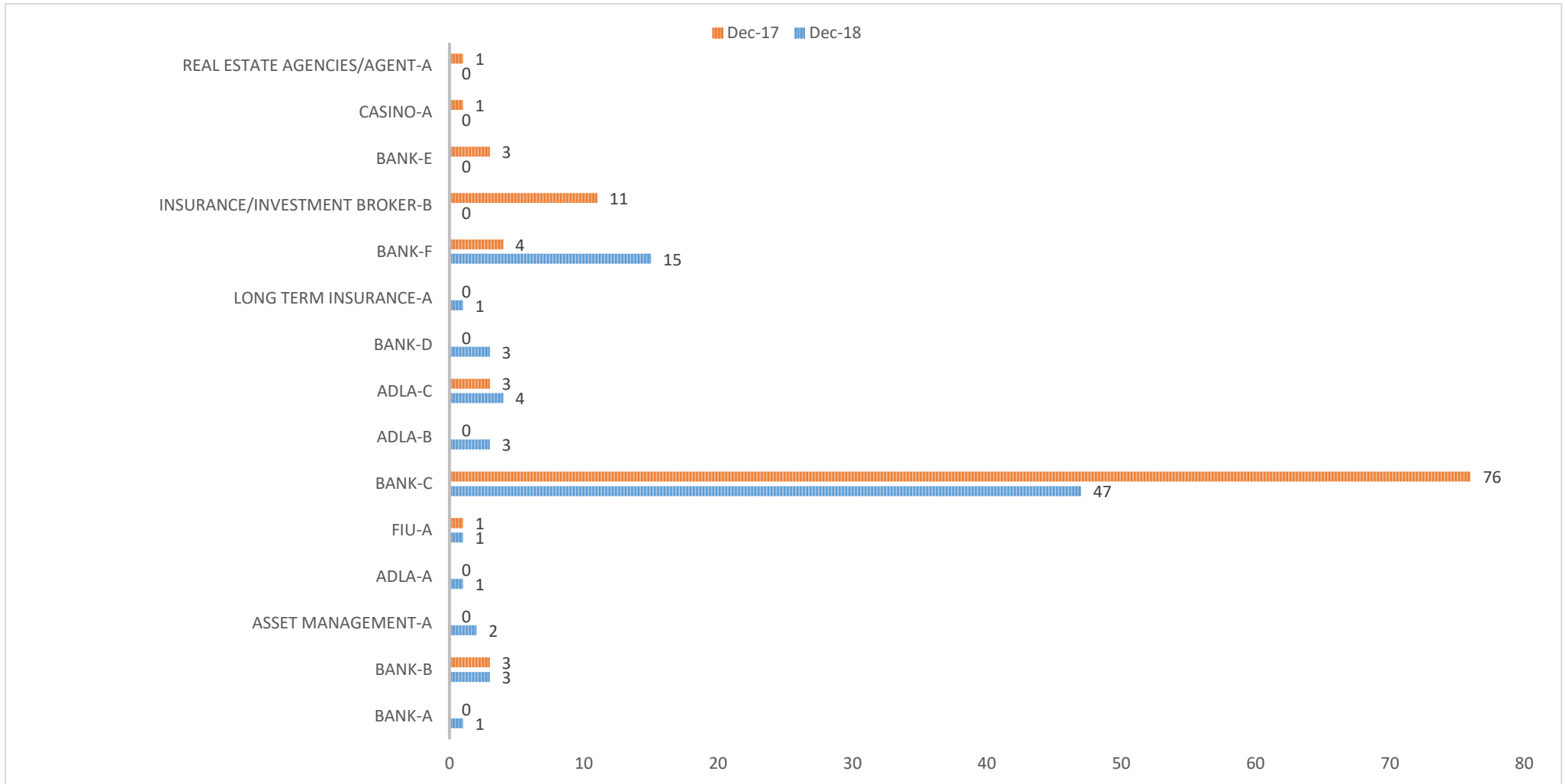
The total number of STRs received decreased by 21.4% from 103 STRs recorded in December 2017 to 81 STRs recorded in December 2018. Graph 2.1 further shows that currently, out of all the STRs received during the period under review, only 5 reports were escalated for further analysis whereas 48 were classified as 'low priority'.⁷ Amongst other factors, reports can be classified as 'low priority' when the observed suspicion does not fall within law enforcement's priority areas of investigation or if the FIC finds poor articulation of the grounds of suspicion in STRs filed. Further, a total of 37 STRs or 45.7% of these reports are still under cleansing at the time of reporting. The Banks continue to file the most reports. During the month of December 2018 and December 2017, they filed 85% and 83% of all STRs respectively.

⁷ It is important to note that the STRs which were accorded status (such as case opened, low priority and under cleansing) are those that were only received during the month under review.

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Strategic Analysis Division-December 2018

Graph 2.3: STRs by Reporting Entities: December 2018 & December 2017



During the period under review, Bank-C filed the majority of STRs with 47 (or 58%) of all STRs. This was followed by Bank-F with 15 STRs (or 18.5%). During the same period last year, Bank-C filed the most STRs followed by Insurance/Investment Broker-B, filing 73% and 10% respectively. It is important to note that Bank-E did not file any STRs during the month under review.

3. Analysis

Under Analysis	
December -18	
Cases	179
IRDs	71
IRIs	6

Set-Aside			
	December -18	December -17	Total
Cases	0	0	101
IRDs	0	0	4
IRIs	0	0	0
SARs	0	0	4
STRs	1	0	74

Low Priority			
	December -18	December -17	Total
Cases	0	0	310
IRDs	0	0	0
IRIs	0	0	0
SARs	10	9	366
STRs	109	202	3 142

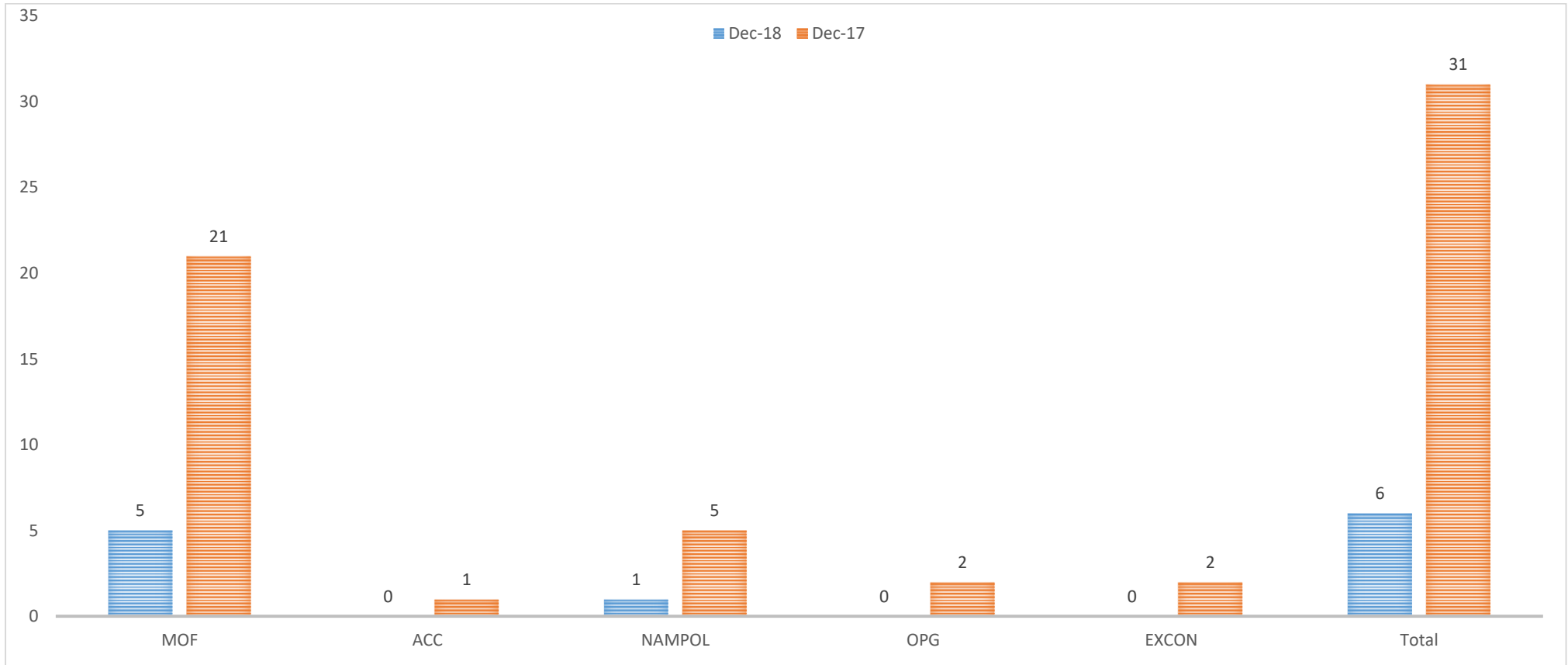
During the period under review, 179 Cases, 71 IRDs and 6 IRIs were under analysis. With the exception of only 1 STR, there were no Cases, IRDs, IRIs and SARs set aside during the month of December 2018. The number of STRs classified as ‘low priority’ amounted to 109, a decrease from the 202 classified as such during the same period in 2017. In contrast, the number of SARs classified as ‘low priority’ increased to 10 from 9. Amongst others, the primary reasons why these reports were classified as low priority in December 2018 is due to:

- a. the negligible (or insignificant) amounts involved;
- b. poor articulation of the grounds of suspicion in STRs or SARs; and
- c. human resource constraints within the FIC.

Since inception, the total number of SARs and STRs classified as ‘low priority’ amount to 366 and 3 142, respectively.

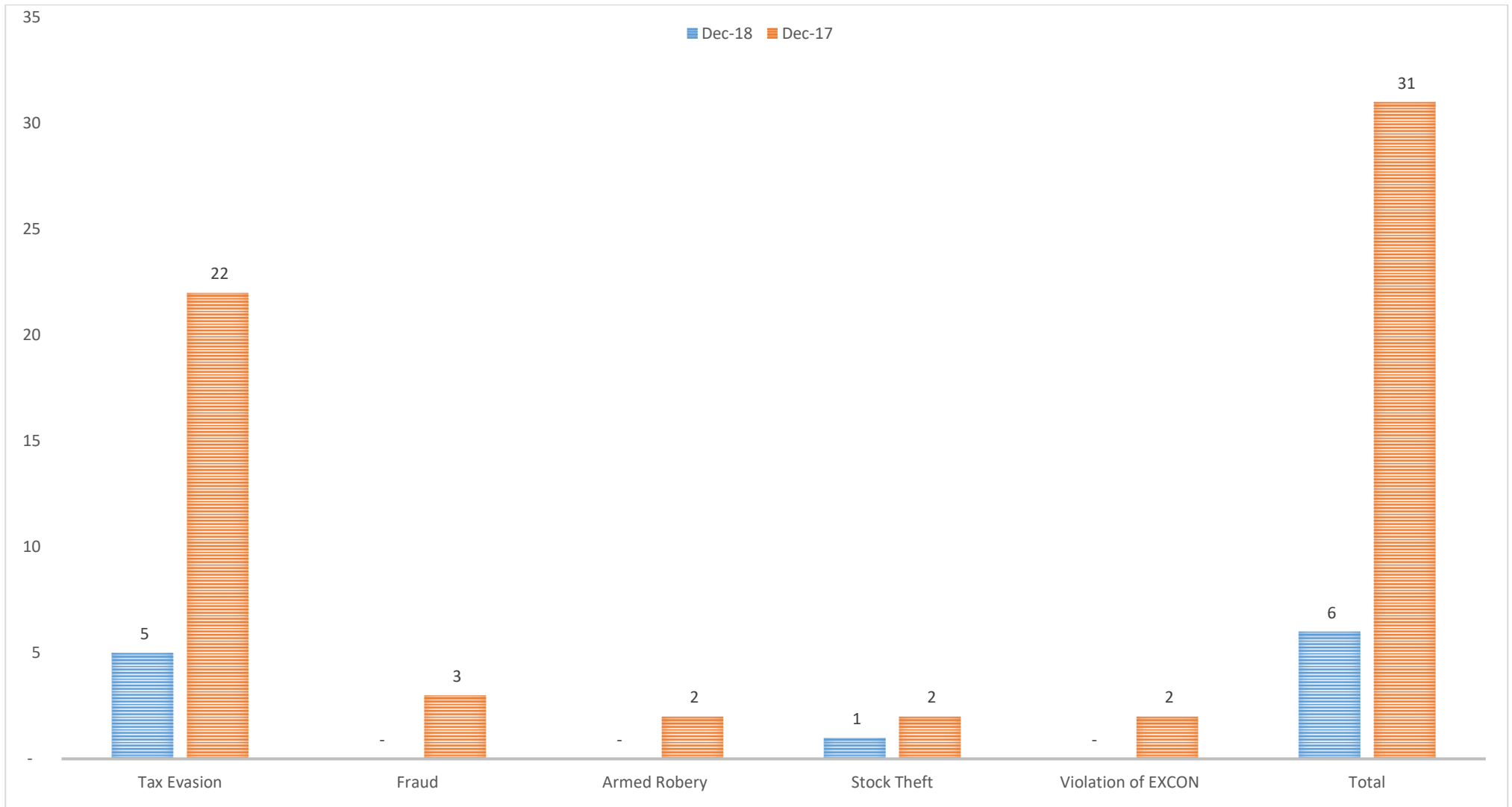
4. Disclosures

Graph 4.1: Total Disclosures: December 2018 and December 2017



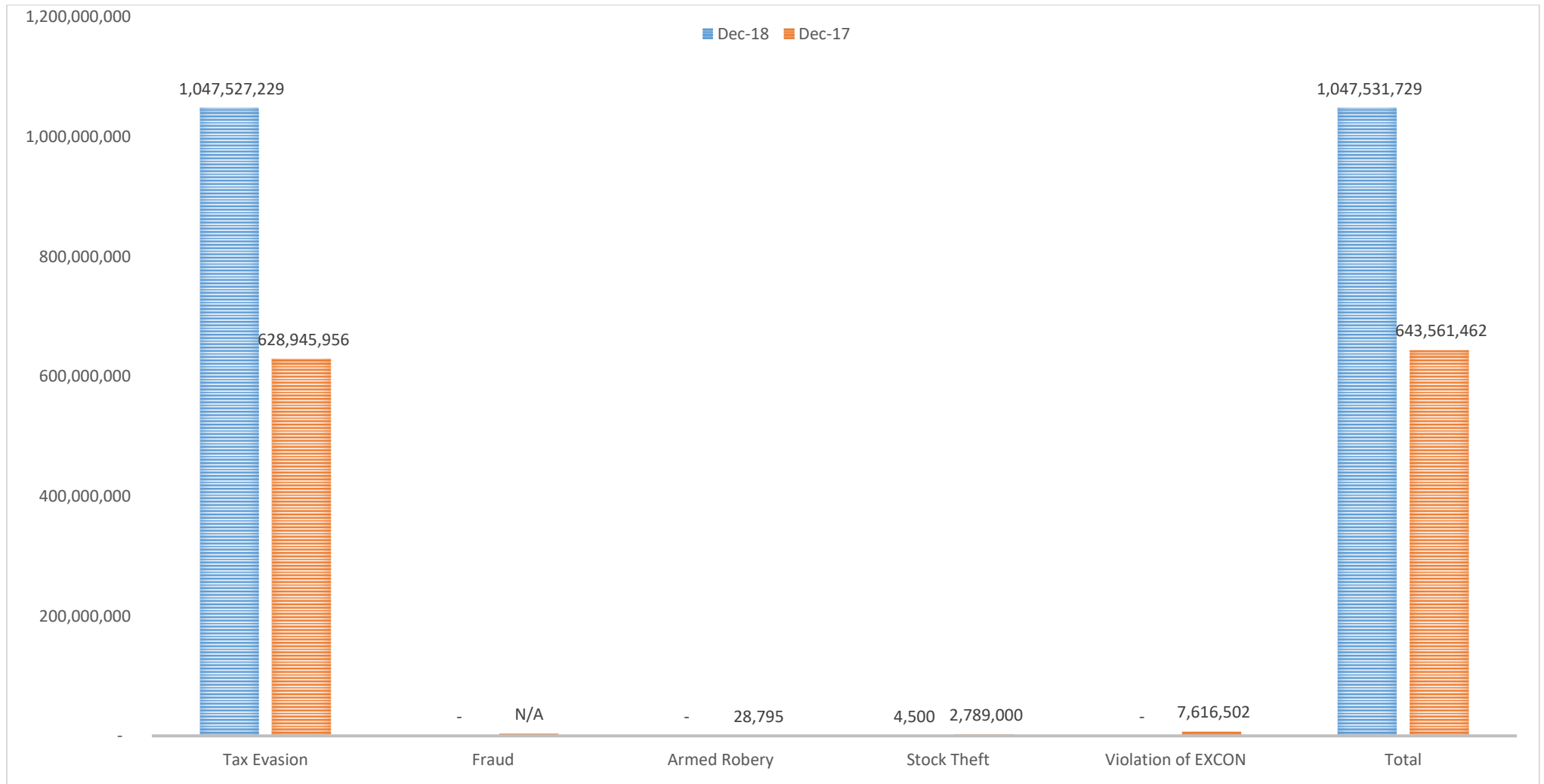
During the period under review, the Centre disseminated a total of 6 disclosures to Law Enforcement Agencies (LEAs). The number of disclosures decreased by approximately 80% when compared to the 31 disclosures disseminated during December 2017. The Ministry of Finance-Receiver of Revenue Department continued to receive the highest number of disclosures (from FIC) during the two periods, receiving a total of 5 and 21 reports during December 2018 and December 2017 respectively. This points to potential tax evasion cases being the highest potential predicate offences in most cases under FIC review. Observation from graph 4.2 below also support this view.

Graph 4.2: Potential Offences: December 2018 and December 2017



Tax Evasion featured as the leading potential offence with 5 and 21 incidences recorded in December 2018 and December 2017 respectively. Overall, there was a total of 6 potential predicate offences recorded during the period under review.

Graph 4.3: Potential value per offence: December 2018 and December 2017



The potential monetary value per predicate offence increased significantly by 62% during December 2018 (NAD 1,047,531,729) when compared to December 2017 (NAD 643,561,462). Further, Tax Evasion value as a potential predicate offence recorded the highest amounts during the two periods of NAD 1,047,527,229 and NAD 628,945,956 during December 2018 and December 2017 respectively.

5. Referrals

Compliance

Legal & Enforcement

Monitoring Orders

Intervention Orders

None

None

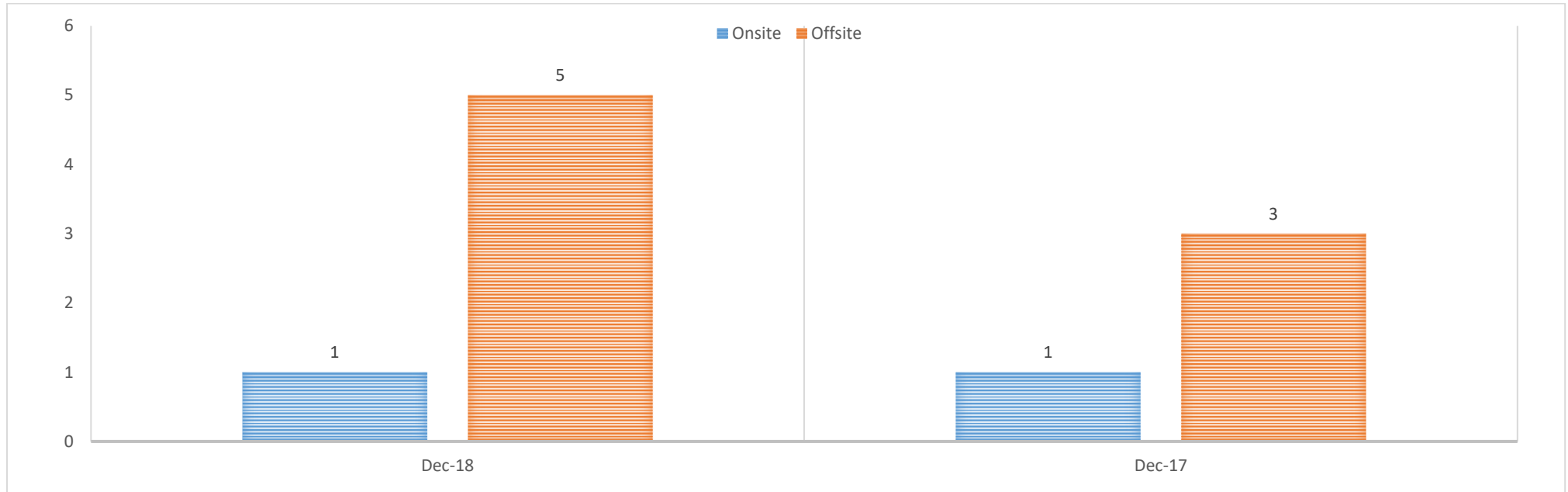
Issued : None
No. of accounts : None

Issued : 0
Amount Involved : 0

There were no referrals issued during the period under review.

6. Compliance Inspections

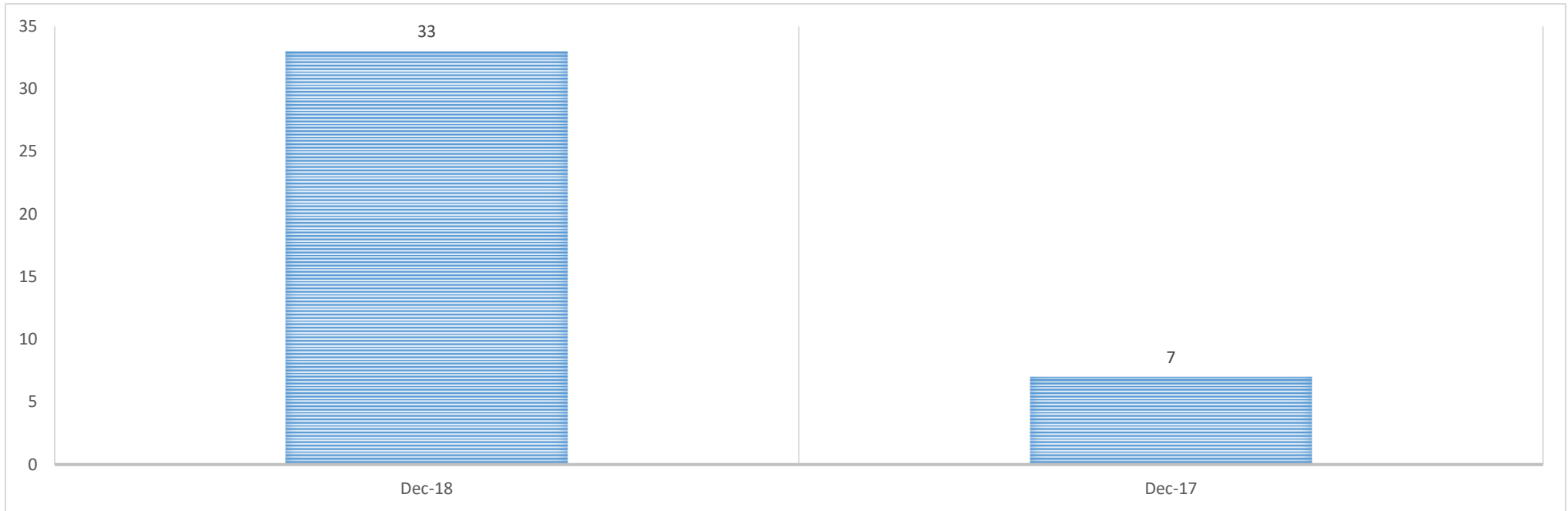
Graph 6.1: Compliance assessments activities: December 2018 and December 2017



There was only 1 onsite assessment activity recorded during the period under review and the same period last year. However, 5 offsite assessment activities were conducted during December 2018, an increase from 3 offsite assessments conducted during December 2017. Reasons for the low number of assessments conducted in the said periods include:

- a. attending to other compliance monitoring activities other than compliance assessments during the December months;
- b. the reduction in the number of staff members (2 staff resignations in late 2017); and
- c. re-prioritisation of Areas of Concentration – the Compliance Monitoring and Supervision Division has shifted its attention from conducting compliance assessments activities to include activities such as the Sectoral Risk Assessments (SRA) for the months June to December 2018. This has resulted in a reduction in the volume of assessments as staff members had to concentrate on the SRA which is comparatively a time consuming exercise.

Graph 6.2: Registrations of Accountable and Reporting Institutions with the FIC: December 2018 and December 2017



During the period under review, the FIC registered 33 Accountable and Reporting Institutions.