



Gibraltar Financial Intelligence Unit
HM Government of Gibraltar

ANNUAL REPORT

2022

& Strategic Analysis

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Edgar Lopez
Director, GFIU

When I reflect on 2022, I am incredibly proud of the trailblazing nature of our progress, achieving some great results with some inspiring initiatives that place the GFIU in good stead for the future. We have learnt a lot during the FATF post observation period and we acted with agility to meet the recommendations. We took decisive steps to align our structure to meet demand and new challenges, particularly in strategic analysis and data quality analysis. This assists in ensuring that we have strong data governance and high quality data for further analysis.

As a small team, we need to be innovative in the way that we can address the demanding and dynamic nature of combatting economic crime. We have implemented new IT projects, working with third party providers in getting the right analytical tools that complement and enhance our capabilities. The development of a new statistics dashboard has been a significant undertaking and we have worked incredibly hard to achieve this. In its test phase, we quickly realised the potential that this new IT system brings to improve our performance not only providing a clear visual of the data we hold but also as a key management tool.

The addition of the hybrid post of Head of Operations/ Legal has assisted greatly in the way that we operate internally, adding to the layers of analysis in our



intelligence products to disseminate improved and actionable intelligence for our partners. We have become a major hub of financial intelligence that serves local and international law enforcement agencies.

Our sustainable outreach and engagement has grown in strength over the last few years and the GFIU not only delivers training and awareness at a local level but also at international events. Project Nexus continues to be the FIU's flagship and we are delighted with the feedback that we receive. Our e-learning system 'e-Nexus' has been a success on its own and we now have over 500 users that can benefit from the workshops that we have developed to raise awareness in a number of areas. We were therefore delighted to have won the Project Achievement Award as part of HM Government of Gibraltar's Excellence and Innovation

Awards. This truly reflects the effort the GFIU has made over the last few years to engage with the private and public sector.

One of the most important steps in improving jurisdictional exchange of information has been the establishment of the Financial Liaison & Intelligence Network (FLINT), Gibraltar's Public-Private Partnership. FLINT has been boosted by our Memorandum of Understanding with the UK's Joint Money Laundering Intelligence Task Force (JMLIT+) which increases cooperation, sharing information and intelligence, providing collective knowledge and experience to make Gibraltar and the UK a hostile environment for criminals involved in serious and organised crime. This has been made possible by our membership of the Quad Island Forum of FIUs, which I have chaired since June 2022. The Quad Island Forum

has become a key part in the GFIU's progress and I am incredibly grateful for the support I have received from the FIUs of the Crown Dependencies.

We continue to see strong momentum and I remain confident that we are well positioned to continue to achieve our strategic objectives. However, given the challenges that we face and the growing demands and complexities of criminal activities we need to remain agile and ensure that capacity building, skills and appropriate staffing levels are maintained. Finally, our new 3-year strategic plan for 2023-26 will set out new ambitious priorities which we look forward to achieving with our continued efforts in digital transformation and a strong, motivated team.





OUR ORGANISATION



The Gibraltar Financial Intelligence Unit (GFIU) was established in January 1996 to gather, store, analyse and disseminate intelligence related to criminal conduct, (including but not limited to money laundering, the financing of terrorism and the proliferation of weapons of mass destruction), transacted or attempted to be transacted through relevant financial businesses in accordance with the Proceeds of Crime Act 2015, the Terrorism Act 2018, and the Drug Trafficking Act 1995.

The GFIU plays a critical role in the fight against economic crime but it also uses financial intelligence to tackle other criminal conduct. It maintains a secure database of all the disclosures and other financial intelligence arising out of any enquiries conducted into them. The disclosures are then analysed and further information is processed which enhances the intelligence picture. These intelligence reports are then disseminated securely to law enforcement agencies such as HM Customs Gibraltar, the Royal Gibraltar Police or supervisory authorities for further action.

As a key partner in the fight against economic crime, the GFIU chairs and participates in a number of working groups, such as the Joint Financial Intelligence Tasking Group, the Joint Coordinating Intelligence Group to Counter Proliferation Financing and the Financial Liaison and Intelligence Network.

The GFIU also provides feedback to financial institutions and through its outreach programme Project Nexus it aims to enhance awareness on money laundering, terrorist financing, human trafficking and proliferation of weapons of mass destruction. It also produces guidance on a number of areas which assists reporting entities in improving the quality of the suspicious activity reports.

Led by a Director, the GFIU is made up of a Domestic, International and Analysis Desk, with a

permanent core of Financial Intelligence Officers, and Financial Crime Analysts, with specialist officers on secondment from the Royal Gibraltar Police, HM Customs and the Gambling Division. The operational activities of the GFIU is managed by a Head of Operations who also provides internal legal support. The GFIU functions in accordance with the Financial Action Task Force (FATF) Recommendations and Standards and is evaluated by the Council of Europe Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL).

As a member of the Egmont Group of Financial Intelligence Units, and an associate member of the International Anti-Corruption Coordinating Centre (IACCC), it makes a significant contribution in its global efforts to combat financial crime.

The GFIU is also a member of the Quad Island Forum of Financial Intelligence Units together with the Financial Intelligence Units from Guernsey, Isle of Man and Jersey.





OUR PEOPLE





Director

In March 2020, Edgar Lopez was appointed as Director of the GFU. Edgar has had a distinguished career serving as a police officer in the Royal Gibraltar Police, primarily working in specialist departments within the Crime and Protective Services Division. He was the Head of Special Branch before becoming the Head of Interpol Gibraltar Sub-Bureau, gaining experience in criminal and counter-terrorism intelligence.

With experience in the MONEYVAL and FATF processes, Edgar brings in a wealth of knowledge in the Financial Action Task Force Recommendations and Standards. He remains focused on tackling proceeds of crime specifically on victim-based crime such as Human Trafficking, Cyber-enabled Fraud and Online Child Sexual Abuse and Exploitation. He is keen to exploit all opportunities to enhance information sharing between the public and private sector. To further his academic studies Edgar is working towards finalising a Master's Degree on International Affairs specialising in Cybersecurity at King's College London. He currently chairs the Financial Liaison and Intelligence Network, the Quad Islands Forum of FIUs and the Royal Gibraltar Police's Ethics Committee.



Head of Operations

In December 2021, Carl Ramagge joined GFU as Head of Operations (Legal). Carl was called to the Bar of England and Wales (and Gibraltar) in 2007 and brings with him almost 15 years of Criminal Justice experience. Having spent most of his time defending his clients, in 2013 he was appointed Crown Counsel for HM Government of Gibraltar and spent 8 years at the Office of Criminal Prosecutions and Litigation (OCP&L).

At OCP&L he worked on some of Gibraltar's most important trials for offences such as Murder, Rape, Serious sexual assaults and offences against children. He had also undertaken specialist training in Rape and Serious Sexual Offences with the Crown Prosecution Service in the UK. He has also prosecuted financial crime including fraud and false accounting and some have resulted in the crown confiscating the proceeds of crime. During 2022, Carl has attended numerous courses required to upskill in economic crime and financial intelligence, including the FATF Standards Course. Specialising in the recent surge in sanctions, Carl has been involved in the operational aspects of sanctions breaches reported through the GFU. His experience on this has allowed him to engage with the private sector through Project

Nexus events. Outside of the Courtroom Carl is a qualified Level 3 Field Hockey coach and spends much of his time coaching people from all walks of life. His whole ethos is centred around creating a cohesive team so that each individual can fulfil his maximum potential and therefore maximise the team's performance.





Our Team

With the International, Domestic and Analysis Desks, the GFU's operating model creates a more flexible, dynamic and agile process with the Analysis Desk providing critical support to the rest of the team.

Our Financial Intelligence Officers (FIOs), work with our Analysts overseen by our Head of Operations and supported by our Intelligence Support Officer. Their skills compliment a modern working environment that supercharges the strategic objectives of the GFU.

We are an inclusive and diverse workplace that will enable staff members to fulfil their potential and contribute to the GFU's performance. Bringing a wide range of skills, knowledge and experiences will improve productivity, decision making and problem solving.

All our staff conduct in-house training and mentoring program followed by a FIO course with the UK's Proceeds of Crimes Centre (the body that accredits and monitors the performance of all financial investigators in England, Wales and Northern Ireland). Training is a regular feature within the GFU to ensure that the core skills

are maintained. In-house training and e-learning courses with various providers including the Egmont's ECOFEL and Interpol's "I-Le@rn" systems are useful ways to keep updated. Following our associate membership to the International Anti-Corruption Coordinating Centre (IACCC) our officers have attended a number of specialist courses. Darknet investigations, cryptocurrency, strategic analysis and introduction to forensic accounting are the types of courses that build our capacity across all areas of economic crime.

We have created a culture that values difference and diversity. It supports a positive and healthy working environment that empowers individuals to make choices which in turn encourages innovation and productivity. This approach is supported by effective leadership and management and is aligned to our Strategic Plan.





THEMIS - Online Reporting System

THEMIS is the GFIU's main IT case management system for the secure submission of Suspicious Activity Reports (SARs). Since its launch in 2019, the system continues to have improvements made that make it a versatile, user friendly yet sophisticated platform that caters for all our needs. Thanks to its modular system, we have been able to include additional features throughout the GFIU's digital transformation journey, providing interoperability, resilience and enhanced security. Our investment in market leading software systems enables the GFIU to remain at the forefront of tackling economic crime.

THEMIS consists of two separate parts – an online 'portal' for use by MLROs and a system visible only to the GFIU, with restricted access to LEAs and the Government Law Offices with respect to Mutual Legal Assistance (MLA) requests. The portal allows MLROs to create a SAR and can save a draft version and continue to work on it for as long as is necessary until it is ready to be saved as the final version before it is submitted to GFIU. The portal allows a great deal of detail to be entered, but only a subset of the information is mandatory to encourage MLROs to include as much detail as possible but still allow them to report suspicions even if they have limited information.

We then carry out the processing of the SAR in the internal system and can send letters and requests for additional information to the reporting entity, which will appear in the MLRO portal. Letters and notices (for example requests for information about persons of interest, or general information such as changes to legislation) can also be securely distributed to all registered MLROs via the portal. The system has a workflow process, which is entirely configurable by the GFIU, and works by creating tasks, which must be completed before the SAR can be closed.

This allows the GFIU to ensure that all necessary work is completed without constraining the user to a fixed method of working.

THEMIS is very configurable and has dropdown selection lists, which have been configured in consultation with the industry users. All users of the internal system have access only to functionality to which they have been specifically granted access, so it is possible to create a variety of user types, allowing access only to features appropriate to the individual's role.

THEMIS has not only further enhanced our capabilities to combat money laundering and terrorist financing but also enhanced the security of the data shared with the GFIU. New developments and functionalities were identified and this has significantly improved the capability of the system. The database has become the central repository for all financial intelligence and includes all international requests and spontaneous intelligence received via the Egmont Secure Web. The database also includes MLA requests, LEA notifications of current investigations, all data requests, cash declarations, sanctions and other intelligence functions, making it a versatile solution.

The continuous development of THEMIS provides reporters with an almost instant feedback facility based on the quality of their disclosure. This feature improves engagement and provides a personal service with the aim of increasing the quality of the content of the Suspicious Activity Reports.



In 2021 a new module was introduced that allowed reporters to securely send information, which falls outside the Suspicious Activity Report (SAR) regime or in response to request from the GFIU. This system has greatly improved the exchange of information between the GFIU and external users containing all communications within one single secure environment.

In 2022, THEMIS was upgraded to include a sanctions monitoring module that checks sanctioned individuals and entities against the THEMIS database and sends out notifications of the latest entries in the Sanctions list to all reporting entities.

THEMIS is now supported by the integration of a visual data dashboard that enhances our analysis capabilities. This new system that works in tandem with THEMIS has through the testing phase demonstrated its immense value for multiple functions including strategic analysis and data management.

Two Crown Dependencies, Guernsey and Isle of Man, currently use THEMIS and a THEMIS Working Group operates between the three jurisdictions with the software developer to jointly enhance its capabilities.

The introduction of new technology that is capable of identifying and monitoring transactions associated with Virtual Assets has provided the GFIU with broader capabilities to analyse criminal activity involving cryptocurrencies. The intelligence obtained is key to trace digital proceeds of crime and our officers continue to undergo specialist training in the use of these state of the art software systems.





OUR STRATEGY



In 2020, the GFIU published a three-year Strategic Plan, which is based on six priorities. These priorities are informed by the findings of our Mutual Evaluation Report published by Moneyval (Council of Europe) and also in line with the FATF's Standards.



It emphasises the areas where the GFIU wants greater focus and is centred on capacity building and enhancing partnerships. Our Director is committed to ensuring that the plan can achieve the desired outcomes by making the best use of resources.

The plan, which is currently under review for the next three years, was designed to optimise our infrastructure, innovate where possible to disrupt criminal activity and find ways and solutions to address new threats. Removing barriers to information sharing has been one of our targets and we have continued to do this by promoting better sharing methods with the appropriate measures in place to securely transmit and protect sensitive data.

Since the publication of the Strategic Plan, we have made significant progress in almost all our priorities. It is reassuring to see the support received from both the public and private sector that ensures its success. The delivery of the GFIU's Strategic Plan 2020-23 could only be achieved by working together collaboratively with our partners and the private sector. Progress has been measured against the priority goals of the plan through a combination of quantitative statistics, case studies, and other data available to GFIU, which demonstrate the changes and improvements that have taken place.

A new 3-year Strategic Plan for 2023-2026 has now been produced and is grounded in the GFIU's commitment to continue making transformative progress to fight economic crime.

The GFIU also published a three-year Corporate Communication Strategy that lays the foundation for a strategic approach to effective communications and how we intend to implement it. The Strategy helps us deliver improved communication interaction. New digital services such as social media and online communication services provide us with a significant opportunity to share the work that we do. Digital platforms will be at the core of our drive to enhance and improve all of our communication activity.





Outreach & Engagement



PROJECTNEXUS

Nexus was chosen as a project name because it gave it a unique brand and means **'a connection or series of connections linking two or more things together'**. This is exactly what the outreach program is designed to do; connect the public sector with the private sector to raise awareness in the fight against economic crime.

Our work is also supported by the feedback we receive through the integrated questionnaires in both our e-Nexus series and when conducting in-person training. This feedback is very useful to assist us in looking at areas of improvement and we make sure that all the comments are reviewed and addressed where possible.

Project Nexus is an initiative designed to outreach to reporting entities that are required by law to submit Suspicious Activity Reports (SARs). GFIU has sought the support from key partners and other stakeholders to ensure that the role of financial intelligence and the contribution it makes is clearly understood in protecting Gibraltar's finance centre from Money Laundering, Terrorist Financing and Proliferation Financing risks. The outreach enhances awareness, improves working practices, increases communication fluidity and creates a forum in order to keep abreast with current legislation, dynamic financial obligations and the evolving methods used by criminals and terrorists to launder funds.



The project followed a three-phase approach:



To enhance the good rapport established over the years between the industry and key partners, which had been improved by the support from the Gibraltar Association of Compliance Officers.

To ensure that the subjects in the program of events covered the most relevant and current information available, delivered through a forecast of regular events.

To develop a means of delivering training through the use of technology.

E-Nexus

Project Nexus was relaunched in October 2020 with a new logo and brand that can be easily identified bringing positive experiences. The logo depicting an X (taken from the word Nexus) is a graphic element that represents connecting people who meet at a point with a common aim.

Our 3-year Corporate Communication Strategy complements the aims of our outreach and engagement project and provides reporters with the various means in which the GIU can interact with the private sector.

We will continue to work on our successes in 2022 with a sustainable and effective program.

Project Nexus won HM Government of Gibraltar's Projects Achievement Award, which recognizes a department which has launched and executed an innovative project that has proven to benefit the service greatly.





**OUR
INTERNATIONAL
WORK**





Established in 1995, the Egmont Group is an international forum comprising of 167 Financial Intelligence Units (FIUs).

It provides a platform for the secure exchange of expertise and financial intelligence to combat Money Laundering and Terrorist Financing using a secure communication system called the 'Egmont Secure Web' (ESW).

The GFIU is an Egmont Group member, since 2004, and it exchanges information regularly with its foreign counterparts. It makes a significant contribution in the global fight against Money Laundering, Terrorist Financing and Proliferation Financing. Through the Egmont Group, the GFIU is able to engage in effective cooperation and although it does not legally require a Memorandum of Understanding (MoU), it has signed a number of them with key partners to ensure that they provide a framework for information exchange. As part of information exchange processes, the GFIU also cooperates with non-counterpart authorities within the framework of diagonal cooperation.

In February 2022, the GFIU joined the Egmont Group's Working and Regional Group meetings (IEWG) which held a series of virtual meetings.

After the Covid-19 pandemic travel restrictions were lifted, the Egmont Group Plenary took

place in Riga, Latvia, in July 2022. With over 320 representatives from FIUs across the world, Heads of FIUs and other experts in financial crime operational and strategic matters were discussed to help protect global financial institutions from criminal abuse and improve collaboration to exchange information.

After the meeting, our Director said, "As a member of the Egmont Group, we are committed to its principles, values and strategic direction. This global body is an effective way of sharing and exchanging financial intelligence, therefore, the opportunity to meet in-person with other FIUs serves to foster trust and strengthen international working relationships. The GFIU has made significant progress in a number of specialised areas over the last few years and given the nature of transnational organised crime it is important that we continue to participate in these events".





The GFIU became an Associate Member of the IACCC, on the 30th July 2020. Hosted by the National Crime Agency in London, the IACCC allows Law Enforcement Agencies from smaller financial centres to rapidly exchange intelligence with the IACCC and assist with the development of the intelligence picture on grand corruption cases. The IACCC are able to provide further support to partners across the world with grand corruption investigations, including the facilitation of Mutual Legal Assistance (MLA) requests between their jurisdictions.

As an Associate Member, we now have a dedicated liaison officer to assist when required in the processing of intelligence related to grand corruption. The corrosive impact grand corruption has on communities, states and global economy can be devastating. Those who seek to hide and disguise their illicit funds may think that Gibraltar, as a small finance centre, is an attractive option to them. However, our comprehensive legal framework provides all that is necessary to detect, restrain and confiscate the proceeds of crime. Furthermore, Gibraltar has a strong commitment to ensure that it denies criminals access to their assets and through collaborative work; make it harder for criminals.

The IACCC Associate Members are:

- The Cayman Islands Anti-Corruption Commission
- The Gibraltar Financial Intelligence Unit
- The Guernsey Financial Intelligence Unit
- The Isle of Man Financial Intelligence Unit
- The Jersey Financial Intelligence Unit
- The Mauritius Independent Commission Against Corruption
- The Seychelles Anti-Corruption Commission
- The Turks and Caicos Islands Integrity Commission

These agencies join the existing core IACCC Members, consisting of law enforcement agencies from six countries and Interpol. It is the intention that additional law enforcement agencies will join the IACCC as Associate Members on a regular basis.

The Associate Membership Scheme further strengthens the IACCC as an initiative to provide specific operational support to external law enforcement agencies with their domestic corruption cases. It is hoped that the introduction of the Associate Membership Scheme will build upon the successes achieved since the IACCC became operational in July 2017.

Since the GFIU joined, we have been able to make use of the valuable training provided through the IACCC on bribery and corruption, including cryptocurrency investigations and open source intelligence.





The FIUs from the Crown Dependencies (Guernsey, Isle of Man and Jersey), and Gibraltar have worked collaboratively for a number of years by sharing intelligence, operational and tactical objectives in the international fight against economic crime. Through the establishment of the Quad Island Forum of Financial Intelligence Units, we are able to share experiences and work collectively to achieve our objectives.

The Forum recognises the importance of international cooperation in the fight against Money Laundering and Financing of Terrorism, and the necessity for collaboration with other FIUs within similar international finance centres.

This partnership is a key vehicle through which similar criminal activity can be effectively tackled. We share the same values, similar challenges and are similarly sized FIUs, and therefore, it makes sense that we work closely on issues of common importance.

In 2022, the Forum met on numerous occasions virtually and in-person meetings hosted at Gibraltar House in London, where key individuals

were invited to discuss matters of interest from UK law enforcement agencies, foreign FIUs and the private sector. The Quad Island Forum's subgroups such as the Strategic Analysis Forum and the Small Islands Terrorist Financing Forum, also met during 2022, further enhancing our relationship and bringing other agencies to the table.

Through the Quad Island Forum of FIUs, we have created opportunities for joint training and attendance of courses, such as the Terrorist Financing Course with the UK's National Terrorist Financing Intelligence Unit and a bespoke Money Laundering, Bribery and Corruption Course with the City of London Police.





OUR PARTNERSHIPS



The complexity of economic crime and the increasingly transnational nature of illicit activity places a higher demand on resources. Interagency collaboration is essential for an effective approach in small jurisdictions like Gibraltar. The Inter Agency Working Group ensures that we can address new challenges with the GFIU as a key stakeholder supporting both law enforcements and supervisory bodies.



The GFIU has the independence and autonomy to engage with individual partners and formalises this through Memorandums of Understanding (MoUs). MoUs provide a formal framework for cooperation, for this reason the GFIU has signed agreements with some of our key partners.

In June 2022, the GFIU established a Public Private Partnership to fight economic crime. The Financial Liaison and Intelligence Network (FLINT), is an initiative that brings together the collective experience and resources of public sector bodies responsible for countering money laundering, terrorist financing and proliferation financing, supported by industry experts within the banking sector. The establishment of FLINT ensures that all partners can work collaboratively to identify and address emerging and residual risks through strategic and operational intelligence. FLINT provides opportunities at a strategic level to develop sectoral typologies on emerging or existing trends used by criminals. It also provides a more comprehensive and better-informed analysis for future National Risk Assessments. The sharing of information by law enforcement can have greater benefits for understanding specific risks and vulnerabilities in Gibraltar. Through the establishment of FLINT and our membership of the Quad Island Forum of FIUs we have been able to align ourselves with the UK's Joint Money Laundering Intelligence Task Force (JMLIT+), further enhancing our intelligence capabilities.

We will continue to seek new partnerships that will benefit the global fight against money laundering, the financing of terrorism and proliferation financing.





OUR ACHIEVEMENTS



During 2022, the GFIU has made the following achievements.

- Launched new e-Nexus workshop on the Financing of Human Trafficking
- Established the Financial Liaison & Intelligence Network public-private partnership
- Created a new role of Data Quality Analyst to improve data governance
- Undertook a project with a software developer to integrate data for analysis using a visual dashboard system
- Attended numerous training to ensure that our staff are well acquainted with latest Virtual Assets tracing software
- Delivered training on Human Trafficking with the United Nations Office on Drugs and Crime in Egypt to MENA region FIUs
- Conducted sector specific training to improve the quality of Suspicious Activity Reports under Project Nexus
- Published guidance on GFIU and Law Enforcement Investigatory Powers
- Chaired the Quad Islands Forum of FIUs
- Presented at the Virtual Sanctions Network on Gibraltar's efforts to counter proliferation financing
- Attended a Public-Private Partnership Conference in Amsterdam
- Presented at the Moneyval Strategic Analysis Workshop at the Council of Europe on the work being done by GFIU on strategic analysis
- Implemented a digital system to ensure that all UK sanctions updates were notified via the online reporting system to the private sector
- Revised and updated the Sanctions Guidance Notes
- Facilitated a secure portal for the reporting of targeted financial sanctions on behalf of the competent authority for sanctions
- Provided a bespoke course delivered by the City of London Police on Money Laundering, Bribery and Corruption





1. Strategic analysis overview

Overview

The GFIU has taken a number of steps to improve the quality of its strategic analysis products over the last few years including a survey to measure its value. This report integrates financial data with a strategic analysis process that can assist professionals and stakeholders gain a better understanding of the money laundering, terrorist financing and proliferation financing related trends and patterns that are relevant to Gibraltar. This strategic analysis report leverages the following:

- The collation of annual data for patterns and similar concepts;
- Collecting, evaluating and collating further information as required from other competent authorities to enhance the findings; and
- Identifying connections or links between pieces of information

The strategic analysis, which follows, focuses and highlights the main money laundering threats and vulnerabilities as reported by Gibraltar based entities and from other sources of intelligence.

There was a 11% decrease in the number of SARs received for 2022 compared to the number received for 2021. However most higher risk sectors as identified in the National

Risk Assessment have seen an increase in SAR reporting. The decrease can mainly be attributed to the reduction in SARs submitted by the Gaming sector.

The GFIU's outreach program and feedback on individual SARs has seen a positive reduction in defensive reporting and an increase in the percentage of SARs deemed to have met standard by the GFIU.

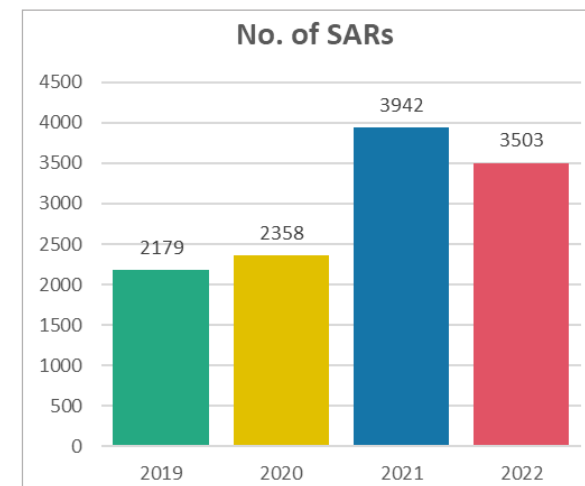
As in previous years, money laundering and fraud continue to be the top suspected criminality of SARs. Adverse open source and adverse, inadequate or failure to provide due diligence remain the top grounds for suspicion.

The Gaming and DLT sectors continue to be the main reporting sectors with 82.59% and 8.31% of SARs submitted in 2022 respectively. One Gaming entity submitted 55.98% of all SARs. There was an increase of SARs submitted by the Banking sector of 60% and by the TCSP sector of 95% when compared to 2021 figures.

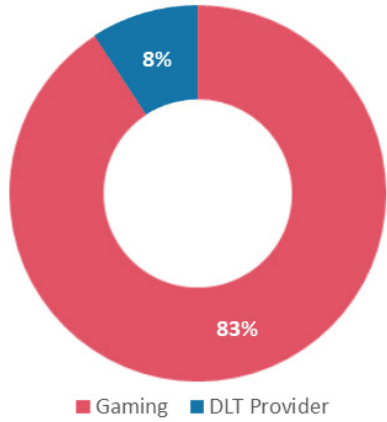
The Money Value Transfer Services and Bureau de Change sectors submitted 29 and 5 SARs respectively. This compares to one SAR submitted for these sectors combined in 2021.

As a result of sanctions imposed on Russia, there was an increase in the number of sanctions related SARs submitted, with the main reporting sectors being Accountants and TCSPs. 21 out of 30 sanctions SARs submitted related to sanctions under Gibraltar, UK, UN or EU designations.

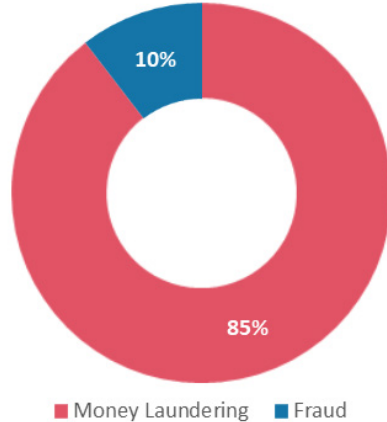
EGMONT requests and spontaneous intelligence for 2022 related mostly to the TCSP, DLT and Banking sectors. The suspected criminalities for these were in the majority related to money laundering and fraud, which is consistent with the suspected criminality of SARs.



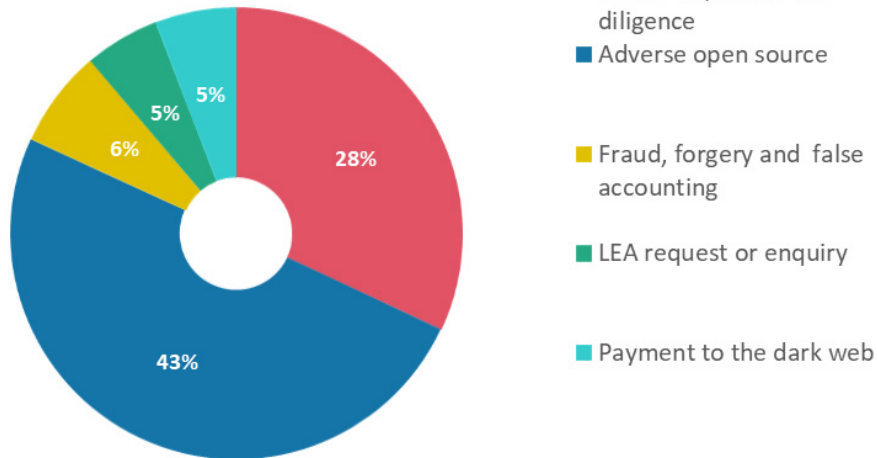
PRINCIPAL REPORTING SECTORS



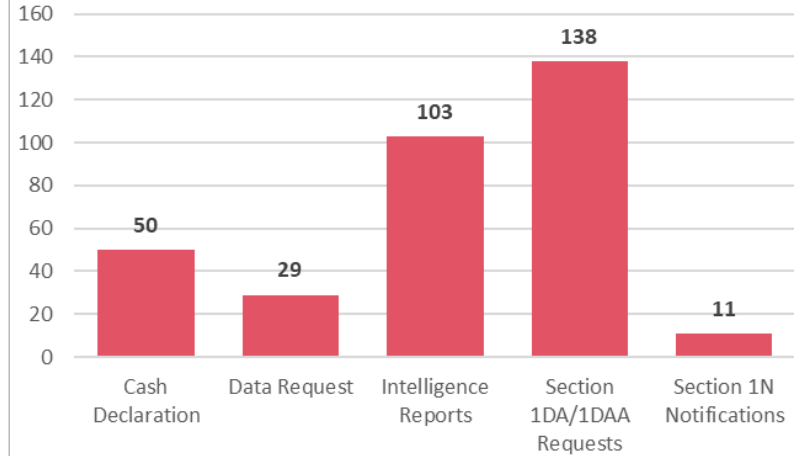
PRINCIPAL SUSPECTED CRIMINALITY



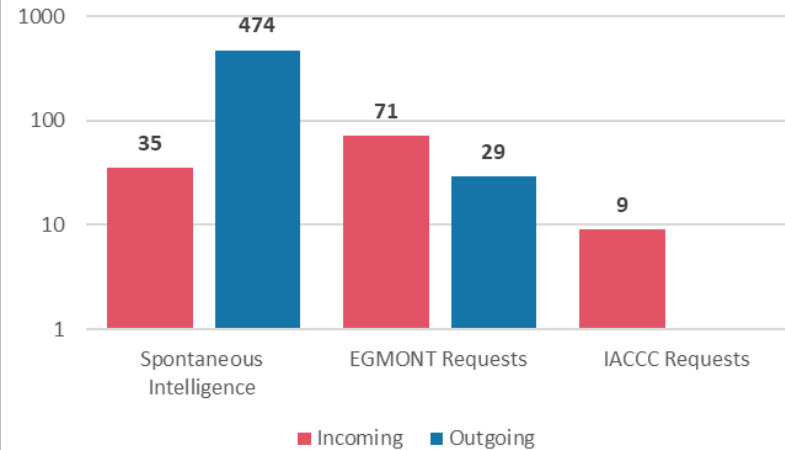
PRINCIPAL GROUNDS FOR SUSPICION



Local



International



2 Suspicious Activity Reports Outcomes

Reporting Entities

SARs were reported from various financial and non-financial reporting entities in Gibraltar during the years 2021 to 2022. This report will focus on the specific sectors in scope.

SUMMARY OF REPORTING SECTORS

Sector	2021		2022		
	SARs	% of SARs	SARs	% of SARs	% excluding Gaming
Accountant, Auditor & Insolvency Practitioner	3	0.08%	19	0.54%	3.11%
Bank	113	2.87%	181	5.17%	29.67%
Bureau de Change	1	0.03%	5	0.14%	0.82%
DLT Provider	426	10.81%	291	8.31%	47.70%
E-Money	71	1.80%	6	0.17%	0.98%
Gaming	3,267	82.88%	2,893	82.59%	-
Insurance	1	0.03%	4	0.11%	0.66%
Investment/Fund Manager	15	0.38%	6	0.17%	0.98%
Legal Professionals & Notaries	14	0.36%	12	0.34%	1.97%
Money Value Transfer Services	0	0.00%	29	0.83%	4.75%
Pension	1	0.03%	1	0.03%	0.16%
Real Estate and Letting Agents	4	0.10%	7	0.20%	1.15%
Supervisory Bodies	4	0.10%	6	0.17%	0.98%
TCSPs	22	0.56%	43	1.23%	7.05%
Total	3,942	100.00%	3,503	100.00%	100.00%



SUMMARY OF REPORTING SECTORS

A more representative view of the reporting sectors is given by an analysis of the number of reporting entities within the sectors that submitted a SAR.

The following table shows the number of reporting entities in each sector which submitted a SARs in 2021 and 2022.

Sector	No. of Reporting Entities		
	2021	2022	Total
Accountant, Auditor & Insolvency Practitioner	3	6	8
Bank	8	10	10
Bureau de Change	1	3	3
DLT Provider	6	12	12
E-Money	3	1	3
Gaming	17	18	20
Insurance	1	3	4
Investment/Fund Manager	5	3	6
Legal Professionals & Notaries	6	7	10
Money Value Transfer Services	0	1	1
Pension	1	1	2
Real Estate and Letting Agents	3	3	5
TCSPs	11	17	21
Total	65	85	105



The top 10 reporting entities in 2022 are listed below. The top ten reporting entities accounted for 85.16% of SARs received in 2022.

Entity	No. of SARs	% of SARs
Gaming Entity 1	1961	55.98%
Gaming Entity 2	266	7.59%
Gaming Entity 3	184	5.25%
DLT Entity 1	178	5.08%
Gaming Entity 4	133	3.80%
Bank Entity 1	61	1.74%
Gaming Entity 5	57	1.63%
DLT Entity 2	51	1.46%
DLT Entity 3	48	1.37%
Gaming Entity 6	44	1.26%
Total	2983	85.16%



SUSPECTED CRIMINALITY

The GFIU’s SAR online reporting system has a dropdown option to select the main suspected criminality of SARs. As in previous years, for a significant number of SARs the suspected criminality selected in the dropdown option did not correlate with the suspected criminality which gave rise to the suspicion. During the assessment of SARs, the suspected criminality of a number of SARs were corrected, primarily to Money Laundering.

A detailed overview of the suspected criminalities reported per sector in 2022 is included below.

Suspected Criminality	Accountant, Auditor & Insolvency Practitioner	Bank	Bureau de Change	DLT Provider	E-Money	Gaming	Insurance	Investment/Fund Manager	Legal Professionals & Notaries	Money Value Transfer Services	Pension	Real Estate and Letting Agents	Supervisory Bodies	TCSPs	Total
Corruption	0	3	0	2	0	0	1	0	1	0	0	0	0	1	8
Drugs Trafficking	0	4	0	31	0	0	0	0	1	1	0	0	0	1	38
False Accounting	0	0	0	0	0	0	0	0	0	1	0	0	0	1	2
Forgery	0	4	0	2	0	14	0	0	0	0	0	0	0	0	20
Fraud	7	63	0	151	5	109	1	4	0	0	0	1	1	6	348
Insider trading and market manipulation	0	2	0	0	0	0	0	0	0	0	0	0	0	0	2
Money Laundering	2	75	5	79	0	2,756	0	1	9	27	1	2	5	20	2,982
Organised Crime	0	0	0	0	0	0	0	1	0	0	0	0	0	0	1
Robbery/ Theft	0	11	0	0	0	2	0	0	0	0	0	0	0	0	13
Sanctions	9	4	0	4	0	1	1	0	0	0	0	3	0	8	30
Sexual Exploitation	0	0	0	21	0	0	0	0	0	0	0	0	0	0	21
Tax Crimes	1	14	0	1	1	8	1	0	1	0	0	1	0	6	34
Terrorism	0	1	0	0	0	3	0	0	0	0	0	0	0	0	4
Total	19	181	5	291	6	2,893	4	6	12	29	1	7	6	43	3,503



A detailed overview of the suspected criminalities reported in 2021 and 2022 is included below for comparative purposes and to provide information as to the prevailing suspected criminalities reported.

As in previous years Money Laundering and Fraud continue to be the two main suspected criminalities.

Suspected Criminality	2021		2022		
	No. of SARs	% of SARs	No. of SARs	% of SARs	% excluding Gaming
Arms Trafficking	1	0.03%	0	0.00%	0.00%
Corruption	8	0.20%	8	0.23%	1.31%
Drugs Trafficking	46	1.17%	38	1.08%	6.23%
False Accounting	2	0.05%	2	0.06%	0.33%
Forgery	0	0.00%	20	0.57%	0.98%
Fraud	334	8.47%	348	9.93%	39.18%
Insider trading and market manipulation	1	0.03%	2	0.06%	0.33%
Money Laundering	3,454	87.62%	2,982	85.13%	37.05%
Organised Crime	2	0.05%	1	0.03%	0.16%
Robbery/ Theft	3	0.08%	13	0.37%	1.80%
Sanctions	2	0.05%	30	0.86%	4.75%
Sexual Exploitation	42	1.07%	21	0.60%	3.44%
Tax Crimes	40	1.01%	34	0.97%	4.26%
Terrorism	0	0.00%	4	0.11%	0.16%
Terrorist Financing	4	0.10%	0	0.00%	0.00%
Trafficking in Stolen goods	3	0.08%	0	0.00%	0.00%
Total	3,942	100.00%	3,503	100.00%	100.00%



GIBRALTAR RELATED SARs

167 SARs submitted in 2022 had a Gibraltar Nexus. This represents 4.76% of the total SARs received and a significant increase from the 77 SARs submitted in 2021. The increase can mainly be attributed to sanctions reporting, and an increase from Banks and the Money Value Transfer Services.

A detailed overview of the suspected criminalities per sector is included below for comparative purposes.

Suspected Criminality	Corruption	Drugs Trafficking	False Accounting	Fraud	Insider trading and market manipulation	Money Laundering	Robbery/ Theft	Sanctions	Tax Crimes	Total
Accountant, Auditor & Insolvency Practitioner	0	0	0	4	0	2	0	9	1	16
Bank	2	4	0	14	1	37	1	2	7	68
Bureau de Change	0	0	0	0	0	4	0	0	0	4
DLT Provider	0	0	0	0	0	1	0	1	0	2
Gaming	0	0	0	0	0	2	0	0	0	2
Insurance	1	0	0	1	0	0	0	0	1	3
Investment/Fund Manager	0	0	0	3	0	0	0	0	0	3
Legal Professionals & Notaries	1	0	0	0	0	7	0	0	0	8
Money Value Transfer Services	0	1	1	0	0	23	0	0	0	25
Pension	0	0	0	0	0	1	0	0	0	1
Real Estate and Letting Agents	0	0	0	1	0	1	0	1	1	4
Supervisory Bodies	0	0	0	1	0	4	0	0	0	5
TCSPs	0	0	0	3	0	12	0	6	5	26
Total	4	5	1	27	1	94	1	19	15	167



DEFENSIVE SARs

The data analysis undertaken aimed to assess whether there was a culture of defensive SARs being submitted to the GFIU. Generally, there is an increasing trend within other jurisdictions for defensive SARs. A defensive SAR arises where an activity or a transaction is deemed not suspicious upon further analysis by the GFIU. SARs are required to be filed when a transaction or an attempted transaction involve funds derived from any illegal activity, or when the transaction has no apparent lawful purpose.

Many entities are wary to be seen by both the GFIU and by their regulator as being complacent or soft on potential instances of money laundering. As regulatory and legal scrutiny has increased in this area, so has the risk of regulatory and reputational risk to these entities, and so the number of SARs deemed to have been filed in a defensive manner is likely to be explained by this. However, it is important to note that the sheer volume of additional workload created by these defensive SARs where no suspicious activity is identified have a negative impact on the GFIU, and may even lead to a dilution of the value of SAR reporting as a whole. The outreach program delivered by the GFIU has resulted in a reduction in the number of defensive SARs with only 3% of SARs classified as defensive by GFIU in 2022.

Percentage of Defensive SARs

Sector	2021	
	Number	%
Bank	8	7.08%
DLT Provider	28	6.57%
Gaming	117	3.58%
Investment/Fund Manager	2	13.33%
Legal Professionals & Notaries	2	14.29%
Real Estate and Letting Agents	2	50.00%
Supervisory Bodies	1	25.00%
TCSPs	3	13.64%
Total	163	4.13%



POLITICALLY EXPOSED PERSONS

Links or identification to Politically Exposed Persons (PEPs) is reported by the MLROs when raising a SAR. The graph below shows the percentage of SARs related to PEPs that have been submitted to the GFIU.

Sector	2021		2022	
	Number	%	Number	%
Accountant, Auditor & Insolvency Practitioner	1	33.33%	8	42.11%
Bank	15	13.27%	10	5.52%
Bureau de Change	0	0.00%	1	20.00%
DLT Provider	4	0.94%	7	2.41%
E-Money	1	1.41%	0	0.00%
Gaming	67	2.05%	38	1.31%
Insurance	1	100.00%	0	0.00%
Investment/Fund Manager	1	6.67%	2	33.33%
Legal Professionals & Notaries	3	21.43%	0	0.00%
Money Value Transfer Services	0		1	3.45%
Real Estate and Letting Agents	0	0.00%	3	42.86%
Supervisory Bodies	0	0.00%	1	16.67%
TCSPs	8	36.36%	8	18.60%
Total	101	2.56%	79	2.26%



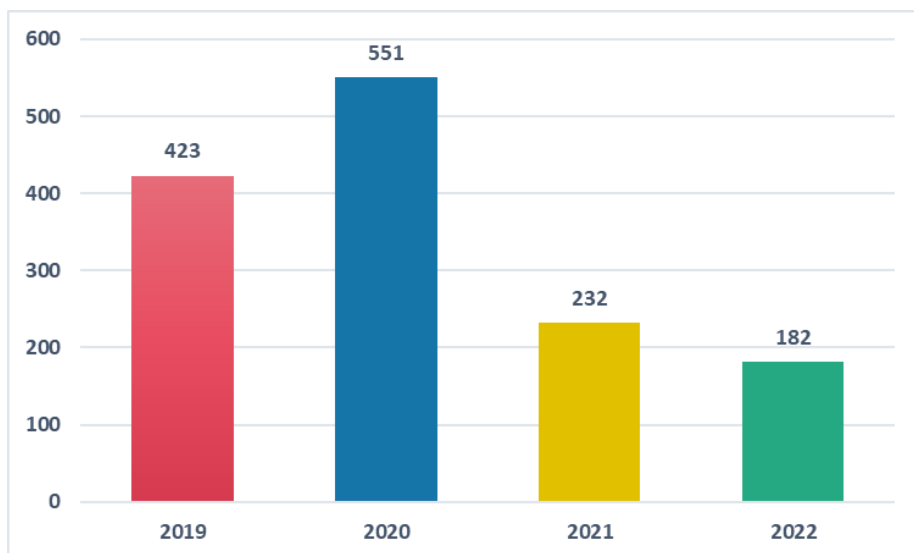
CONSENT REQUESTS

A SAR can be submitted where a firm holds a suspicion that processing a financial transaction may result in the entity dealing with criminal proceeds. At this point, a SAR is submitted to the GFIU to request consent to undertake further steps in respect of the transaction, which could have potentially constituted a money laundering offence if the consent had not been sought or granted by the GFIU as required by legislation. The GFIU analysts will review the SAR submitted and, depending on the nature of the request, may be required to liaise with law enforcement or another FIU in order to decide whether to provide or refuse consent.

As the graph demonstrates, the number of consent requests submitted to the GFIU continue to decrease. Some consent requests relate to SARs submitted in a previous years.

The number of consent requests which were later deemed not applicable by the GFIU, remain along similar numbers to 2020 (59) and 2021 (61). This is contrast to the reduced number of SARs and consent requests received in 2022. The GFIU continues to address this issue by providing feedback to reporting entities and through its outreach programme focusing particularly on the three elements of a consent request.

Number of consent requests



Status of consent requests received in 2022 after GFU review

Sector	Consent Granted	Consent Not Applicable	Consent Refused	No Response Provided	Total
Accountant, Auditor & Insolvency Practitioner	0	0	0	2	2
Bank	23	16	1	3	43
DLT Provider	19	5	0	0	24
E-Money	1	2	0	0	3
Gaming	70	15	0	0	85
Investment/Fund Manager	2	2	0	0	4
Legal Professionals & Notaries	2	2	0	0	4
Pension	1	0	0	0	1
Real Estate and Letting Agents	2	0	0	0	2
TCSPs	4	10	0	0	14
Total	124	52	1	5	182



Outcomes

The outcome records what action if any the GFU has undertaken in respect of a SAR. A large proportion of SARs were dual disclosed to both the GFU and a foreign FIU. Although most of these SARs do not require any further action by the GFU, the processing and analysis of each disclosure requires a balance of resources and prioritisation that allows for the effectiveness and efficiency of demand on the GFU.

At the time of publishing this report, a number of SARs were being processed. These included a number for which further information had been requested.

Outcome of SARs received in 2022.

Sector	Disclosure of no value	Intelligence disseminated	No Action Taken / Dual Disclosed	No Action Taken / No Dissemination	Under Review	Total
Accountant, Auditor & Insolvency Practitioner	2	8	0	4	5	19
Bank	3	59	1	56	62	181
Bureau de Change	0	1	0	3	1	5
DLT Provider	3	149	4	89	46	291
E-Money	0	1	0	1	4	6
Gaming	5	226	2,432	149	81	2,893
Insurance	0	1	0	1	2	4
Investment/Fund Manager	0	3	0	1	2	6
Legal Professionals & Notaries	0	3	0	3	6	12
Money Value Transfer Services	0	3	2	12	12	29
Pension	0	0	0	0	1	1
Real Estate and Letting Agents	0	2	0	3	2	7
Regulator	2	1	0	1	2	6
TCSPs	1	11	0	13	18	43
Total	16	468	2,439	336	244	3,503
Percentage	0.46%	13.36%	69.63%	9.59%	6.97%	100.00%

* Figures as at 6 March 2023



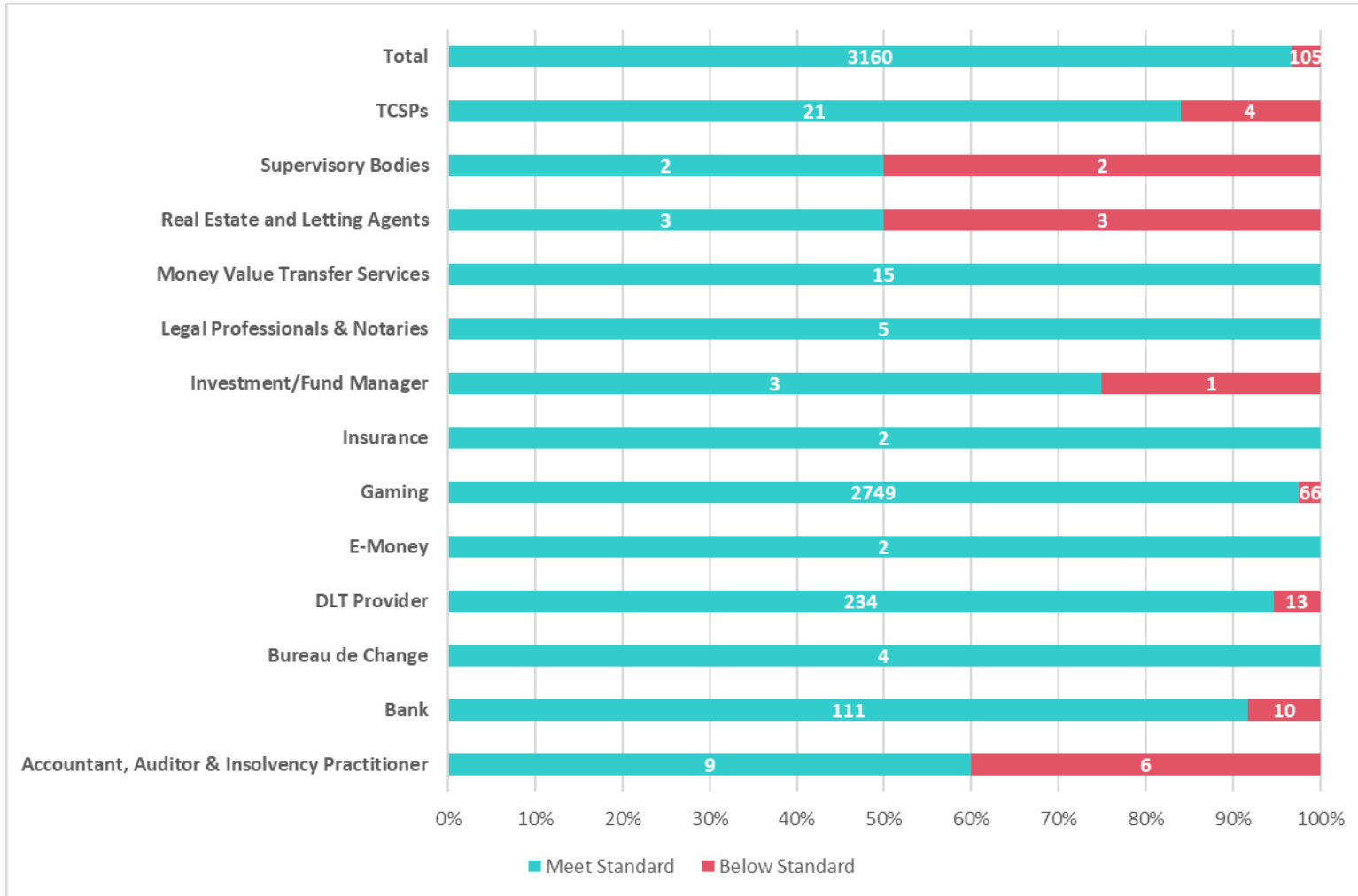
Findings of the Feedback Provided to the Reporter

Quality feedback provided to the Reporter [Money Laundering Reporting Officer/ Nominated Officer] comprises ratings given for the following five criteria.

- Supporting documentation necessary for the GFIU must be submitted with the SAR for the effective analysis of the information disclosed.
- There must be a suspicion of a predicate offence, money laundering or terrorist financing within the information disclosed to GFIU.
- All background information contained in the SAR on the relationship with the reported subject must be described in sufficient detail.
- The content of the information must be clear and complete.
- When Consent has been requested, the information contained within the request must include the suspicion (within the narrative of the grounds for suspicion), the criminal property and the prohibited act.

The percentage of SARs deemed to meet standard continues to increase when compared to previous years. This positive trend reflects the impact of the GFIU's outreach programme in improving the quality of SARs.





* Figures as at 6 March 2023



SARS REPORTED BROKEN DOWN BY COUNTRY

As in previous years, the majority of SARs (74%) received in 2022 has a UK Nexus. Most of these were reported by the Gaming sector and the suspected criminality was money laundering or fraud.

The following table shows the suspected criminality of SARs disclosed against the top ten countries where the crime was deemed to have occurred.

Country	Corruption	Drugs Trafficking	False Accounting	Forgery	Fraud	Insider trading and market manipulation	Money Laundering	Organised Crime	Robbery/ Theft	Sanctions	Sexual Exploitation	Tax Crimes	Terrorism	Total
United Kingdom	1	22	1	15	215	0	2322	0	11	1	7	6	3	2604
Canada	0	0	0	1	2	0	186	0	0	0	0	1	0	190
Gibraltar	4	5	1	0	27	1	94	0	1	19	0	15	0	167
Brazil	0	0	0	0	3	0	94	0	0	0	0	0	0	97
Ireland	0	0	0	0	3	0	72	0	0	1	0	1	0	77
Switzerland	0	0	0	0	8	1	19	0	0	0	3	0	0	31
Kuwait	0	0	0	0	0	0	19	0	0	0	0	0	0	19
United Arab Emirates	0	0	0	0	2	0	14	0	0	0	0	0	0	16
France	0	0	0	0	9	0	4	0	0	0	1	0	0	14
Mexico	0	0	0	0	3	0	11	0	0	0	0	0	0	14
Total	5	27	2	16	272	2	2835	0	12	21	11	23	3	3229



The following table shows the suspected criminality of SARs disclosed against the top ten countries where the crime was deemed to have occurred, excluding the Gaming sector.

Country	Corruption	Drugs Trafficking	False Accounting	Forgery	Fraud	Insider trading and market manipulation	Money Laundering	Organised Crime	Robbery/ Theft	Sanctions	Sexual Exploitation	Tax Crimes	Terrorism	Total
United Kingdom	1	22	1	4	111	0	50	0	9	1	7	2	0	208
Gibraltar	4	5	1	0	27	1	92	0	1	19	0	15	0	165
Switzerland	0	0	0	0	8	1	5	0	0	0	3	0	0	17
France	0	0	0	0	9	0	4	0	0	0	1	0	0	14
Austria	0	2	0	0	8	0	2	0	0	0	1	0	0	13
Mexico	0	0	0	0	3	0	10	0	0	0	0	0	0	13
Israel	0	0	0	0	2	0	6	1	1	0	0	2	1	13
Italy	0	0	0	0	10	0	1	0	0	0	2	0	0	13
Spain	0	1	0	0	4	0	6	0	0	0	1	0	0	12
Poland	0	0	0	0	5	0	2	0	0	0	1	0	0	8
Total	5	30	2	4	187	2	178	1	11	20	16	19	1	476



The following table shows the reporting sector of SARs disclosed against the top ten countries where the crime was deemed to have occurred

Country	Accountant, Auditor & Insolvency Practitioner	Bank	Bureau de Change	DLT Provider	E-Money	Gaming	Insurance	Investment/Fund Manager	Legal Professionals & Notaries	Money Value Transfer Services	Pension	Real Estate and Letting Agents	Supervisory Bodies	TCSPs	Total
United Kingdom	0	70	0	126	5	2396	0	1	0	0	0	0	0	6	2604
Canada	0	1	0	1	0	188	0	0	0	0	0	0	0	0	190
Gibraltar	16	68	4	2	0	2	3	3	8	25	1	4	5	26	167
Brazil	0	0	0	4	0	92	0	0	0	0	0	1	0	0	97
Ireland	0	1	0	4	0	71	0	0	1	0	0	0	0	0	77
Switzerland	0	2	0	13	0	14	0	0	1	0	0	0	1	0	31
Kuwait	0	0	0	0	0	19	0	0	0	0	0	0	0	0	19
United Arab Emirates	0	0	0	1	0	15	0	0	0	0	0	0	0	0	16
France	0	3	0	11	0	0	0	0	0	0	0	0	0	0	14
Mexico	0	0	0	13	0	1	0	0	0	0	0	0	0	0	14
Total	16	145	4	175	5	2798	3	4	10	25	1	5	6	32	3229



HIGH RISK AND INCREASED MONITORING RATED JURISDICTIONS

The Financial Action Task Force (“FATF”) identify jurisdictions with weak measures to combat money laundering and terrorist financing and issue these in public documents. The aim behind this process is to publicly list countries with weak AML/CFT regimes, with the aim to encourage the listed countries to make necessary reforms to their AML/CFT systems and redress weaknesses. These lists also provide useful information to stakeholders when risk assessing clients and transactions.

Note that the countries in the table below are as per the FATF lists published on 21 October 2022. Other countries are on the lists but are not mentioned in reports received by the GIU, therefore they have been excluded from the report.

If Gibraltar were to be excluded from the analysis then the number SARs reported with link to a FATF high risk and increased monitoring rated jurisdictions is similar to previous years.

FATF high risk and increased monitoring rated jurisdictions	No. of SARs
Cayman Islands	1
Gibraltar	165
Iran, Islamic Republic of	1
Morocco	5
Philippines	2
United Arab Emirates	1
No. of SARS with a link to a FATF high risk and increased monitoring rated jurisdictions	175
Total number of SARs	3503
% of SARs reported with link to a FATF high risk and increased monitoring rated jurisdictions	5.00%
% of SARs reported with link to a FATF high risk and increased monitoring rated jurisdictions (<i>excluding Gibraltar</i>)	0.29%

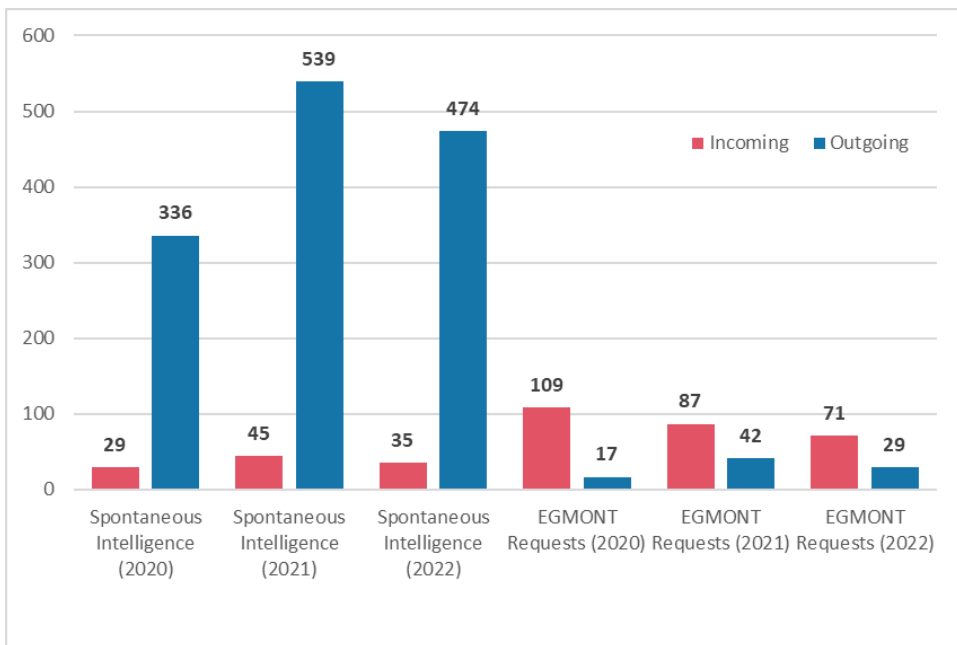


EGMONT REQUESTS AND SPONTANEOUS INTELLIGENCE

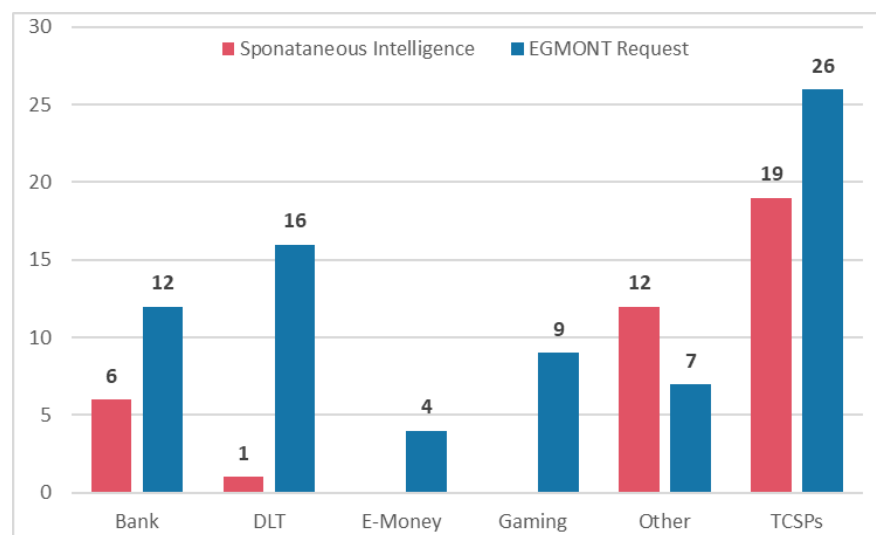
Egmont requests are requests from foreign FIUs for intelligence held by the GFIU, external databases and third parties. These exchanges of information are conducted via the Egmont Secure Web. All requests are recorded in Themis, which allows linking of subjects either contained in GFIU data or Mutual Legal Assistance requests.

Significantly, Money Laundering was the most reported suspected criminality in both years, which aligns with the most highly reported suspected criminality by Gibraltar businesses. The majority of suspected crimes reported via the Egmont requests and spontaneous intelligence received related to suspected crimes with links to European countries for the three years.

Analysis of EGMONT Requests and Spontaneous Intelligence - 2020 to 2022.



2022 Incoming Egmont Request & Spontaneous Intelligence by sector



Incoming Egmont Requests for 2022

Suspected Criminality	Africa	Asia	Europe	North America	Oceania	South America	Total
Corruption/bribery	1	0	1	0	0	0	2
Drug trafficking	0	0	2	0	1	0	3
Fraud	0	3	11	1	0	0	15
Human trafficking	0	0	1	0	0	0	1
Insider trading and market manipulation	0	0	1	0	0	0	1
Money Laundering	0	4	28	1	0	0	33
Murder, grievous bodily injury	0	0	1	1	0	0	2
Organised crime	0	0	2	0	0	0	2
Robbery/theft	0	0	1	1	0	0	2
Sanctions	0	0	2	0	0	0	2
Sexual exploitation	0	0	0	0	0	1	1
Tax crimes	0	1	4	0	0	0	5
Terrorist Financing	0	0	2	0	0	0	2
Total	1	8	56	4	1	1	71



Incoming Egmont Spontaneous Intelligence for 2022

Suspected Criminality	Africa	Europe	North America	Total
Corruption/bribery	0	1	0	1
Drug trafficking	0	1	0	1
Fraud	0	7	0	7
Money Laundering	0	19	1	20
Organised crime	0	1	0	1
Tax crimes	0	4	0	4
Terrorism	1	0	0	1
Total	1	33	1	35

Outgoing Egmont Requests for 2022

Suspected Criminality	Africa	Asia	Europe	North America	Total
Drug trafficking	0	0	1	0	1
Fraud	1	1	15	1	18
Money Laundering	0	0	3	5	8
Sanctions	0	0	1	0	1
Tax crimes	0	0	1	0	1
Total	1	1	21	6	29



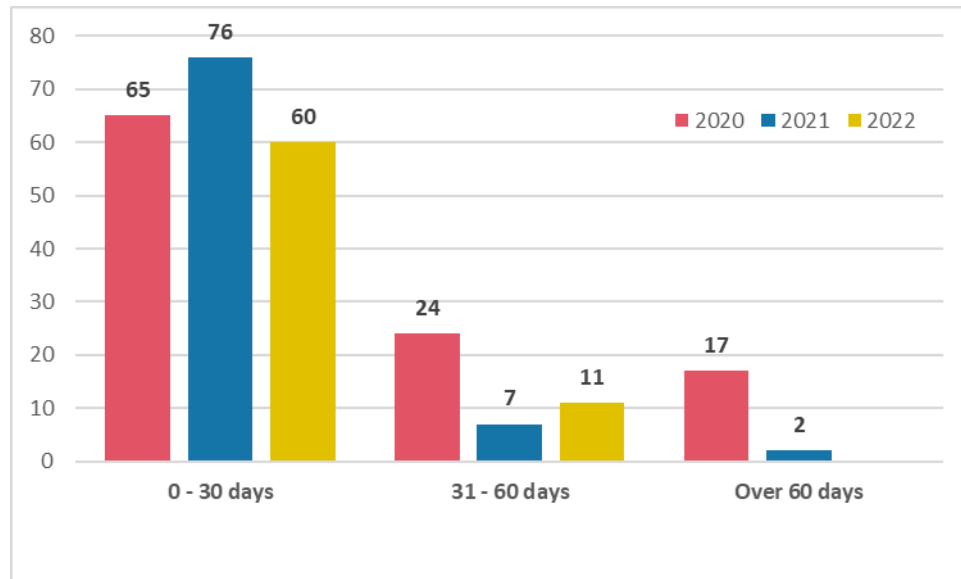
Outgoing Egmont Spontaneous Intelligence for 2022

Suspected Criminality	Africa	Asia	Europe	North America	Oceania	South America	Total
Corruption/bribery	0	0	4	0	0	0	4
Drug trafficking	0	0	26	0	0	0	26
Forgery	0	0	1	0	1	0	2
Fraud	0	6	98	3	3	1	111
Insider trading and market manipulation	0	0	2	1	0	0	3
Money Laundering	5	17	67	123	6	69	287
Robbery/theft	0	1	0	0	0	0	1
Sanctions	0	0	2	1	0	0	3
Sexual exploitation	0	3	16	1	0	3	23
Tax crimes	0	1	7	1	1	1	11
Terrorism	0	1	0	0	0	0	1
Trafficking in stolen goods	0	0	2	0	0	0	2
Total	5	29	225	130	11	74	474



The Egmont Group of Financial Intelligence Units have suggested response times to requests received by FIUs, stating that requests should be answered as soon as possible, whether positively or negatively. Egmont acknowledges that the turnaround time for requests may differ, depending on the nature of said requests but typically suggests that responses should be received within one month, if possible. Additional time is considered reasonable if there is a need to query external databases or third parties. Despite requests received all requiring the GFIU to query external databases or third parties, the average response times to Egmont requests was 16 days which is largely within the 30-day timeframe suggested. A small number of Egmont requests resulted in response times over 60 days; however, these were few. Factors such as GFIU conducting in-depth analysis of request, that may require further action; requests warranting discussion with LEAs or other competent authorities; or seeking clarification from foreign FIUs on some requests, need to be taken into account.

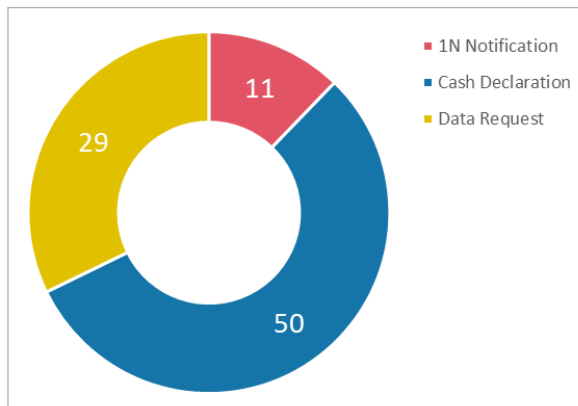
Average Egmont Request response times



Intelligence Reports Disseminated To Local Law Enforcement Agencies & Supervisory Bodies

Intelligence Reports are disseminated to Law Enforcement Agencies and Supervisory Bodies when deemed relevant by the GFIU. These reports are generated from various sources of intelligence received by the GFIU.

Request and notifications from LEAs in 2022



The following Intelligence Reports were disseminated during 2022.

LEA/Authority	Corruption/bribery	Drug Trafficking	Fraud	Money Laundering	Organised crime	Other	Tax crimes	Terrorism	Total
HM Customs	0	0	1	7	0	0	2	0	10
Royal Gibraltar Police	1	4	17	39	0	1	4	1	67
Gambling Division	0	0	0	9	0	1	0	0	10
Gibraltar Financial Services Commission	0	1	2	9	1	0	0	0	13
Legal Services Regulatory Authority	0	0	1	0	0	0	0	0	1
Tax Authority	0	0	0	1	0	0	1	0	2
Total	1	5	21	65	1	2	7	1	103



3. Identified Trends

Criminals and those who seek to benefit from crime are constantly adapting and learning how to evade traditional Anti Money Laundering controls. FinTech (Financial Technology) innovations not only accelerate growth within the financial industry; they also provide new methods to exploit for Money Laundering and Terrorist Financing

A review of case studies provided by reporting entities demonstrates how they continue to be instrumental in instigating and supporting investigations.

Gaming

Case Study

A gaming company was concerned that a subject was using credit cards to deposit funds into his account with a payment platform which was then used to fund his activity with the gaming company. A review of the subject's bank account revealed numerous third party deposits and subsequent transfer to a foreign jurisdiction.

Within a period of two months the subject deposited £40k into a gaming account and withdrew £38K. Minimal wagering took place with the account. The amount deposited was not consistent with the subject's known source of funds working at a care agency.

The subject's access to vulnerable adults, the numerous third party transactions in his bank account, and minimal wagering gave rise to suspicion of financial abuse and money laundering.

DLT

Case Study 2

A DLT provider reported that a client had been scammed by a fraudulent broker. The client used the reporter's platform to purchase BTC and transferred the BTC to an address provided by the broker. The broker who the client had found in social media, advised the BTC would earn profits from cryptocurrency trading.

When the client attempted to withdraw the profit, the broker requested additional commissions which the client paid. The broker then requested further fees to withdraw the funds. The client then realised he had been scammed.

Case Study 2

A DLT provider reported that a client from a high risk jurisdiction had sent \$150 worth of BTC to a darknet marketplace that sells credit card dumps. It was suspected that the client could potentially have purchased stolen credit card dumps or other data that could be used for financial fraud.



Bank

Case Study

A bank was concerned that a corporate bank account was being used for tax evasion. The subject who was the UBO of the corporate entity had declared that he was resident in Country X.

The bank account was receiving dividends followed by ATM cash withdrawals in Country Y. The subject advised that the cash withdrawals were for living expenses. A review of the subject's utility bills in country X, showed that that the usage for the last year was too low for the subject to be residing at that address.

It was suspected that the subject is resident in Country Y and not declaring his income to the relevant tax authorities.

E-Money

Case Study

An organised crime group was fraudulently abusing a prepaid card based program provided by a banking institution.

The subject would open accounts with false documentation and then using stolen credit/debit cards information transfer funds into the primary controller's account who would then transfer funds to the secondary cards. These cards would then be used to withdraw cash at ATMs and purchase pre-paid cards at various institutions.

A number of accounts were linked by the use of the same telephone number for the creation of the accounts or the use of the same credit/debit cards.

TCSP

Case Study

Company X was owned by a Trust with the subject being the sole director of the company.

The subject failed in an attempt to pay a dividend from Company X into Company Y which was owned by the subject. Company X was only able to pay dividends to the Trust as shareholder, who could then distribute to its beneficiaries. The Trust deed expressly excludes the settlor (the subject) as a beneficiary of the Trust.

The subject then enquired whether Company X could pay him a salary but for this to be paid into Company Y bank account.

There are suspicions the subject was trying to evade taxes





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