



Gouvernement Princier
PRINCIPAUTÉ DE MONACO

SERVICE D'INFORMATION ET
DE CONTROLE SUR LES
CIRCUITS FINANCIERS
(SICCFIN)

**ACTIVITY REPORT
2015**

Contents

Introduction	4
1. The fight against money laundering and terrorist financing in the Principality	4
1.1 The legal framework	4
1.2 Service d'Information et de Contrôle sur les Circuits Financiers - (SICCFIN)	5
1.2.1 The missions of SICCFIN	6
1.2.2 The powers of SICCFIN	8
1.2.3 International cooperation.....	9
1.3 The National Risk Assessment (NRA)	9
2. Processing financial information	11
2.1 Suspicious transaction reports	11
2.1.1 Annual statistics	11
2.1.2 Monthly statistics	13
2.1.3 Breakdown by business sector	13
2.1.4 Annual trends by category.....	15
2.2 Cases submitted to the judicial authorities	17
2.3 Cross-border transport of cash and bearer instruments.....	20
2.4 International cooperation	20
2.4.1 Number of requests received by SICCFIN from foreign FIUs	20
2.4.2 Number of requests sent by SICCFIN to foreign FIUs since 2011.....	22
2.4.3 Number of unsolicited reports received by SICCFIN from foreign FIUs since 2011	24
2.4.4 Number of unsolicited reports sent by SICCFIN to foreign FIUs since 2011	25
2.5 The fight against terrorist financing.....	25
3. AML/CFT supervision	26
3.1 Desk audits	27
3.1.1 Internal procedures	27
3.1.2 Questionnaires	28
3.1.3 Annual reports	29
3.2 On-site monitoring	30

3.3 Administrative penalties	32
4. Training and awareness-raising	33
4.1 “Informal” meetings	33
4.2 Feedback	34
4.3 The Liaison Committee	35
4.4 The Contact Group	35
5. International relations	36
5.1 Multilateral bodies	36
5.1.1 The MONEYVAL Committee	36
5.1.2 The Group of States against Corruption (GRECO)	36
5.1.3 The Egmont Group.....	37
5.2 Bilateral agreements	37
6. Legislative developments	39
6.1 Ministerial Order No. 2012-576 of 4 October 2012 extending the obligation for special examination laid down in Act No. 1.362 of 3 August 2009 to transactions involving a counterparty with certain States	39
6.2 Ministerial Orders implementing Sovereign Ordinance No. 1.675 of 10 June 2008, on fund-freezing procedures implementing economic sanctions	40
6.3 Ministerial Orders implementing Sovereign Ordinance No. 15.321 of 8 April 2002 on fund-freezing procedures in order to combat terrorism.....	40
APPENDICES	41
APPENDIX I: TYPOLOGIES	41
Stock fraud	41
Crowdfunding.....	43
APPENDIX II: MAIN AML/CFT LEGISLATION	44
APPENDIX III: USEFUL WEBSITES	45

Introduction

This report relates to the activities of the Service d'Information et de Contrôle sur les Circuits Financiers (SICCFIN) carried out during 2015, in exercising the various duties assigned to the Unit by Act No. 1.362 of 3 August 2009 on the fight against money laundering, terrorist financing and corruption (AML/CFT) and by its implementing regulatory instruments, including, primarily, Sovereign Ordinance No. 2.318 of 3 August 2009.

1. The fight against money laundering and terrorist financing in the Principality

1.1 The legal framework

In the Principality, the offence of money laundering is defined in Article 218-1 of the Criminal Code, which states that a prison sentence of five to ten years will be imposed on:

"...- whosoever has knowingly facilitated property being re-assigned or transferred in the knowledge that it is property or capital of illicit origin, with the aim of dissimulating or disguising the origin of said property or of assisting any person involved in the committing of the main offence in escaping the legal consequences of their actions;

- whosoever has knowingly participated in the dissimulation or disguising of the true nature, origin, location, disposal, movement or ownership of property or rights relating thereto where the originator knows that they are property or capital of illicit origin;

- whosoever has knowingly acquired, retained or used property or capital knowing, at the time when they received them, that they were property or capital of illicit origin, without prejudice to legal provisions concerning the handling of stolen goods;

- whosoever has knowingly participated in one of the offences established in accordance with the Article or any other association, agreement, attempt or aiding and abetting by providing assistance, help or advice with a view to committing the offence."

In order to facilitate the search for evidence, the provisions of this article allow the judge to infer the intentional element of the money laundering offence on the basis of objective factual circumstances.

Article 218-1 of the same Code imposes an identical penalty for a mere attempt to commit the offences referred to in Article 218, such as for reaching an agreement or working with others with a view to committing such offences.

To define the scope of application of the offence of money laundering, Article 218-3 of the Criminal Code sets out the primary offences from which the proceeds are likely to be laundered: *"the proceeds from offences punished under Monegasque law by a term of imprisonment of over three years* are defined as property/assets and capital of illicit origin", as are the proceeds from some other offences subject to lesser penalties. These primary offences which occur prior to money laundering are specifically listed in the second paragraph of the Article.

The definition of money laundering encompasses all categories of offence designated by the Financial Action Task Force (FATF). The offences described in Article 218 of the Monegasque Criminal Code are established even where the offence generating laundered funds has been committed abroad, as long as it is punishable both in the Principality and in the State where it was perpetrated.

Monegasque law recognises among others as aggravating circumstances – and consequently punishes by a heavier sentence – the fact that the originator of money laundering is acting as a member of a criminal organisation, participates in other international organised criminal activities, holds a public office that assists them in committing the offence, takes part in other illegal activities facilitated by the commission of the offence, involves minors or has been convicted by a foreign court for a money laundering offence.

Furthermore, in the Principality, the law applies a criminal penalty to *“whosoever has, through an unawareness of their professional obligations, participated in any transaction to transfer, invest, dissimulate or re-assign property and capital of illicit origin.”*

The Criminal Code is complemented by two key pieces of legislation: Act No. 1.362 of 3 August 2009 and associated implementing Sovereign Ordinance No. 2.318, also dated 3 August 2009, which sets out the procedures relating thereto. The confiscation of property and capital of illicit origin is described in Article 219 of the Criminal Code, which sets out the procedure relating thereto. The Act of 2009 widens confiscation of equivalent value to all cases of money laundering. This legislation is also strengthened by Ministerial Orders, some of which publish the lists of countries, individuals and legal entities targeted by fund-freezing measures or other coercive UN or EU measures as part of financial penalties, particularly those imposed for undermining international security and peace.

More specifically relevant to combating terrorist financing, the authoritative piece of legislation is Sovereign Ordinance No. 15.320 of 8 April 2002, on the suppression of terrorist financing, which was amended in 2011 to introduce the definitions of offences designated in the FATF Recommendations. In applying this legislation, account is taken of the obligations set out in Sovereign Ordinance No. 15.321 of 8 April 2002 on fund-freezing procedures in order to combat terrorism.

All of these acts of law published in the Journal de Monaco [official gazette] are listed on the SICCFIN website (www.siccfm.gouv.mc).

1.2 Service d’Information et de Contrôle sur les Circuits Financiers - (SICCFIN)

Established in 1994, SICCFIN is an administrative unit, placed under the supervision of the Ministry of Finance and Economy. It meets the international definition of a Financial Intelligence Unit (FIU), as defined by the FATF. As an autonomous administrative body, SICCFIN operates entirely independently. It does not receive instructions from any authority. Its independence is legally enshrined in Article 35 of Sovereign Ordinance No. 2.318, as amended in 2012.

SICCFIN has 14 employees, including three staff responsible for analysis and processing of suspicious transaction reports (the “investigation team”). Its second-largest unit is the “inspection team”, which has seven staff responsible for conducting audits of professionals. One of the inspectors has specific responsibility for desk audits and organising the inspection schedule.

Generally, SICCFIN personnel have a banking and financial background, in addition to legal knowledge, and certain individuals are specialised in auditing and monitoring. Those skills are also supplemented by training courses at other FIUs operating on a legal basis that is similar to Monegasque law. Regular exchanges are held with these counterparts, as well as with the French *Autorité de Contrôle Prudentiel et de Résolution*, which provides opportunities to consolidate training through sharing experience.

As part of its remit to supervise professionals subject to Act No. 1.362, and especially the largest financial institutions in Monaco, SICCFIN receives occasional additional assistance from five external experts. These are recognised professionals with considerable experience and specialist knowledge of monitoring financial institutions (former Banque de France Inspectors or Inspectors General).

By virtue of their specific role, all SICCFIN officers and external experts are especially commissioned by the Minister of State. They also take an oath before the First President of the Court of Appeal, agreeing to respect professional secrecy when carrying out their duties and to act with integrity and fairness at all times.

1.2.1 The missions of SICCFIN

Act No. 1.362 of 3 August 2009 defines the missions and powers of SICCFIN, granting it a dual role. In addition to the analysis and processing of reports of suspected money laundering made by professionals, which is the ‘core task’ common to all FIUs as defined by FATF, SICCFIN has the specific role of ensuring that AML/CFT legislation is properly applied by the financial and non-financial professions which are subject to it. This supervision does not extend to court officials who are, under the law, subject to supervision by the Public Prosecutor, to whom they address their suspicious transaction reports and who has the power to order AML/CFT inspections of these professions.

- Processing suspicious transaction reports

SICCFIN is responsible for collecting, analysing and, if required, sending to the judicial authorities, information relating to money laundering and terrorist financing. In order to do this, SICCFIN receives suspicious transaction reports which are sent to it by professionals subject to the provisions of Act No. 1.362. If this review reveals a serious likelihood of an offence, SICCFIN informs the Public Prosecutor by sending him a report which must not include the suspicious transaction report. The report itself is never communicated to the judicial authorities, in accordance with the provisions of Article 16 of Act No. 1.362. This article sets out a principle of absolute confidentiality with regard to reports sent to SICCFIN by professionals, in order to protect the informant.

Moreover, SICCFIN is responsible for registering and processing reports of cross-border transport of cash and bearer instruments that are collected by the Monaco Police Department during controls performed at the borders of the Principality.

- Supervision of professionals

SICCFIN is also responsible for monitoring the proper application of Act No. 1.362 and the measures taken to implement it by all professionals who are subject to the Act, by visiting financial and non-financial institutions. This on-site monitoring is reinforced by desk audits covering various types of document:

- internal procedures drafted by professionals pursuant to the obligations of Article 13 of Act No. 1.362;

- the various periodic reports that these professionals are legally bound to submit (evaluation reports produced by certified public accountants and activity reports produced by the professional, pursuant to the procedures set out in Article 33 of Act No. 1.362 and of Sovereign Ordinance No. 2.318 respectively);

- questionnaires that the professional receives from SICCFIN pursuant to Ministerial Order No. 2012-724 of 17 December 2012, by virtue of the powers conferred by Article 31 of Act No. 1.362, or to gather other information as necessary to carry out its duties.

In addition to these two primary areas of activity, SICCFIN has other associated missions.

- Regulatory activities

Pursuant to the same Ordinance, SICCFIN can also propose any legal or regulatory development that it deems necessary in relation to its remit and AML/CFT legal instruments. SICCFIN can also disseminate circulars, recommendations or memoranda of instruction, which it deems useful, in order to supplement, explain or clarify the procedures for implementing existing measures.

- Awareness-raising and training

Lastly, SICCFIN also provides support for professionals that are subject to Act No. 1.362, by lending its assistance in awareness-raising and training activities. Professionals may consult SICCFIN in the event of problems with interpretation of the legislation, for example. The issues raised may lead to the dissemination of explanatory memoranda or circulars.

SICCFIN holds regular, periodic meetings with the representatives of the various organisations involved in AML/CFT issues in the Principality, from both the public and private sectors. The aim is to help ensure that information is circulated and to draw the attention of these professionals to the risks and difficulties they may be exposed to in connection with their due diligence obligations.

The above exchanges are organised through regular meetings within institutionalised committees or working groups, but also, more informally, through more specific meetings with professional bodies and associations from the private sector, where they make a request or where proposed by SICCFIN.

These meetings may also be supplemented or reinforced with broader awareness-raising activities which bring together all professionals from a single business sector to look at the specific issues which are preoccupying them in the practical implementation of their due diligence obligations.

- International exchanges

In addition to cooperation at the national level with other administrative bodies which also have a supervisory responsibility, SICCFIN cooperates at the international level with its foreign counterparts on the basis of bilateral administrative cooperation agreements or, in the absence thereof, on a reciprocal basis.

The Monegasque FIU also leads the Monaco delegation to the MONEYVAL Committee of Experts and participates regularly in meetings of the Egmont Group (see below). SICCFIN is also designated by the Sovereign Ordinance No. 2.318 of 3 August 2009 as an authority specialised in combating corruption within the meaning of the Criminal Law Convention on Corruption of the Council of Europe of 27 January 1999 (ETS 173), rendered enforceable since 1 July 2007 by Sovereign Ordinance No. 1.089 of 4 May 2007.

1.2.2 The powers of SICCFIN

In order to fulfil their duties, pursuant to Article 27 of Act No. 1.362, SICCFIN officials have very extensive investigatory powers authorising them to request the provision of any information in the possession of the following:

- “the professionals listed in Act No. 1.362;
- police departments (in particular concerning information of a legal nature);
- other State Departments;
- Public Prosecutor;
- national bodies carrying out supervisory duties.”

Pursuant to Article 31 of Act No. 1.362, SICCFIN agents may carry out any verification operations that they deem necessary, both of documentary evidence and on-site, without professional secrecy being enforceable against them. To this end, Article 37 of Sovereign Ordinance No. 2.318 states that they may require any documents or items that they consider useful to be provided and that they may make copies of this information.

Amongst the considerable amount of information which is collected, information relating to authorised commercial activities and information concerning the establishment in the Principality of persons and entities enable the examination carried out by SICCFIN to be broadened.

Article 16 of the same law provides that when, following its examination, SICCFIN becomes aware of facts that indicate a serious likelihood of money laundering, terrorist financing or corruption, it shall establish a report to be sent to the Public Prosecutor. SICCFIN is then informed by the Public Prosecution Department of the decisions and judgements reached by the judicial authorities, and of any dismissals of charges.

SICCFIN also has the means to prevent and stop transactions from being carried out, on the basis of Article 19 of Act No. 1.362. This article gives SICCFIN the right to oppose the performance of any transaction on the account of the client to whom the suspicious transaction report relates, for a maximum of three days. This measure may then be substituted by a seizure decided by the judicial authorities, which have their own powers to examine such cases.

1.2.3 International cooperation

Act No. 1.362 allows SICCFIN to share information with its foreign counterparts under bilateral agreements or, in the absence thereof, on a reciprocal basis. With regard to processing suspicious transaction reports, the sharing of information with other FIUs is conducted on the basis of Articles 15 and 28 of the Act. These provisions expressly state that SICCFIN is responsible, on condition of reciprocity, for responding to requests for information received from its counterparts.

These two articles provide a framework comprising a certain number of guarantees to support the exchange of information. These guarantees are intended to preserve the professional secrecy of the FIUs involved and the confidentiality of the data shared, and are intended to limit the use of information exchanged exclusively for the purposes of combating money laundering and terrorist financing.

International cooperation also extends to SICCFIN's supervisory activities, on the basis of Article 34. Following the example of the provisions in place for exchanging information with regard to suspicious transaction reports, this article states that SICCFIN may collaborate with foreign authorities which fulfil similar supervisory functions, on condition that each entity is obliged to adhere to the same guarantees.

Consequently, information sharing is only possible where each of the entities satisfies the following three cumulative conditions:

- respects the principle of reciprocity,
- is subject to the same obligations of professional secrecy,
- presents adequate guarantees that the information supplied cannot be used for purposes other than AML/CFT.

1.3 The National Risk Assessment (NRA)

Under FATF Recommendation 1 (one of 40 recommendations issued by the task force), each country is asked to carry out a national AML/CFT risk assessment. Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, known as the "Fourth AML Directive", also requires Member States to carry out a national risk assessment.

Implementation of this Recommendation is particularly important since it has a “domino” effect on seven other Recommendations, and given that the full set of Recommendations forms the basis of the MONEYVAL Committee’s fifth evaluation cycle. Monaco’s report is expected to be examined under this cycle in 2019.

The purpose of the NRA is to enable each country to identify, evaluate and understand money laundering and terrorist financing risks within its territory. This assessment has two main aims. The first is to ensure that the existing risk prevention and mitigation measures are commensurate with the actual risks that exist, such that the country is able to reduce these risks. The second is to enable the country to adapt its financial, legal, logistics and human resources appropriately so that they can be targeted at the risks that pose the greatest concern.

The NRA process should give a clearer picture of the specific risks facing Monaco. The process, which lasts for more than a year, involves a series of working group meetings and workshops attended by private and public sector representatives. At these meetings, the participants gather data and information and conduct an assessment of national risks.

To ensure that its assessment exercise is completed successfully, the Principality has solicited assistance from the World Bank using its specific NRA methodology, which features a range of tools and a technical framework based on “proven” assessment criteria that the World Bank has already tested in other major financial centres that bear many similarities with Monaco. These criteria are recognised by international organisations, thereby guaranteeing that the process will be relevant and effective.

The NRA procedure was officially launched by Monaco’s Minister of Finance and Economy during an initial workshop held in the Principality on 1-3 December 2015. The workshop was attended by more than 50 private and public sector representatives. There were also four World Bank experts in attendance, who explained the NRA methodology and objectives. The experts led five working group sessions, with each group responsible for collecting and analysing data on specific themes defined in advance with the World Bank:

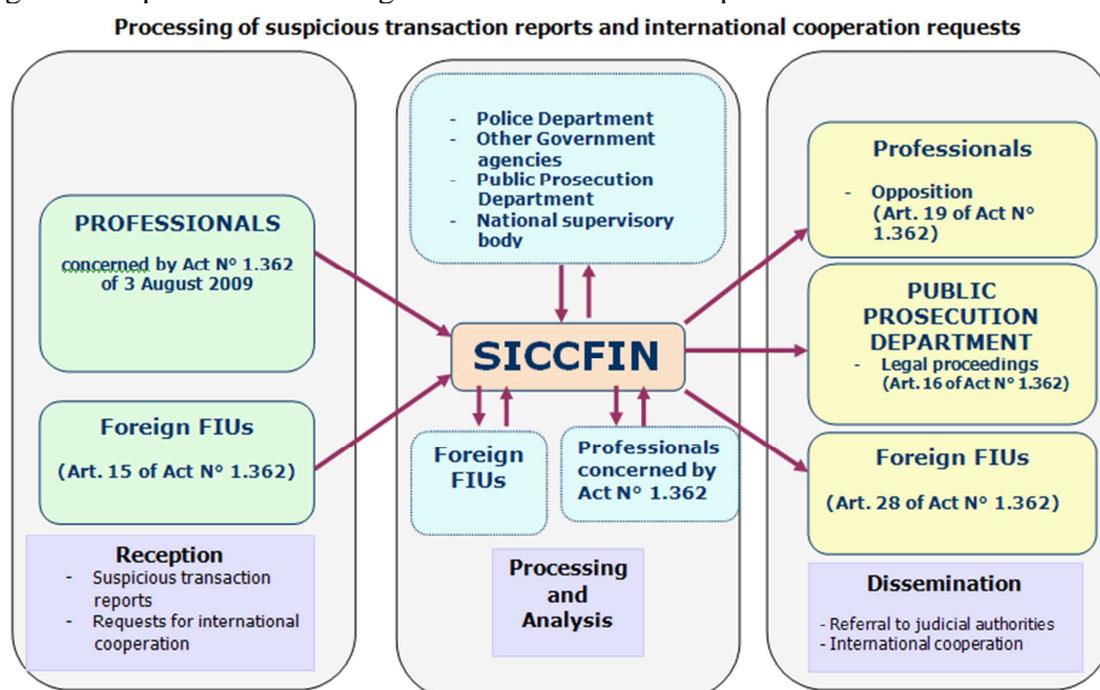
- Group 1: Threat assessment (external factors);
- Group 2: Vulnerability assessment (internal factors);
- Group 3: Financial Sector group;
- Group 4: Other Financial Activities group;
- Group 5: Designated Non-Financial Businesses and Professions (DNFBPs).

Each group will be required to gather information and data relating to its specific theme, using a variety of different methods (e.g. issuing questionnaires to professionals or gathering statistics and other types of objective or subjective data). The data are then input into tables to produce scores. These scores are used to determine the risk-based approach.

Each group then submits its conclusions, and these are analysed and compiled in a report for submission to the government. The government uses this report as the basis for its action plan, with a view to meeting the initial objective, i.e. adapting national resources to the specific AML/CFT risks facing the financial sector in Monaco.

2. Processing financial information

The investigation team comprises three officials responsible for receiving, analysing and monitoring information collected by SICCFIN in a dedicated, secure database. This information comes either from suspicious transaction reports made by professionals subject to AML/CFT legislation, or from information-sharing with other national supervisory authorities or foreign counterpart FIUs. The diagram below illustrates the procedure used.



2.1 Suspicious transaction reports

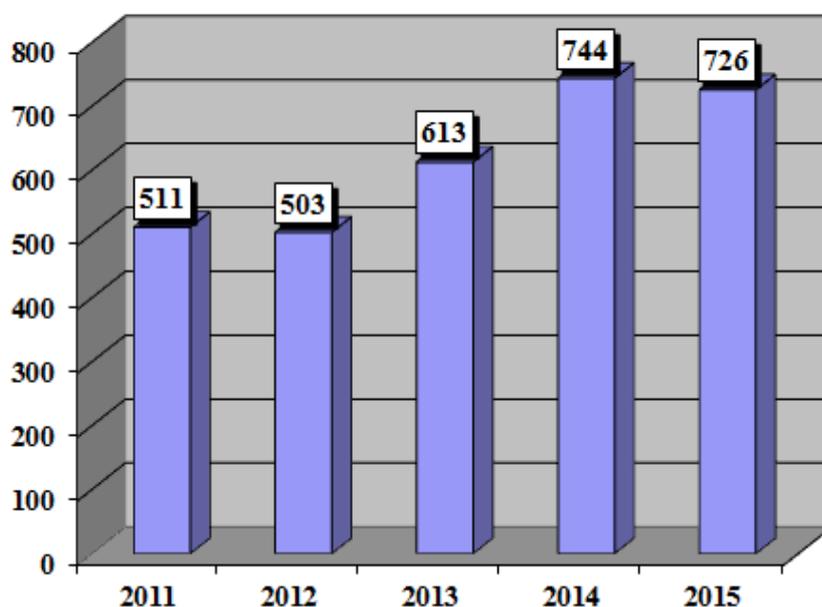
Statistics collected in 2015 show a slight reduction in the number of reports sent to SICCFIN when compared with 2014 (-2.42%). However it is important to put this reduction in perspective, since it comes after two successive years of significant increases. In fact, the 2015 figures were the second highest level recorded since the legislative reform of 2009 (see annual trend table below).

2.1.1 Annual statistics

There were a total of 726 reports in 2015. When compared with the 2014 figures, the total number of suspicious transaction reports submitted to SICCFIN by professionals fell by 2.42% in 2015. However, this figure must be viewed in light of the substantial increase in the total number of reports recorded since 2012 (up 45%).

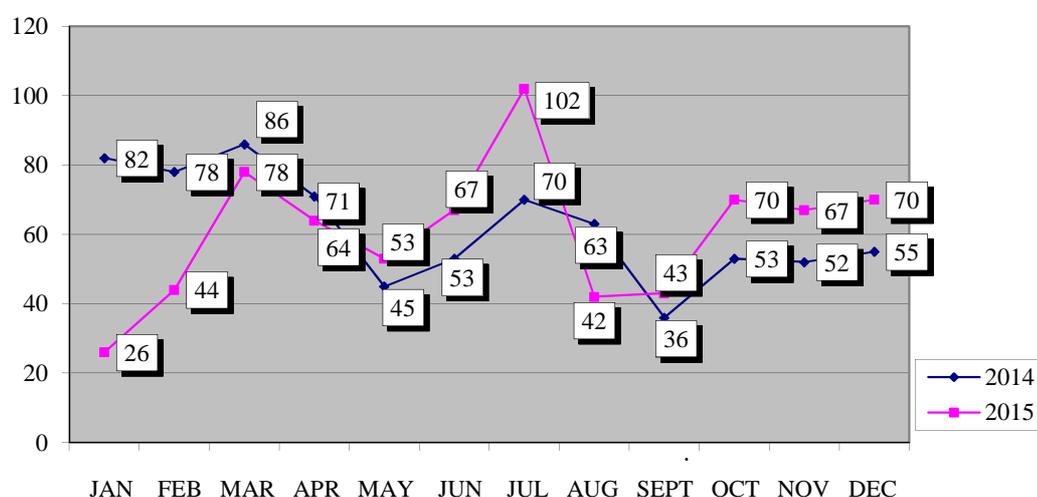
All reports submitted to SICCFIN by professionals stated in Articles 1 and 2 of Act No. 1.362 are investigated by an officer from the “investigation team”. The case and any subsequent action taken are recorded in dedicated, highly secure SICCFIN database for the statutory data retention period, as approved by the CCIN (Monaco’s data protection regulator).

Annual trend in the number of suspicious transaction reports



2.1.2 Monthly statistics

Monthly trend in the number of suspicious transaction reports 2014-2015



The monthly trend in the number of reports appears relatively stable from one year to the next. Monthly volumes tend to be highest in March and July and fall to their lowest in May and August/September. They then rise again and remain relatively consistent throughout the final quarter of the year.

These fluctuations are dependent on events and specific circumstances, such as calendar imperatives and the availability of compliance teams (during holiday periods for example).

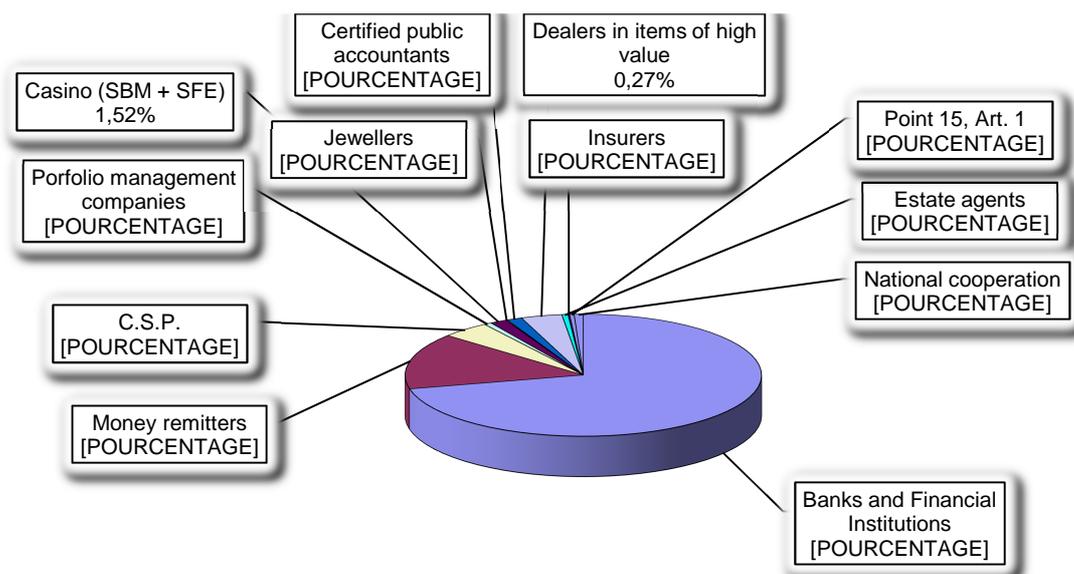
2.1.3 Breakdown by business sector

The table below provides an understanding of the origins of suspicious transaction reports, broken down by professional category. It includes both financial and non-financial institutions.

**Comparative table of the number of reports
submitted by different professional categories
to SICCFIN (2014/2015)**

Professionals in question	2014	2015	Breakdown by profession in 2015	Change 2014/2015
Banks and financial institutions	542	518	71.35%	-4.43%
Money remitters	130	108	14.88%	-21.54%
CSPs (company service providers)	16	32	4.41%	+100.00%
Portfolio management companies	11	5	0.69%	-54.55%
Casino	5	11	1.52%	120.00%
Jewellers	2	1	0.14%	-50.00%
Certified public accountants	20	10	1.38%	-50.00%
Dealers in items of high value	2	27	3.72%	
Bureaux de change	1	0	0.00%	
Legal consultants	1	0	0.00%	
Estate agents	3	4	0.55%	33.33%
Insurers	0	1	0.14%	
Professionals mentioned in point 15, Article 1, Act No. 1.362, ^r	0	3	0.41%	
National cooperation	11	6	0.83%	-45.45%
TOTAL	744	726	100%	-2.42%

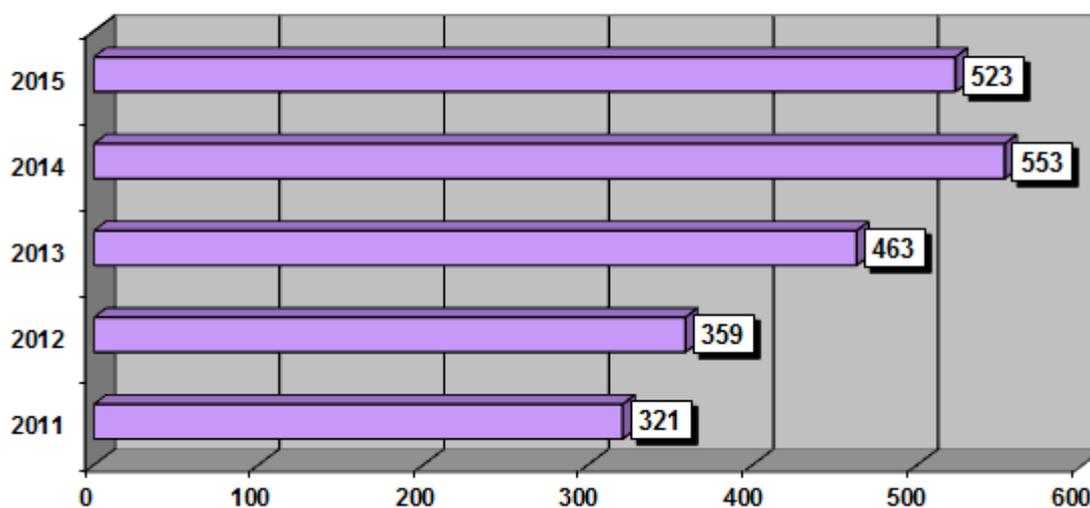
Suspicious transaction reports by profession in 2015



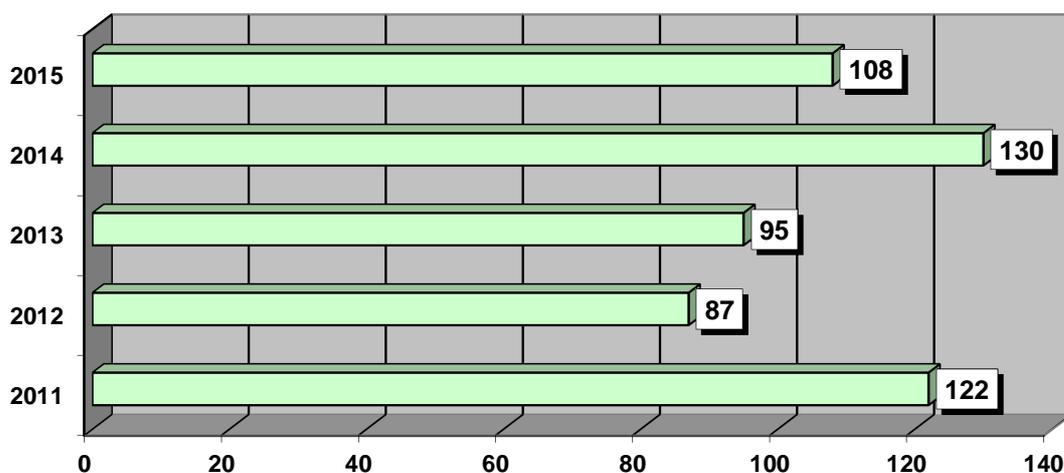
2.1.4 Annual trends by category

The tables below illustrate the trend in the number of suspicious transaction reports submitted by financial institutions, money remitters and CSPs since 2011.

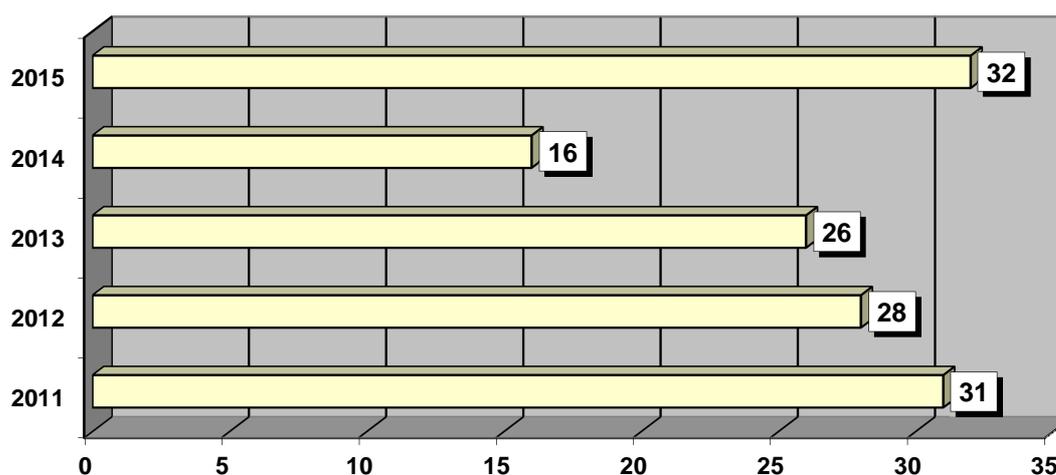
Change in the number of suspicious transaction reports submitted by financial institutions



Change in the number of suspicious transaction reports submitted by money remitters



Change in the number of suspicious transaction reports submitted by CSPs



The number of reports submitted by banking institutions fell by 4% in 2015 when compared with 2014 (although the figure remains higher than those recorded in 2012 and 2013). As in previous years, however, banks remain the primary source of suspicious transaction reports, accounting alone for a little over 71% of all reports received by SICCFIN.

In the Financial Activity sector, reports from money remitters and portfolio management companies were down 22% and 55% respectively. The only exception to this rule in the sector were CSPs, which submitted twice as many reports as in the previous year (+100%).

Among DNFBPs, the number of reports from certified public accountants and jewellers was half the level seen in 2014. However, there was an increase in reports from estate agents and the gaming sector (up 33.33% and 120% respectively). The most notable increase in the number of reports came from dealers in items of high value, which submitted 27 suspicious transaction reports in 2015, compared with just 2 in 2014. Overall, the number of suspicious transaction reports from non-financial professions continued to rise at a stable rate.

However, the number of cases resulting from national cooperation (i.e. information passed on by public-sector supervisory bodies) fell significantly when compared with 2014 (down 45%).

2.2 Cases submitted to the judicial authorities

Since 1994, SICCFIN has received a total of 7,647 suspicious transaction reports. Of these reports, 294 submissions were sent to the Public Prosecution Department, involving 532 original reports. Over 21 years, these account for 6.96% of all reports submitted to SICCFIN.

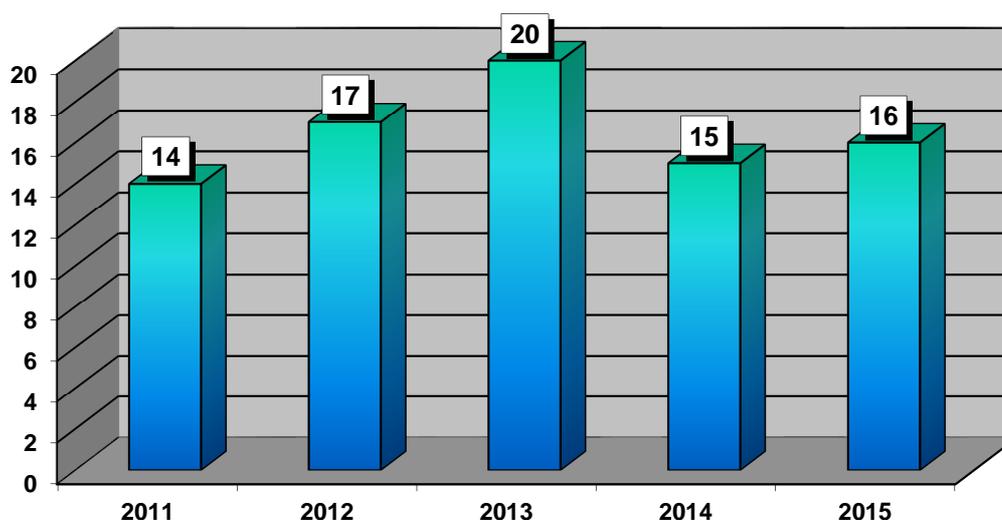
However, the length of time that SICCFIN officers spend processing a suspicious transaction report may vary considerably, depending on the complexity of the case and the external elements which require regular exchanges with foreign FIUs.

This is due to the fact that the offence of money laundering belongs to the category of subsequent offences, which assumes that a primary offence which generated the money of illicit origin – which was then subsequently laundered via lawful channels – was committed first.

Given Monaco's specific historical and geographical characteristics, its economic and financial sectors are outward-looking and international in nature. This means that the primary offence – the underlying offence that gives rise to the money laundering – is often committed abroad. Investigations are therefore *de facto* dependent on the outcomes of investigations, prosecutions and sentences decided by authorities in the countries in which such offences were committed.

Consequently, SICCFIN investigators often have to conduct additional investigations in conjunction with their foreign counterparts in order to verify the admissibility of the corresponding information and any changes to such information over time.

**Number of cases submitted to the Public Prosecution Department
since 2011**



In 2015, SICCFIN submitted a total of 16 cases to the Public Prosecution Department (compared with 15 cases in the previous year). These 16 cases related to 35 suspicious transaction reports received by SICCFIN. Less than 5% of all reports submitted by professionals are forwarded to the judicial authorities – a percentage that has remained relatively constant since 2011 (see table below).

N.B.: due to the time required to examine each case, there may be a time lag between the year in which the report is taken into account and the year in which it is submitted to the judicial authorities.

**Annual trend in ratio of cases submitted/suspicious transaction reports
since 2011**

Year	Suspicious transaction reports received	Cases submitted	Ratio of cases submitted to reports
2011	520	14 (involving 30 STRs)	5.77%
2012	503	17 (involving 28 STRs)	5.57%
2013	613	20 (involving 31 STRs)	5.06%
2014	744	15 (involving 32 STRs)	4.30%
2015	726	16 (involving 35 STRs)	4.82%

As in previous years, the cases submitted show that the underlying offences which resulted in money laundering were mostly committed abroad. The underlying offences relate to a wide range of types of criminality. In 2015, the following were recorded: misappropriation of public funds, forgery and the use of forgery, bankruptcy fraud, scams and financial malpractice. These offences are often associated with instances of corruption, particularly in the award of public contracts. The major trends in 2015 include cases of money laundering linked to online sports betting, breaches of trust and illegal practising of financial activities.

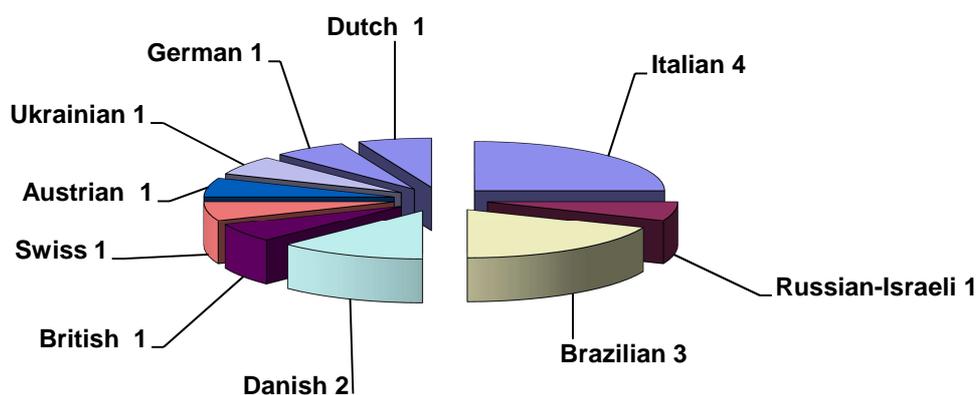
During 2015, SICCFIN used its powers under Article 19 of Act No. 1.362 to block transactions by individuals mentioned in suspicious transaction reports, where the report contains sufficient grounds to forward the case to the judicial authorities. These two cases accounted for funds in excess of EUR 4.4 million. These oppositions were extended by the judicial authorities, which called for the sums concerned to be impounded as part of the criminal prosecution process.

It is important to stress that the blocking of transactions and bank accounts is a temporary safeguarding measure and cannot be used as a means of permanent seizure until judicial proceedings are complete (i.e. once all avenues of appeal have been exhausted and once the court ruling becomes definitive).

Out of 16 cases sent to the judicial authorities in 2015, 14 were still under examination or investigation as at 31 December 2015.

Breakdown of cases submitted in 2015
by nationality

The persons involved in cases submitted to the judicial authorities in 2015 were of various nationalities.



Reports from court officials

The Public Prosecutor, in accordance with Article 23 of Act No. 1.362, informs SICCFIN of facts reported to him by court officials. A total of 10 such cases were received in 2015.

Number of reports received from the Public Prosecution Department

	2012	2013	2014	2015
NOTARIES	3	7	14	9
ATTORNEYS AT LAW	-	2	2	1

2.3 Cross-border transport of cash and bearer instruments

In 2015, SICCFIN recorded 909 reports of cross-border transport of cash and bearer instruments, as against 792 in 2014, representing an increase of 14.77%. The reports were submitted by the Police Department following various inspections by its officers at the borders of the Principality.

2.4 International cooperation

Cooperation between SICCFIN and FIUs from other countries is an important reciprocal tool that facilitates the exchange of both inbound and outbound information requests. Since money laundering circuits are often transnational in nature, these exchanges make a fundamental operational contribution to the strengthening and finalisation of FIU investigations into cases likely to be submitted to the judicial authorities in different countries.

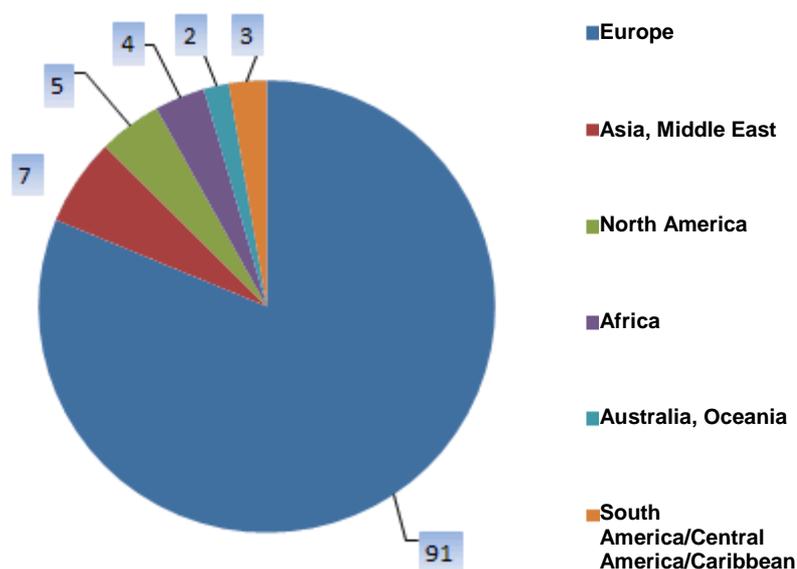
The number of administrative cooperation requests received by SICCFIN rose by 31.76% in 2015 when compared with 2014 (see table below).

2.4.1 Number of requests received by SICCFIN from foreign FIUs since 2011

Country	Number of requests received by SICCFIN from foreign FIUs since 2011				
	2011	2012	2013	2014	2015
Albania	-	-	-	1	-
South Africa	-	1	-	-	-
Germany	-	-	-	1	1
Andorra	-	-	1	-	-
Austria	-	-	1	-	2
Saudi Arabia	1	-	-	-	-
Argentina	4	1	2	1	1
Bahamas	1	-	-	-	-
Bahrain	1	-	-	1	-
Belgium	7	9	7	8	5
Bermuda	-	1	-	-	-
Belarus	-	-	1	-	-
Brazil	-	-	1	-	-
Bulgaria	-	-	-	-	1
Burkina Faso	-	1	1	-	-
Cameroon	-	1	2	-	-
Canada	-	-	-	-	1
South Korea	-	-	-	1	-
Croatia	2	-	3	1	2
Denmark	2	1	1	1	-
Egypt	1	-	-	-	-
United Arab Emirates	2	1	-	-	-
Spain	2	3	3	2	-
Estonia	-	-	-	-	1
United States of America	3	1	8	2	4
France	26	20	23	24	31
Gabon	-	1	-	-	-
Georgia	-	-	-	-	1
Greece	-	-	1	1	-
Grenada	-	-	-	1	-
Guatemala	-	-	-	-	1

Hungary	1	-	-	-	-
Cayman Islands	-	-	-	-	1
Isle of Man	-	-	-	-	1
British Virgin Islands	-	-	-	1	-
Indonesia	-	-	1	-	-
Ireland	1	-	-	-	-
Italy	3	2	4	7	10
Jersey	2	-	2	1	-
Kazakhstan	1	1	-	-	1
Kyrgyzstan	2	-	1	-	-
Latvia	-	-	1	1	-
Lebanon	1	-	1	-	-
Liechtenstein	1	-	-	-	1
Lithuania	2	-	1	-	1
Luxembourg	7	10	10	8	6
Madagascar	-	1	-	1	2
Malaysia	-	1	-	-	-
Mali	-	1	-	-	-
Malta	-	-	1	1	2
Morocco	-	-	-	-	1
Mauritius	1	-	-	-	-
Moldova	2	-	1	1	2
Montenegro	6	-	1	-	2
Niger	-	-	-	1	-
Nigeria	-	-	-	1	-
Norway	1	-	-	-	1
New Zealand	-	-	-	-	2
Netherlands	-	-	1	1	1
Philippines	-	1	-	-	1
Portugal	-	2	1	-	-
Democratic Republic of the Congo	-	-	1	-	-
People's Republic of China	-	-	-	-	1
Taiwan (Republic of China)	-	-	-	-	1
Republic of Singapore	-	-	-	-	1
Romania	-	-	1	-	1
United Kingdom	3	5	6	8	10
Russia	1	2	3	-	5
San Marino	1	-	1	-	-
Saint Vincent and the Grenadines	-	-	1	-	-
Senegal	-	1	-	2	1
Slovakia	-	1	1	-	-
Sri Lanka	-	1	-	1	-
Switzerland	1	1	3	2	2
Syria	-	-	1	-	-
Tunisia	-	2	2	2	-
Turkey	-	-	-	-	1
Ukraine	-	-	1	1	3
Venezuela	2	-	-	-	-
TOTAL	91	73	102	85	112

**Number of requests received by SICCFIN from foreign FIUs
in 2015 by region**



These figures show a substantial increase in the number of requests received from foreign FIUs. In fact, 2015 had the highest number of information exchanges in the last five years, with SICCFIN receiving 112 requests (compared with 85 in 2014 – an increase of 31.76%).

The majority of these exchanges involved SICCFIN's counterparts in Europe (91 requests). A smaller number of requests were received from Asia and the Middle East (7 requests), the United States and Canada (5 requests), Africa (4 requests), and South America and Oceania (2 requests).

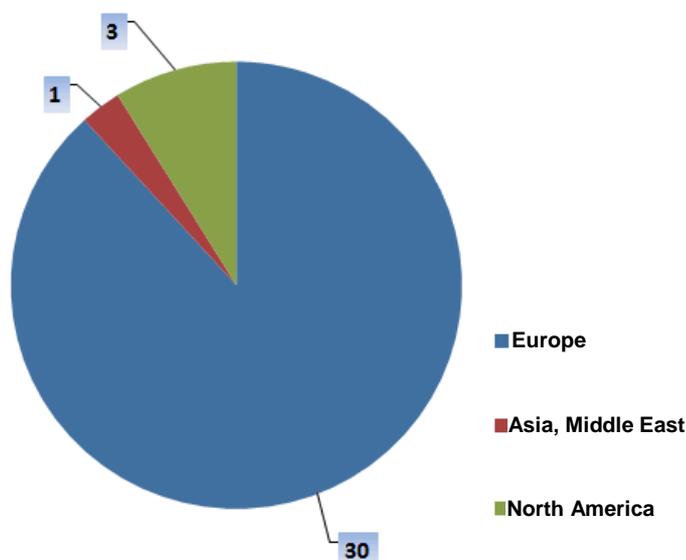
All of these requests were investigated and one or more responses were sent to the requesting FIUs. When following up on certain cases, foreign judicial authorities may then submit international rogatory commissions to their Monegasque counterparts, including orders to freeze funds or seize assets located in the Principality.

2.4.2 Number of requests sent by SICCFIN to foreign FIUs since 2011

The statistics below show that the Monegasque FIU resorts to sharing information with its foreign counterparts in order to successfully complete its investigations. In many cases, the purpose of these exchanges is to verify the existence of and facts concerning possible criminal acts alleged to have been committed in foreign jurisdictions, or to gain information about the existence of proceedings in other countries.

Country	Number of requests sent by SICCFIN to foreign FIUs since 2011				
	2011	2012	2013	2014	2015
Germany		-	-	1	-
Andorra	2	-	-	-	-
Austria	-	1	-	1	1
Bahamas	-	-	-	1	-
Belgium	-	1	1	4	1
Brazil	-	-	1	2	-
Bulgaria	1	-	-	-	-
Cameroon	-	-	1	-	-
Canada	-	-	1	1	2
Cyprus	-	-	1	2	-
Denmark	-	-	-	1	-
Spain	1	-	-	-	-
Estonia	-	-	-	1	-
United States of America	-	-	1	2	1
Finland	-	-	-	-	1
France	9	5	6	14	8
Mauritius	-	-	-	1	-
Italy	4	6	5	13	11
Latvia	-	-	3	2	-
Liechtenstein	-	-	-	-	1
Luxembourg	1	1	1	2	1
Malaysia	-	-	-	1	-
New Zealand	-	-	-	1	-
Netherlands	-	-	-	1	1
Portugal	-	-	-	1	-
People's Republic of China	1	-	-	2	1
Czech Republic	-	-	-	-	1
Romania	-	-	-	1	-
United Kingdom	-	1	2	7	1
Russia	1	-	1	4	-
Sweden	-	2	-	1	-
Switzerland	2	2	7	9	3
Vatican	-	-	-	1	-
Venezuela	1	-	-	-	-
TOTAL	23	19	31	77	34

Number of requests sent by SICCFIN to foreign FIUs in 2015 by region



For its part, SICCFIN sent 34 requests to its foreign counterparts in 2015, compared with 77 in 2014: a reduction of 55.84%. Once again, the vast majority of these exchanges were with counterpart FIUs in Europe (30 requests). The table below shows that this year, as in previous years, the majority of SICCFIN's dealings were with the FIUs in Italy and France. It also had a much smaller number of exchanges with FIUs in North America (3 requests) and Asia (1 request).

2.4.3 Number of unsolicited reports received by SICCFIN from foreign FIUs since 2011

Country	Number of unsolicited reports received				
	2011	2012	2013	2014	2015
Andorra	-	-	-	-	1
Anguilla	-	-	-	-	1
Saudi Arabia	-	-	-	-	1
Austria	-	-	-	1	-
Cyprus	-	-	-	-	1
Curaçao	1	-	-	-	-
Spain	-	-	-	1	-
France	1	-	-	-	-
Gibraltar	-	-	-	-	1
Guernsey	1	1	-	-	1
Hungary	-	-	-	-	1
Isle of Man	1	-	-	-	-
Jersey	-	-	-	-	1
Liechtenstein	-	-	-	-	1
Luxembourg	-	-	-	-	3
Republic of Singapore	-	-	-	2	1
United Kingdom	-	-	-	-	1
San Marino	-	-	-	-	1
Saint Vincent and the Grenadines	-	1	-	-	-
Slovakia	1	1	-	-	-
Switzerland	-	-	-	2	-
TOTAL	5	3	0	6	15

The figures above relate to unsolicited reports sent to SICCFIN by foreign FIUs. These reports are received when the foreign FIU believes that the information will be likely to interest the Monegasque authorities with a view to potential investigations. The number of such reports increased almost threefold between 2014 and 2015.

2.4.4 Number of unsolicited reports sent by SICCFIN to foreign FIUs since 2011

Country	Number of unsolicited reports sent				
	2011	2012	2013	2014	2015
Germany	-	-	-	-	1
Belgium	1	-	-	1	-
United States of America	-	1	1	2	-
France	3	1	4	6	2
Italy	2	2	-	3	4
Luxembourg	-	-	-	1	1
Netherlands	-	-	1	-	-
Switzerland	-	-	-	-	1
TOTAL	6	4	6	13	9

In 2015, SICCFIN sent 30.77% fewer unsolicited reports to its foreign counterparts than in the previous year. As the table below shows, the majority of these reports were sent to Italy and France.

2.5 The fight against terrorist financing

Countering terrorist financing has also been part of SICCFIN's remit since the entry into force of Act No. 1.253 of 12 July 2002, which amended Act No. 1.162 of 7 July 1993 on the participation of financial entities in the fight against money laundering (the corresponding provisions of which were re-stated in Act No. 1.362 of 3 August 2009).

By law, the due diligence obligations incumbent on professionals concerned by Articles 1 and 2 of this Act in relation to money laundering are now extended to cover terrorist financing, and such professionals are now obliged to submit suspicious transaction reports to SICCFIN. They are also required to establish internal monitoring systems, including special examinations and identification and due diligence obligations, to combat this type of financial crime.

The Principality participates in international action to counter terrorist financing by regularly publishing Ministerial Orders containing lists of individuals and legal entities or bodies which have had their funds frozen or are subject to other types of penalty designed to combat terrorism. The lists attached to these orders include the names of individuals and entities found on the lists attached to United Nations (UN) resolutions, European Union (EU) regulations and French Ministerial Orders.

The Ministerial Orders implementing Sovereign Ordinance No. 15.321 of 8 April 2002, amended in 2006 and 2008, on fund-freezing procedures in order to combat terrorism relate to individuals or legal entities that engage in activities or have links with terrorist groups. These Ministerial Orders transpose the EU-published lists pursuant to Regulation (EC) No 881/2002 of 27 May 2002 and its successive amendments into Monegasque law. The “initial” Ministerial Order No. 2002-434 of 16 July 2002 has therefore been revised around 240 times since it was first published.

The Ministerial Orders implementing Sovereign Ordinance No. 1.675 of 10 June 2008, on fund-freezing procedures, implementing financial penalties against persons suspected of preparing for or committing acts that violate human rights and democracy or that undermine international security and peace, primarily concern nationals of, or entities established in countries such as Afghanistan, Libya, Syria, Somalia and Yemen.

In addition to these international lists, and pursuant to the agreements entered into with France, Monaco has also signalled its commitment to implementing identical fund-freezing measures to those applicable in France, pursuant to Article 562-1 of the French Monetary and Financial Code, with a view to countering terrorist financing, establishing a harmonised system and allowing Monegasque credit institutions to participate in the French interbank payment system. More than 10 such Ministerial Orders were published in 2015.

3. AML/CFT supervision

By virtue of Article 31 of Act No. 1.362, SICCFIN officers are authorised to verify that the professionals stated in Article 1 and point 3 of Article 2 of the Act are complying with their obligations. These inspections may take the form of desk audits or on-site monitoring visits. The purpose of these inspections is to ensure that the professionals are complying in full with their due diligence obligations as required by law.

Generally speaking, and for these inspections in particular, SICCFIN deals directly with the professional itself, or with the individual(s) designated by the professional as the AML/CFT officer, i.e. the person responsible for application of Act No. 1.362.

Pursuant to Article 49 of Sovereign Ordinance No. 2.318, any professional that employs at least one employee is required to designate an AML/CFT officer. This designation must meet the conditions set out in Article 33 of Sovereign Ordinance No. 2.318, in terms of capabilities, independence, ethical standards, honour and integrity.

The AML/CFT officer acts as the dedicated point of contact for SICCFIN for any questions relating to these matters. By virtue of his/her duties, the AML/CFT officer is a central component of the professional’s system. He/she is responsible for establishing the internal control, communication and central information management procedures, “*in order to prevent, identify and stop transactions linked to money laundering or terrorist financing*”.

The AML/CFT officer must therefore ensure that all due diligence obligations are properly implemented, focusing in particular on knowledge of the customer, the customer's financial background, and transaction monitoring using the risk-based approach. He/she is also responsible for submitting suspicious transaction reports, responding to SICCFIN information requests and questionnaires, drafting the activity report, and delivering AML/CFT training and awareness-raising activities to other staff members.

These obligations and the supporting documents form the basis of SICCFIN's inspection activities. There are two types of inspection (desk audits and on-site monitoring visits), each involving a different set of procedures.

3.1 Desk audits

These audits review the documents that each professional subject to the AML/CFT regime is obliged to submit to SICCFIN. They cover three document categories: internal procedures, questionnaires and annual reports.

3.1.1 Internal procedures

A professional's very first contact with SICCFIN comes at the point at which it sets up operations in the Principality. Other relevant government departments notify SICCFIN whenever a new business is established or a new person sets up operations, where such business or person carries out one of the activities stated in Article 1 and in point 3 of Article 2 of Act No. 1.362.

SICCFIN then sends a letter (to the individual where the person operates as a sole trader, or to the director if the professional is a legal entity) explaining that the professional is subject to the statutory AML/CFT regime. The professional is asked to provide SICCFIN with the details of one or more AML/CFT officer(s) and to forward a copy of its internal procedures. SICCFIN then analyses these procedures to ensure that they comply with the relevant legal and regulatory obligations.

In 2015, SICCFIN received and analysed 91 documents (internal procedures from newly established professionals or amendments to existing procedures from already established professionals).

If necessary, SICCFIN forwards its observations to the professional. Where amendments to the procedures are required, the professional must then make the necessary changes and forward the amended document to SICCFIN.

Annual trend in the number of internal procedures submitted to SICCFIN by professionals since 2011					
	2011	2012	2013	2014	2015
Banks and financial institutions	39	4	11	6	7
Portfolio management companies	40	7	9	10	15
Company service providers	56	13	20	9	10
Legal consultants	7	1	10	11	11
Estate agents	58	7	13	14	12
Trustees	5	-	2	-	-
Life insurance brokers	21	-	-	2	-
Dealers in items of high value	52	11	25	23	27
Chartered accountants and certified public accountants	9	-	-	4	-
Bureaux de change	2	-	-	-	2
Agents of those granting loans secured by pledges	1	-	-	1	2
Goods traders	-	-	-	-	5
Total	290	43	90	80	91

The number of internal procedures submitted to SICCFIN over the last three years has remained stable.

3.1.2 Questionnaires

Pursuant to Ministerial Order No. 2012-724 of 17 December 2012, SICCFIN may send annual questionnaires to professionals. These questionnaires cover subjects such as business activity, internal procedures, training, the risk-based approach, the unusual transaction monitoring system and statistics for the past calendar year.

This information is used to gain a better understanding of the professional's activity during the year, as well as its organisation and operating procedures. They are therefore a useful source of information for monitoring and establishing the annual programme for on-site inspections by prioritising them using risk-based principles.

Generally, the sending of said questionnaires and the resulting monitoring contribute to maintaining constant preventive vigilance. In 2015, a total of 268 questionnaires were completed and returned to SICCFIN. These completed questionnaires were then analysed by the inspector in charge of desk audits.

Annual trend in the number of questionnaires submitted to SICCFIN by professionals since 2011 Ministerial Order No. 2012-724					
	2011	2012	2013	2014	2015
Banks and financial institutions	37	38	36	35	35
Portfolio management companies	38	43	47	51	52
Company service providers	37	36	36	37	38
Bureaux de change	2	2	2	1	2
Estate agents	-	96	97	90	104
Legal consultants	-	-	27	32	37
Total	114	215	245	246	268

When compared with the previous two years, the 2015 figures show little change in the number of questionnaires submitted by financial professionals, and a substantial increase in the number submitted by professionals in the non-financial sector (estate agents and legal consultants). The sharp rise in the number of questionnaires from the property sector is, in all likelihood, due to a series of inspections targeting estate agencies (with all professionals in this sector having received at least one visit from SICCFIN officers), and to SICCFIN's awareness-raising activities targeting this sector.

3.1.3 Annual reports

The obligations imposed on professionals by Act No. 1.362 and Sovereign Ordinance No. 2.318 include:

- the production of an annual activity report by the professional or the designated AML/CFT officer, in accordance with Article 33 of Sovereign Ordinance No. 2.318;

- the drafting of an annual AML/CTF assessment report by a certified public or authorised accountant, who is a member of the Monaco Association of Accountants, in accordance with Article 33 of Act No. 1.362.

The obligation to produce this assessment report does not apply to professionals that meet all of the following conditions, pursuant to the limits stated in Article 19 of Sovereign Ordinance No. 2.318:

- the professional operates a business as a sole trader or partnership;
- the professional has fewer than three employees;
- the professional's turnover is less than EUR 400,000.

Professionals are required to submit these periodic reports to SICCFIN during the first quarter of the year following the calendar year concerned.

Annual trend in the number of reports submitted to SICCFIN by professionals since 2013						
Professionals in question	Report pursuant to Article 33 of Act No. 1.362			Report pursuant to Article 33 of Sovereign Ordinance No. 2.318		
	2013	2014	2015	2013	2014	2015
Banks and financial institutions	n/a	n/a	n/a	38	29	29
Portfolio management companies	n/a	n/a	n/a	36	31	35
Company service providers	25	21	25	29	29	31
Estate agents	32	36	49	42	43	51
Legal consultants	10	8	8	13	9	14
Dealers in items of high value	22	22	32	21	21	36
Life insurance brokers	4	2	1	5	2	3
Jewellers	9	13	11	15	12	17
Agents of those granting loans secured by pledges	-	2	2	1	2	2
Bureaux de change	1	1	1	-	-	-
Certified public accountants	-	-	-	1	2	1
Trustees	1	-	-	2	-	1
Goods traders	-	-	-	-	-	2
Total	104	105	129	203	180	222

The figures in the report summary table show that the number of activity reports drafted by AML/CFT officers rose by a little over 23%, while there was a similar increase (22.85%) in the number of assessment reports produced by certified public accountants.

Desk audits on these reports provide a better understanding of the development of institutions within the Monaco financial sector and, if necessary, make it possible to identify potential risks. These desk audits may have an impact on the existing monitoring regime and, in some cases, result in SICCFIN officers arranging an early visit to an institution.

3.2 On-site monitoring

SICCFIN officers carry out on-site monitoring visits to support their desk audit work. The purpose of these visits is to check that the professional's AML/CFT measures are in line with the legal and regulatory obligations by which it is bound. They provide an opportunity for investigators to undertake more in-depth investigations, for example by examining a sample of customer and transaction records based on the professional's specific activity. The inspection looks at the formal compliance of the internal procedures drafted by the professional and seeks to ensure that these procedures are implemented effectively. This includes "know your customer" (KYC) and "know your transactions" (KYT) due diligence obligations.

SICCFIN officers may be supported by external experts during on-site monitoring visits. Both the officers and external experts are specially commissioned and authorised to perform all duties within their remit. In order to fulfil their duties, SICCFIN officers are invested with extensive investigatory powers pursuant to Article 37 of Sovereign Ordinance No. 2.318. These powers include broad communication rights, under which they are authorised to request any information, clarification or justification necessary to carry out their work from the person under inspection. This means that investigators are permitted to access information, documents and evidence held by the institution about its customers' identities and, more generally, about its business relationships with its customers. Officers gather and analyse information about the customer's financial background and cross-reference these details with other information that the professional has collected and retained under its AML/CFT system.

From a methodological perspective, SICCFIN officers select a sample of records using a pre-determined sampling method, based on the specific characteristics of the professional's activity and its customer base. During the inspection, the officers hold interviews with the AML/CFT officer(s) and with the individuals responsible for due diligence. The duration of the inspection varies according to the institution's activity and size. Once complete, the institution's director(s) and manager(s) attend a post-inspection briefing meeting.

In 2015, SICCFIN conducted a total of 61 on-site monitoring visits (compared with 65 in both 2013 and 2014). This figure included 10 banks, 12 portfolio management companies, 12 CSPs and 21 estate agents. During the year, SICCFIN officers inspected almost all of the estate agents in the Principality and educated these professionals about their AML/CFT obligations.

Change in the number of on-site inspections carried out by SICCFIN since 2011					
Professions/Year	2011	2012	2013	2014	2015
Banks and financial institutions	11	13	12	10	10
Portfolio management companies	12	11	11	17	12
Company service providers	10	11	10	16	12
Trustees	2	-	1	-	-
Gaming houses	-	-	1	-	-
Bureaux de change	1	-	-	-	-
Estate agents	28	26	25	15	21
Life insurance brokers	2	1	1	-	-
Dealers in items of high value	-	3	3	-	1
Legal consultants			1	7	5
Money remitters			1		-
Number of inspections	66	65	66	65	61

An inspection is carried out in accordance with the provisions of Articles 37 bis and 38 of Sovereign Ordinance No. 2.318, which states that the professional must receive an inspection report once the process has been completed. The report lists the observations made by the inspectors and, in line with the principle of impartiality, may also include observations and appeals made by the professional under inspection.

Once the final report has been submitted, a follow-up letter may be sent instructing the professional to take appropriate measures to rectify the shortcomings identified, if necessary, within a prescribed timeframe. In concrete terms, this letter reiterates the main recommendations issued in line with the report's observations. The sending of this letter does not preclude the possibility of administrative penalty proceedings being launched on the basis of Article 39, in the event that the professional is proven to have been unaware of its statutory obligations or where serious failings are identified.

SICCFIN inspectors may also, on the basis of Article 32 of Act No. 1.362, assist the Public Prosecutor, at his request, as part of investigations that the latter may decide to carry out in relation to court officials. This was the case in 2013, when SICCFIN was asked to assist during an inspection visit to a notary's office.

3.3 Administrative penalties

Article 39 of Act No. 1.362 sets out a series of administrative penalties that may be imposed following an inspection, notwithstanding any criminal penalties that may be applied. The list of sanctions, in increasing order of severity according to the nature of the grievance, unawareness or breach identified, is as follows:

- a warning;
- a reprimand;
- a pecuniary penalty proportional to the seriousness of the breaches, not to exceed EUR 1.5 million;
- a ban on carrying out certain transactions;
- temporary suspension of authorisation to exercise their profession;
- the withdrawal of such authorisation.

Once the administrative procedure has run its course, responsibility for imposing a penalty lies with the Minister of State, who may also elect to publish a corresponding notice in the Journal de Monaco. Only the least severe penalty (a warning) may be handed down directly by the Director of SICCFIN and is exempt from potential publication. Publication is an additional, preventive penalty. Publication of the grounds for the penalty is intended to remind professionals of the penalties they may face if they fail to comply, either fully or partially, with their due diligence obligations.

Two ministerial decisions to impose administrative penalties were published in March and June 2015. These were the first such publications since the 2009 Act came into force. In both cases, these publications related to penalties handed down by the Minister of State in 2014. The first was a pecuniary penalty of EUR 10,000 against a CSP, and the second was a reprimand against a banking institution.

The Minister of State also handed down a EUR 100,000 pecuniary penalty against a bank in 2015. This fine will be published in January 2016.

Administrative penalties handed down by year since 2011					
Penalty	2011	2012	2013	2014	2015
Warning	1	-	-	-	-
Reprimand	-	-	-	1	-
Pecuniary penalty	2	-	1	2	1
Publication (additional penalty)	-	-	-	-	3
Total	3	-	1	3	4

During their work in 2015, investigators noticed that a number of professionals were guilty of the same failings. In particular, they found multiple instances in which there were no monitoring procedures in place, or where such procedures were inadequate. This, in turn, meant that such professionals were failing, either fully or partially, to meet their due diligence and KYC obligations. For example, some professionals did not cross-reference their customer records against the list of persons targeted by fund-freezing measures, while others failed to carry out specific examinations of sensitive transactions.

4. Training and awareness-raising

In 2015, SICCFIN continued its awareness-raising work with professionals. In particular, it organised or attended formal meetings enshrined in law via specialist committees, as well as informal meetings at the spontaneous request of professionals and/or their representative associations.

4.1 “Informal” meetings

At the request of the Association Monégasque des Activités Financières [Monaco Association for Financial Activities] (AMAF), regular meetings are held with financial institutions to address practical subjects and questions. These include audit procedures, the list of required documents for SICCFIN’s on-site monitoring visits, the conditions governing delegation of identification of external managers, information about the origins of customers’ assets that professionals are required to collect, etc.

SICCFIN also responds to regular individual requests from professionals seeking clarification on the interpretation of the law or the exact nature of their obligations. In 2015, SICCFIN dealt with more than 20 requests of this type.

Representatives from SICCFIN also attended the general meeting of the Association of *Compliance Officers* (AMCO) on 12 February 2015, during which the legal issues that the association has been debating during the year were discussed. These issues included the voluntary disclosure procedures followed by customers of several institutions following the new international tax agreements that the Monegasque government has signed, or is in the process of signing.

On 11 May 2015, SICCFIN held a training and awareness-raising meeting for estate agents, with the assistance of the *Chambre Immobilière Monégasque* (Monaco's real estate chamber). The event was attended by 210 people, representing 85% of the Principality's estate agents. At this meeting, SICCFIN reminded these professionals of their due diligence obligations, with a particular emphasis on the obligation to submit suspicious transaction reports (reporting procedure, protection offered to informants, detection of suspicious situations, statistics about reports issued by estate agents). During the meeting, SICCFIN also spoke about the most common types of observation made by its inspectors when auditing estate agents (establishing more formal due diligence records, ensuring that the information in long-term customer records is updated more regularly, collecting and retaining documentary evidence, etc.).

On 24 September 2015, the Director of SICCFIN was invited by the Yacht Club de Monaco to attend an awareness-raising event for yachting professionals, covering "regulations governing cash carried on board" and "transporting cash". The event was also attended by other speakers from the Monaco Customs Department, the Marine and Airport Police Division, the Fraud Squad and the Department of Tax Services.

On 20 October 2015, the Director of SICCFIN was invited by the Association of Women Entrepreneurs of Monaco to speak about "*Anti-money laundering and countering terrorist financing: a national challenge and a global threat*". The entrepreneurs at the meeting also learned more about the reasons behind the AML/CFT requests they receive from their banks, focusing in particular on the documentary evidence required for business partnerships, international transactions and financial flows relating to their business activities.

4.2 Feedback

Article 16 of Act No. 1.362 requires regular feedback on the actions taken in response to suspicious transaction reports submitted by SICCFIN to the Public Prosecutor. This feedback, specific to each establishment, is provided to inform professionals about judicial authority decisions. It also provides an opportunity to go into greater depth on certain specific points relating to the reports, such as the elements that aroused suspicion or the evidence collected.

Periodic inspections by SICCFIN officers also provide an important opportunity to raise awareness among professionals. Interviews are held during the inspection process, and afterwards as part of the final report-writing phase, with compliance officers and institution managers and directors. These interviews provide an opportunity to discuss the professional's obligations in a more targeted manner, based on the specific nature of the natural or legal person's activity.

During these meetings, SICCFIN officers may also discuss the particular types of money laundering that the professional has had to deal with.

4.3 The Liaison Committee

The Liaison Committee to combat money laundering and terrorist financing was established in Article 47 of Sovereign Ordinance No. 2.318. Its purpose is to ensure the reciprocal exchange of information between the departments of the Monegasque government involved in AML/CFT activities, and the professionals subject to the provisions of Act No. 1.362 of 3 August 2009. The Liaison Committee met twice in 2015, in June and December. During its meetings, the committee examines points of common interest, with a view to improving the effectiveness of anti-money laundering procedures and due diligence mechanisms, in particular through the exchange of information concerning trends and developments in the methods and techniques used in money laundering and terrorist financing.

SICCFIN presented and commented on slide shows at these meetings to give participants a clearer insight into money laundering techniques and the different types of method used, based on evidence gathered from the financial sector in Monaco, or on general international concerns about financial crime trends (see the two examples in Appendix I).

One of the major themes addressed in 2015 was the launch of the National Risk Assessment (NRA) procedure. The Liaison Committee received feedback on the first workshop on 1-3 December 2015 (arranged by the Ministry of Finance and Economy and with expert assistance from the World Bank) and on the next steps with a view to finalising this process (see p.10 and 11 above).

Via this committee, SICCFIN also keeps professionals updated about the work of international organisations in which its delegation is involved, such as MONEYVAL, GRECO and the Egmont Group.

The committee also discusses public statements issued at FATF plenary meetings, along with calls for vigilance issued by international bodies.

4.4 The Contact Group

The Contact Group to combat money laundering and terrorist financing was set up by Sovereign Ordinance No. 4.104 of 26 December 2012, which inserted a new Article 48 bis into Sovereign Ordinance No. 2.318 of 3 August 2009.

Under the authority of the Secretary of Justice, this Group aims to ensure that information is shared between court authorities, police authorities (especially senior fraud squad officers) and SICCFIN. It allows any points of common interest to be examined, to improve the effectiveness of cooperation and coordination mechanisms put in place at operational level.

The Contact Group met twice in 2015. These meetings enable current AML/CFT case law to be examined, and more generally cover the operational approaches of official departments and enforcement authorities in their respective investigations in this area.

The topics discussed at these meetings included ways to improve the collection of information about fund movements abroad, how to implement FATF Recommendation 32 on cross-border cash transportation, seizure orders handed down by the judicial authorities in money laundering cases, the challenges of determining the underlying offences in relation to

international rogatory commissions and in cases where suspicious transaction reports are submitted late, and the issues associated with gathering statistics under the NRA process.

5. International relations

Given that money laundering and terrorist financing cases are often cross-border in nature, international cooperation is a key component of AML/CFT activities. In this respect, SICCFIN participates in international regulatory bodies that seek to monitor global financial fraud trends and identify best practice in other countries. It also engages in bilateral exchanges of information with its foreign counterparts.

5.1 Multilateral bodies

SICCFIN participates regularly in the work of three international bodies that aim to harmonise international financial crime standards. Two of these bodies are Council of Europe committees, and the third is an international body.

5.1.1 The MONEYVAL Committee

The Principality joined the MONEYVAL Committee in October 2004 when it became the 46th member of the Council of Europe. The MONEYVAL Committee is a committee of experts established to apply AML/CFT standards recognised by international bodies, consisting primarily of the 40 FATF Recommendations and the EU's anti-money laundering directives.

At its plenary meeting in 2013, the MONEYVAL Committee adopted the 4th evaluation round report on Monaco. This report was officially published on the dedicated Council of Europe website in June 2014. The Principality was given a satisfactory grading, and the report included a series of compliance improvement recommendations. An interim "progress" report will be published in 2016, covering the action taken by the Monegasque government to address these concerns. The government has already begun working on a draft bill to amend Act No. 1.362 in order to reflect these recommendations.

In 2015, the SICCFIN delegation attended three MONEYVAL Committee plenary meetings. One of its members also participated in a training session on the legal aspects of evaluations organised by the committee.

5.1.2 The Group of States against Corruption (GRECO)

The Council of Europe's Criminal Law Convention on Corruption (Treaty No. 173) entered into force on 1 July 2007. By signing and ratifying this treaty, the Principality of Monaco automatically became a member of the Group of States against Corruption (GRECO). This internal Council of Europe organisation, created in 1999, aims to strengthen the capacities of its members to combat corruption in accordance with its guiding principles. In a similar vein to the MONEYVAL Committee, GRECO uses a dynamic, reciprocal evaluation process between its members.

The Monegasque delegation to GRECO comprises two full members, including one SICCFIN officer and one representative of the Ministry of Justice (Court of Appeal judge), and two substitute members from the same departments. These members participate regularly in GRECO evaluations and other aspects of its work.

The Principality successfully completed the first three evaluation rounds. The most recent report dates from the third evaluation round and was adopted by the GRECO plenary meeting in June 2014. This particular cycle focused on incriminations and political funding.

In line with the standard procedure, the report contained a number of recommendations that needed to be implemented, particularly in terms of political funding. In September 2015, the Monegasque government submitted a progress report to the GRECO Secretariat, detailing the actions taken in response to these recommendations, including the draft bill to amend Act No. 1.389 of 2 July 2012 on the funding of electoral campaigns, which was submitted to the National Council in June 2014.

In 2015, representatives of SICCFIN attended a number of Group plenary meetings during which various country-based evaluation reports were discussed. Under this peer evaluation mechanism, a Monegasque expert worked alongside a counterpart from the Netherlands as a rapporteur for the second examination of Portugal's third-round compliance report in March 2015.

5.1.3 The Egmont Group

The Egmont Group was created at the initiative of the Belgian and United States FIUs in 1995. It brings together FIUs from various countries to improve efforts to combat money laundering and terrorist financing. It operates on the principle of international cooperation and, more generally, seeks to promote the activities of its members through the exchange of expertise, knowledge and experience. SICCFIN has been a member of the Group since 1995.

The Egmont Group now has 151 members from around the world, with FIUs grouped into seven geographical regions. It acts as an important forum for the exchange of information between FIUs in their efforts to receive, analyse and process suspicious transaction reports from professionals subject to national AML/CFT regimes.

SICCFIN is a regular contributor to the Group's work, with its delegation travelling to Berlin (Germany) in February 2015 and to Bridgetown (Barbados) in June 2015. SICCFIN has contributed specifically to the work carried out by the Training and Operational working groups. A SICCFIN investigator acted as a trainer at a Strategic Analysis seminar on 26-28 October 2015 in Rabat (Morocco).

5.2 Bilateral agreements

In 2015, SICCFIN signed five new bilateral administrative cooperation agreements with the FIUs of China, Côte d'Ivoire, South Korea, Sint Maarten and Argentina, bringing the total number of such agreements to 46 as at the end of 2015 (see table below).

These agreements, concluded on the basis of a framework agreement validated by the Egmont Group, are designed to strengthen the exchange of information between signatory countries and support investigatory work. These exchanges are based on equivalent professional secrecy obligations and on reciprocal guarantees governing these exchanges, purely for AML/CFT purposes.

SICCFIN also cooperates with foreign counterparts with which it has not signed this type of agreement, based on the principle of reciprocity (one of the fundamental principles of international law).

**Administrative cooperation agreements
signed by SICCFIN with its foreign counterparts**

	FIU	Date
1	- France (TRACFIN)	17/10/1994
2	- Belgium (CTIF)	20/10/2000
3	- Spain (SEPBLAC)	12/12/2000
4	- Portugal (DCITE/BIB)	21/03/2001
5	- Luxembourg (Public Prosecutor's Office)	03/04/2001
6	- Great Britain (SOCA)	03/08/2001
7	- Switzerland (MROS)	24/01/2002
8	- Liechtenstein (EFFI)	05/09/2002
9	- Panama (UAF)	26/11/2002
10	- Slovenia (OMLP)	29/01/2003
11	- Lebanon (SIC)	20/05/2003
12	- Italy (UIC)	16/09/2003
13	- Ireland (MLIU)	13/11/2003
14	- Malta (FIAU)	05/02/2004
15	- Poland (GIIF)	16/04/2004
16	- Andorra (UPB)	04/05/2004
17	- Mauritius (FIU Mauritius)	22/06/2004
18	- Slovakia (UFP-SR)	24/06/2004
19	- Canada (FINTRAC)	25/10/2004
20	- Peru (UIF)	30/11/2004
21	- Thailand (AMLO)	04/04/2005
22	- Romania (ONPCSB)	24/05/2005
23	- Russia (FMC)	30/06/2005
24	- San Marino (AIF)	16/12/ 2005
25	- Macedonia (DSPP)	20/11/2008
26	- United Arab Emirates (UAE FIU)	28/05/2009
27	- Bahamas (FIU)	28/05/2009
28	- Bermuda (FIA)	20/10/2009
29	- Ukraine (SCFM)	09/11/2009
30	- Senegal (CENTIF)	30/06/2010
31	- Moldova (SPCSB)	12/10/2010
32	- Turkey (MASAK)	09/03/2011
33	- South Africa (FIC)	10/07/2012
34	- Burkina Faso (CENTIF)	10/07/2012
35	- Singapore (STRO)	10/07/2012
36	- Tunisia (CTAF)	18/12/2012
37	- Israel (IMPA)	03/07/2013
38	- Japan (JAFIC)	12/02/2014
39	- Vatican (AIF)	03/03/2014
40	- Serbia (APML)	04/06/2014
41	- Niger (CENTIF)	05/06/2014
42	- China (CAMLMAC)	03/03/2015
43	- Côte d'Ivoire (CENTIF)	24/04/2015
44	- South Korea (KoFIU)	11/06/2015
45	- Sint Maarten (Sint Maarten FIU)	11/06/2015
46	- Argentina (UIF)	11/06/2015

6. Legislative developments

In 2015, several Ministerial Orders amended existing legislation, transposing decisions of the international organisations to which the Principality belongs into Monegasque law. These orders, published regularly in the Journal de Monaco and available on the official gazette website once published, can also be viewed on the SICCFIN website.

6.1 Ministerial Order No. 2012-576 of 4 October 2012 extending the obligation for special examination laid down in Act No. 1.362 of 3 August 2009 to transactions involving a counterparty with certain States

This order extends the obligation for special examination laid down in Act No. 1.362 to transactions involving a counterparty that has links with a State or territory whose legislation is recognised as insufficient or whose practices are considered as an obstacle to AML/CFT efforts.

- The list of countries corresponds to the periodic public statements issued by the FATF on jurisdictions that have not made sufficient progress in addressing their strategic shortcomings. The above-mentioned order was amended three times in 2015 to reflect the removal from the list of Indonesia in February 2015, Ecuador in June 2015 and Algeria in October 2015. As at the end of 2015, only Myanmar still appears on this list.

However, there are other countries that still appear on the two other public lists issued by the FATF.

- The second list encourages States to take countermeasures against Iran and North Korea in order to protect the international financial system against ongoing and significant money laundering and terrorist financing risks associated with these jurisdictions due to their strategic shortcomings, their failure to cooperate with the FATF, or insufficient progress in their AML/CFT systems.

These two countries are therefore specifically targeted by Monegasque Ministerial Orders No. 2009-432 of 14 August 2009 and No. 2011-237 of 15 April 2011 respectively. Professionals are therefore required to adopt enhanced due diligence procedures in relation to these jurisdictions, and in particular to conduct a special examination on the grounds that any transaction involving these countries presents a high risk of money laundering and terrorist financing. Professionals must therefore conduct additional due diligence measures and submit a suspicious transaction report to SICCFIN for all such transactions.

- The FATF's third list concerns countries that have agreed to an FATF action plan to address shortcomings in their AML/CFT systems, but that still need to improve such systems as part of their ongoing monitoring work.

As at the end of 2015, this list included the following countries: Afghanistan, Algeria, Angola, Bosnia-Herzegovina, Guyana, Iraq, Uganda, Panama, Papua New Guinea, Syria and Yemen. Professionals therefore have to implement special measures in their business relations with these countries, under the risk-based approach.

6.2 Ministerial Orders implementing Sovereign Ordinance No. 1.675 of 10 June 2008, on fund-freezing procedures implementing economic sanctions

These Ministerial Orders lay down fund-freezing measures against individuals or legal entities on UN and EU asset freeze lists, as part of the economic sanctions taken by these organisations in response to violations of human rights, democracy, peace and international security.

Once again, the Monegasque lists transpose into domestic law amendments to the lists issued by these organisations.

A total of 27 Ministerial Orders laying down fund-freezing measures against individuals or legal entities, or amending such measures, were published in the Journal de Monaco in 2015.

6.3 Ministerial Orders implementing Sovereign Ordinance No. 15.321 of 8 April 2002 on fund-freezing procedures in order to combat terrorism

Any professional that may be in possession of assets belonging to an individual or legal entity appearing in one of these Ministerial Orders must report them to the Department of Budget and Treasury and, at the same time, to SICCFIN.

In 2015, a total of 31 orders published lists of individuals or entities affected by fund-freezing measures due to their links with terrorism or terrorist financing.

In addition to the UN and EU lists, the Principality also includes the names of persons subject to specific fund-freezing measures taken by the French authorities, in accordance with the terms of bilateral agreements between Monaco and France and by virtue of the fact that credit institutions in Monaco are part of the French interbank payment system.

A total of 12 new Ministerial Orders were published in the Journal de Monaco, reflecting the content of French ministerial orders laying down these same measures.

APPENDICES

APPENDIX I: TYPOLOGIES

Stock fraud: “Pump and Dump”

Financial fraud comes in multiple different forms, many of which are particularly complex and sophisticated. These include financial market offences such as share price manipulation and insider trading – potential underlying offences to money laundering. One notable example of this type of stock fraud is known as “Pump and Dump”. This is a two-stage process.

The “manipulator” owns shares in a “target” company and tries to artificially inflate the value of this stock (the “Pump” phase). This is generally done by circulating false or misleading information about the company’s positive outlook or situation, thereby leading investors to believe, incorrectly, that the shares will deliver substantial future gains.

During this first phase, the manipulator carries out multiple purchases of stock in the target company. These high transaction volumes attract the interest of investors and suggest that these shares offer significant future profits. This in itself is tantamount to financial fraud because it violates investor protection rules and financial market integrity.

The fraudster may, during this first phase, try to “hide” the origins of the funds invested in these shares (funds of criminal origin, for example) by using certain types of structure that mask the real identity of the owner.

During the second part of the scam (the “Dump” phase), the fraudster conducts a mass sell-off of his/her stock once the shares have reached the desired price. This produces illegal funds (the proceeds of financial fraud), which are then “laundered” via lawful channels.

What types of shares may be manipulated?

Any stock traded on a market is open to manipulation. However, these “Pump and Dump” scams generally target certain types of shares with similar characteristics. In most cases, they involved low-value, highly speculative shares traded on secondary over-the-counter markets that are subject to less strict controls than major, regulated stock markets. Often, these shares are in so-called “microcaps” (companies with low market capitalisation) with few real assets and low share trading volumes. These companies produce limited information documents, thereby making it harder for investors to judge the company’s real financial situation.

As a general rule, lower capitalisation equals higher investor risk. Yet this can also lead to significant profits for investors, and this is what makes this scam easier to carry out. This type of fraud involves artificially inflating the price of shares in the target companies, with no actual correlation with the company’s financial and economic results, thereby making it more likely to go undetected.

What techniques do the fraudsters use to artificially inflate the share value?

The fraudster will deliberately attempt to foster demand for shares generally trading at a very low price by publishing false “good news” in an effort to promote the target company and influence investor decision-making. This “good news” may, for example, be a false announcement of a forthcoming merger or acquisition, the award of a major resource exploitation contract, or the export of a new product.

This creates artificial demand for the low-priced shares, based on this false information about the target company.

The publication of this information fosters more interest in the company and pushes up the price of the shares, also inflating demand in the process. The fraudsters may also trade the shares personally or via companies that they own, or use brokers who are in on the scam, to inflate the volume of transactions in an attempt to accelerate the process. Once the fraudster has acquired a sizeable portfolio of shares in the target company, he/she may then use unscrupulous brokers to promote these shares to their clients.

However, the shares cannot remain at their inflated level for long, since the actual share price bears no resemblance to the company's real value. Eventually, the shares will fall in value, flattening out at a much lower price and leaving gullible investors with shares worth much less than the price they paid for them. Yet the manipulator will have sold off his/her shares, bought at a low price, when the value reached its peak, thereby accumulating a substantial profit.

How is this connected to money laundering?

In Monaco, Article 49 of Act No. 1.338 on financial activities lays down criminal penalties for insider trading and the disclosure of false or misleading information in an attempt to manipulate share prices. These crimes are punishable by a fine or imprisonment.

Pursuant to Article 218-3 of the Penal Code, which refers specifically to the above-mentioned article, these offences are treated as one of the underlying offences to money laundering. The proceeds of "Pump and Dump" financial fraud therefore fall under the scope of Act No. 1.362 on anti-money laundering and terrorist financing.

Diagram showing share price fluctuations during a "Pump and Dump" scam



Crowdfunding

Since the “subprime” crisis in the United States in 2007, crowdfunding has become popular as an alternative funding mechanism. However, this technique can also be used by fraudsters, with the resulting frauds constituting underlying offences to money laundering or terrorist financing.

Crowdfunding is particularly popular among small and medium-sized companies, which find it difficult to secure business loans from banks and therefore use online platforms to raise money from individuals to fund projects that would not be supported by traditional funding channels. While this method is often used to fund start-ups and business operations, it can also offer fund-raising opportunities for property development projects or charitable campaigns.

In 2014, a total of EUR 152 million was collected via crowdfunding in France – 84% higher than the figure in 2013. According to a report published in the United States, crowdfunding grew by 167% worldwide over the same period. While these figures are impressive, the actual amounts of money involved (approximately USD 16.2 billion) are relatively small when compared with total global financial flows.

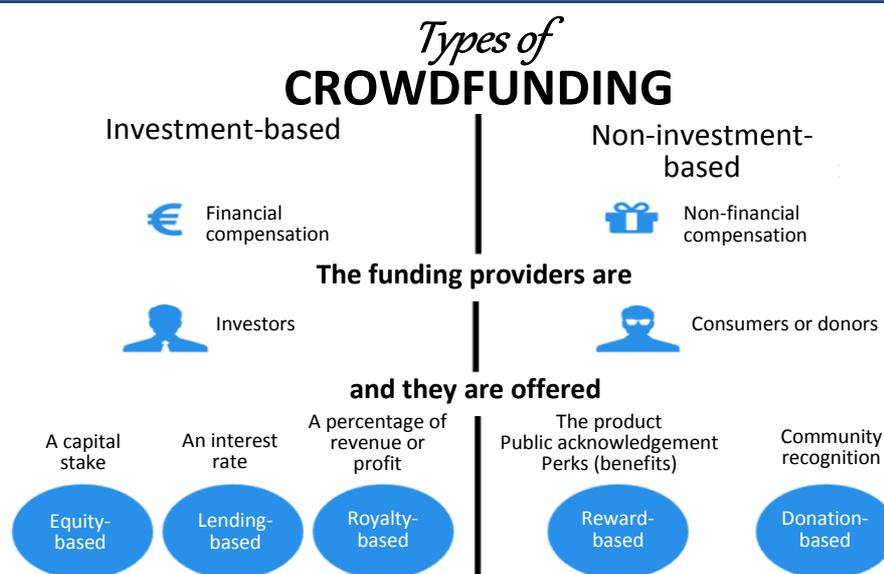
There are some inherent risks in crowdfunding, whether in the form of loans, donations or capital investment. From an economic and financial perspective, a project may be risky if the shares that the investor acquires fall in value, if the expected compensation is never paid, or if the money is not actually used for the project mentioned in the call for funds.

From an AML/CFT perspective, there is evidence to suggest that crowdfunding platforms can be used as a vehicle for fraudulent schemes. The French authorities, for example, managed to smash a drug-dealing ring that was paying its supplier via a crowdfunding platform.

This same principle can be applied to any form of illegal activity (counterfeiting, clandestine work, arms dealing, prostitution, etc.). In short, crowdfunding platforms can be used to launder money by giving the appearance that the money is being channelled towards an apparently honourable commercial or humanitarian project.

Crowdfunding poses particular risks when it comes to terrorist financing, since funds raised for cultural, religious or humanitarian projects can quickly be transferred abroad and used for a purpose other than that for which they were originally intended (such as funding jihadist fighters or terrorist activities).

Professionals therefore need to be extremely vigilant in their dealings with crowdfunding platforms, especially given that this sector is expected to continue growing in the future. The associated risks can only be managed through in-depth knowledge of the entire funding chain, from investors through to the final project.



APPENDIX II: MAIN AML/CFT LEGISLATION

- ***Act No. 1.362 of 3 August 2009*** on the fight against money laundering, terrorist financing and corruption ;
- ***Sovereign Ordinance No. 2.318 of 3 August 2009*** setting the conditions implementing Act No. 1.362 of 3 August 2009 on the fight against money laundering, terrorist financing and corruption, as amended (see in particular ***S.O. No. 4.104 of 26 December 2012***);
- ***Ministerial Order No. 2010-175 of 1 April 2010*** relating to the declaration form provided for in Chapter VI of Act No. 1.362 of 3 August 2009 on the fight against money laundering, terrorist financing and corruption;
- ***Ministerial Order No. 2009-432 of 14 August 2009*** implementing Articles 11 and 24 of Act No. 1.362 of 3 August 2009 on the fight against money laundering, terrorist financing and corruption in the Islamic Republic of Iran;
- ***Ministerial Order No. 2011-237 of 15 April 2011*** implementing Articles 11 and 24 of Act No. 1.362 of 3 August 2009 on the fight against money laundering, terrorist financing and corruption in the Democratic People's Republic of Korea;
- ***Ministerial Order No. 2012-576 of 4 October 2012*** extending the obligation for special examination laid down in Act No. 1.362 of 3 August 2009 to transactions involving a counterparty that has links with a State or territory whose legislation is recognised as insufficient or whose practices are considered as an obstacle to the fight against money laundering, terrorist financing or corruption;
- ***Sovereign Ordinance No. 15.320 of 8 April 2002*** on the suppression of the financing of terrorism ;
- ***Sovereign Ordinance No. 15.321 of 8 April 2002*** on fund-freezing procedures in order to combat terrorism, as amended in August 2006 and June 2008;
- ***Sovereign Ordinance No. 1.675 of 10 June 2008*** on fund-freezing procedures implementing economic sanctions.

All applicable laws can be consulted on the SICCFIN website (www.siccfm.gouv.mc).

APPENDIX III: USEFUL WEBSITES

- Service d'Information et de Contrôle sur les Circuits Financiers - SICCFIN:
<http://www.siccfin.gouv.mc>
- The portal of the Prince's Government:
<http://www.gouv.mc>
- National Council portal:
<http://www.conseil-national.mc/>
- Codes and laws, Journal Officiel [official gazette] and case law of the Principality of Monaco:
<http://www.legimonaco.mc>
- The Financial Action Task Force - FATF:
<http://www.fatf-gafi.org>
- The Egmont Group:
<http://www.egmontgroup.org>
- The Moneyval Committee / Council of Europe:
<http://www.coe.int/moneyval>
- The Group of States against Corruption - GRECO / Council of Europe:
<http://www.coe.int/greco>
- The United Nations:
<http://www.un.org>
- The United Nations Office against Drugs and Crime - UNODC:
<http://www.unodc.org>
- The International Monetary Fund - IMF:
<http://www.imf.org>
- The World Bank:
<http://www.worldbank.org>
- The Basel Committee:
<http://www.bis.org/bcbs/index.htm>
- The Association Monégasque des Activités Financières - AMAF (Monaco Association of Financial Activities):
<http://www.amaf.mc>
<http://www.monacoforfinance.mc>
- The Association Monégasque des Professionnels en Administration des Structures Etrangères - AMPA (Monaco Association of Corporate Service Providers):
<http://www.ampa-mc.com>
- The Association Monégasque des Compliance Officers - AMCO (Monaco Association of Compliance Officers):
<http://www.amco.asso.mc>