



Financial Intelligence Unit -
the Netherlands

FIU-the Netherlands

Annual report

2018



Preface

Dear reader,

We hereby present to you the annual report of FIU-the Netherlands for 2018. We are reporting the highest number of unusual transactions ever while at the same time, the suspicious transactions in the annual report represent the highest value ever. In the fight against crime, tackling undermining criminality played a central role for the government in 2018. A major part of this is dealing with criminal assets and so-called “enablers”. Furthermore, the approach towards tackling terrorism financing remained current. In my personal role as chairman of the Egmont Group of Financial Intelligence Units, in the past period, I have requested both national and international attention for various subjects related to money laundering and terrorism financing. Among other things due to their position, FIUs can virtually always contribute towards identifying criminal networks based on transactions that are carried out. Partly for this reason it remains important for FIUs to maintain in close contact with reporting persons/entities, users and FIUs among themselves to enable the continuous identification of current developments and find new answers to new challenges.

For FIU-the Netherlands, the view from this past year deviated with the previous years. Partly based on the implementation of the fourth anti-money laundering directive in 2018, 753,352 reports of unusual transactions were reported to FIU-the Netherlands from all reporting entities. This number exceeds the figures for all previous years. Relatively minor adaptations to regulations can have a huge influence on the reporting chain. Not counting unusual transactions reported as a result of this specific legal amendment, 394,743 reports of unusual transactions were still made. In 2018 FIU-the Netherlands submitted 8,514 files containing a total of 57,950 transactions that been declared suspicious. This is the largest number of files counted and also the largest number of suspicious transactions in any year since FIU-the Netherlands was formed. The total value of the suspicious transactions in 2018 represents an amount of over 9.5 billion euros, also the largest amount ever recorded by FIU-the Netherlands in one single year. These suspicious transactions have all been provided to the investigation, intelligence and security services for further investigation and possibly prosecution.

At the same time, FIU-the Netherlands has taken part in various alliances with a view to contributing towards the more effective use of the information it produces and to provide still better customised files. The numbers and value of the suspicious transactions are increasing by the year, and FIU-the Netherlands needs to be able to stay one step ahead.

FIU-the Netherlands makes investments. It invests in knowledge, ICT-facilities and maintaining good relationships with national and international network partners. The network includes all parties that have a role in tackling money laundering, terrorism financing and underlying private or public offences in a national or an international arena. The past period shows that a broad-based approach to specific subjects of public importance is required and that good national and international connections are hereby needed. The pressure on FIU-the Netherlands is thereby visibly rising. Public and private partners expect to cooperate with and high-quality products and services from FIU-the Netherlands. FIU-the Netherlands is witnessing a growing demand, while pressure on its capacity is rising. Good financial intelligence requires specifically targeted investments which FIU-the Netherlands wants to make in the near future to ensure that resources, knowledge and manpower remain available to make a major contribution to the prevention and detection of money laundering and terrorism financing. A major challenge in this regard will be the development and putting into operation of a new IT-system which can meet robust future challenges, while at the same time needs to be considerably more user-friendly for reporting entities.

Lastly, I hope you enjoy reading this 2018 Annual Report.



Hennie Verbeek-Kusters MA, may 2019

Head of FIU-the Netherlands



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



2



Contents

Preface	2
Management summary	4
1 Developments in 2018	7
1.1 Prioritised themes	8
1.2 Management and organisation	9
1.3 National cooperation	10
1.4 International cooperation	12
2 Receiving unusual transaction reports	15
2.1 Cooperation with supervisory bodies and institutions with an obligation to report	16
3 Analysing unusual transactions	20
3.1 From unusual to suspicious	21
3.2 Own investigations	24
3.3 International operational cooperation	25
4 The use of transactions declared suspicious	27
4.1 Transactions declared suspicious and documentation	28
4.2 Cooperation with investigation and enforcement partners	30
5 Terrorism financing	32
5.1 National developments	33
5.2 International developments	35
5.3 Operational results	36

6 Caribbean Netherlands: Bonaire, Sint Eustatius and Saba	38
6.1 Receiving and analysing unusual transactions from the Caribbean Netherlands	39
6.2 Dissemination of suspicious transactions in the Caribbean Netherlands	40
<i>Appendix I</i>	
Key indicators of FIU-the Netherlands 2018	42

<i>Appendix II</i>	
About FIU-the Netherlands	45
BII.1 Positioning, statutory task and mission	45
BII.2 The Dutch Money Laundering and Terrorist Financing (Prevention) Act (Wwft)	46
BII.3 Policy and long-term objectives	47
BII.4 The national and international playing field	47
BII.5 Work of FIU-the Netherlands	49

<i>Appendix III</i>	
List of abbreviations	52

	Management summary
1	Developments in 2018
2	Receiving unusual transaction reports
3	Analysing unusual transactions
4	The use of transactions declared suspicious
5	Terrorism financing
6	The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba
I	Appendix I - Key indicators of FIU-the Netherlands 2018
II	Appendix II - About FIU-the Netherlands
III	Appendix III - List of abbreviations



Management summary

Developments in 2018

For FIU-the Netherlands, 2018 was a year of superlatives. Partly due to the implementation of a legislative amendment, in 2018 a total of 753,352 unusual transactions were reported to FIU-the Netherlands. Of these, 358,609 unusual transactions could be directly linked to an unexpectedly big impact of the entry into force of the Dutch Money Laundering and Terrorist Financing (Prevention) Act (Wet ter voorkoming van witwassen en financiering van terrorisme) Implementation Decree in 2018. For 2018, this leaves 394,743 “regular¹” reports of unusual transactions. The increasing numbers trend in unusual transactions thereby continues. In 2018 FIU-the Netherlands declared a total number of 57,950 transactions suspicious, representing a total value of more than 9.5 billion euros, combined in 8,514 files. In 2018 FIU-the Netherlands started setting up experiments in the field of data science. FIU-the Netherlands hopes that in due course, it will be able to use the available data and data systems in a future-proof manner. In 2018 FIU-the Netherlands’ established themes were known and unknown threats in relation to terrorism financing, corruption, money laundering in relation to criminal assets, drugs, fraud, the Caribbean Netherlands and

¹ Regular reports are understood to refer to reports not received pursuant to the legal amendment implemented in 2018, in which based on an objective reporting threshold, institutions with a reporting obligation must report transactions in relation to the high-risk countries designated by the European Commission

remarkable changes to reporting patterns and files. On one hand, FIU-the Netherlands witnessed an increase of the number of reports in 2018, and on the other an intensification of participation in various alliances in relation to the containment of undermining crime. Due to the increase in the number of reports of unusual transactions and the necessity to make the system more user-friendly for reporting entities and FIU-staff, it is essential that a new, comprehensive information service is built up. The first steps to this end were taken in 2018. In 2018, FIU-the Netherlands actively sought to cooperate with network partners. These alliances range from public-public to private-public. FIU-the Netherlands has an extensive international network, which is necessary to ensure that it can comply with its statutory task and remain connected to international partners. In relation to this, in 2018, partly in his position as chairman of the Egmont Group, the head of FIU-the Netherlands made a content-based contribution to various meetings.

Reports of unusual transactions

In 2018 a total of 753,352 unusual transactions were reported to FIU-the Netherlands. Of these 753,352 unusual transactions, 358,609 transactions were reported based on a possible connection with the high-risk countries designated by the European Commission.

 Contents

 Management summary

1 Developments in 2018

2 Receiving unusual transaction reports

3 Analysing unusual transactions

4 The use of transactions declared suspicious

5 Terrorism financing

6 The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I Appendix I - Key indicators of FIU-the Netherlands 2018

II Appendix II - About FIU-the Netherlands

III Appendix III - List of abbreviations

Not counting the transactions based on the unexpected working of this objective reporting indicator, 394,743 reports of unusual transactions were made in 2018, an increase of approximately ten percent compared to 2017. FIU-the Netherlands is thereby witnessing a gradual long-term rise of reports of unusual transactions. FIU-the Netherlands provides indicators that help reporting entities to recognise unusual transactions. In 2018 FIU-the Netherlands established corruption as one of its themes and consequently focussed explicit attention on this issue.

Furthermore, in 2018 the Implementation Act of the Fourth Anti-Money Laundering Directive (AMLD4) entered into effect. The Money Laundering and Terrorist (Prevention) Act and a number of report indicators were hereby amended. In 2018 FIU-the Netherlands compiled a newsletter related to the amendments for reporting entities and other network partners, as a result of the fourth guideline implemented in the Dutch Money Laundering and Terrorist (Prevention) Act. In 2018 FIU-the Netherlands also saw a rise in the number of reports made in the field of virtual assets. In 2018, in anticipation of the scheduled introduction of the obligation to report for providers of services related to virtual assets in 2020, FIU-the Netherlands started to invest in this subject. Lastly, in 2018 FIU-the Netherlands received 71 targeted requests from supervisory bodies under the Money Laundering and Terrorist Financing (Prevention) Act concerning the reporting behaviour of reporting entities which had been placed under their supervision. For supervisory bodies, the provision of this information can contribute towards the risk-based implementation of their statutory task. Maintaining good contact with supervisory bodies was and remains important for FIU-the Netherlands.

Analysing unusual transactions

In 2018 FIU-the Netherlands completed 8,514 files containing 57,950 declared suspicious transactions. This means that 2018 was the year in which the highest number of files were counted and the highest number of suspicious transactions were declared in any year since FIU-the Netherlands was formed. The total value of all suspicious transactions represents an amount of more than 9.5 billion euros, the highest amount ever recorded by FIU-the Netherlands in a single year. All suspicious transactions and files were submitted to the investigation, intelligence and security services. In 2018 the National Public Prosecutor received 1,262 requests from the National Public Prosecutor. The total number of requests made to the National Public Prosecutor corresponds with the average number of National

Public Prosecutor requests in the past years, but the complexity of the National Public Prosecutor requests to be handled by FIU-the Netherlands has increased considerably. As a result, on an annual basis, FIU-the Netherlands must reserve more analysis capacity for this purpose than in previous years. In 2018 31,507 transactions were declared suspicious using the by means of the Reference Index Criminal Investigations and Subjects (VROS)-match. The Index of Criminal Investigations and Subjects (VROS)-match forms the biggest share of the files produced each year by FIU-the Netherlands. In 2018 FIU-Netherlands' own investigations led to almost 18,000 transactions being declared suspicious, divided over 1,470 compiled files.

Application of transactions declared to be suspicious

In 2018 57,950 transactions were declared suspicious based on analyses, and submitted to the investigation, intelligence and security services. Suspicious transactions can serve various goals, and may be a reason to initiate a criminal investigation, serve as additional evidence in court, or as guidance in an investigation. Furthermore, suspicious transactions can be used as a source of analysis for conducting strategic investigations and providing insight into and overviews of regional and national crime insights. In 2018 FIU-the Netherlands completed 8,738 files of which 8,514 were submitted to the investigation, intelligence and security services for further investigation. The remaining files are still under investigation or will be closed, depending on the declared suspiciousness of the transactions in a file.

In 2018 the majority of suspicious transactions were reported by payment service providers. As in the past years, the most suspicious transactions concerned money transfers. In 2018, the number of intended transactions rose from 1,481 in 2017 to 2,583 transactions. This is an important signal for FIU-the Netherlands, as it indicates that reporting entities suspected money laundering at an early stage. This allows action to be taken earlier on, possibly contributing towards the prevention of the criminals from removing evidence. In 2018 investigation services were especially focussed on strengthening the approach towards undermining crime and confiscating criminal assets. Based on the aim of undermining crime the investigation services increasingly focus on gaining insights and making analyses, and FIU-the Netherlands has therefore been able to make a valuable, significant contribution to this. In 2018 a great deal of use was made of the possibility of selecting signals that could potentially lead to confiscating unaccountable assets, based on suspicious transactions submitted by FIU-the Netherlands.



Contents



Management summary

1 Developments in 2018

2 Receiving unusual transaction reports

3 Analysing unusual transactions

4 The use of transactions declared suspicious

5 Terrorism financing

6 The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I Appendix I - Key indicators of FIU-the Netherlands 2018

II Appendix II - About FIU-the Netherlands

III Appendix III - List of abbreviations



Terrorism financing

In 2018 FIU-the Netherlands incorporated 3,338 suspicious transactions with a possible link to terrorism financing into 665 files. In previous years FIU-the Netherlands had seen that the proceeds of criminal activities are sometimes used to finance terrorism. Timely recognition of these money flows is therefore essential and can make a significant contribution towards combatting terrorism. Based on the Action Programme on the Comprehensive Approach to Jihadism, FIU-the Netherlands has carried out targeted analyses and made specific suspicious transactions available in connection with tackling jihadism and radicalisation. The analyses were partly based on intelligence - that had been collected during the intensive cooperation with national and/or international partners. In 2018 FIU-the Netherlands declared 118 transactions, mainly money transfers and wire transfers, suspicious in relation to sanction legislation. Based on these transactions 29 files were compiled. The European Union terrorism list and a number of national sanctions lists of European member states were also scanned for potential risks. Furthermore, together with banks participating in the TF-platform, a study was conducted into developing risk profiles in the field of terrorism financing. Together with the FIU of the United States (FinCen), the Egmont Group led an ongoing project which aimed to combat terrorism financing. The project concerned a targeted exchange of information with regard to the financial flows around lone wolves with a terrorist motive.

More investigations were also conducted into the financing of resources that can be used to carry out terrorist attacks. In 2018, in total, 76 requests were received from foreign FIUs, while the FIU-the Netherlands sent foreign FIUs 29 requests for information in connection with combatting terrorism. Furthermore, 488 spontaneous provisions in the field of terrorism financing were received and 128 spontaneous provisions were sent to other FIUs or organisations engaged in implementing the Dutch Sanctions Act (Sanctiewet).

The Caribbean Netherlands

In 2018 the number of reports of unusual transactions reported in the Caribbean Netherlands decreased slightly compared to the previous year. Of these unusual transactions, 174 were declared suspicious and combined in 30 files with a total value of more than eight million euros. The great majority of these reports were made by banks, followed by reports made by Customs and the notarial profession in the Caribbean Netherlands. FIU-the Netherlands established that the quality of the majority of the filled reports on the BES islands were not sufficiently adequate to enable effective analyses. To ensure that the quality of the reports can improve, together with the reporting service providers, possible causes were identified. Subsequently, based on the causes listed, FIU-the Netherlands described how the quality of the reports can be improved.



Contents



Management summary

1 Developments in 2018

2 Receiving unusual transaction reports

3 Analysing unusual transactions

4 The use of transactions declared suspicious

5 Terrorism financing

6 The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I Appendix I - Key indicators of FIU-the Netherlands 2018

II Appendix II - About FIU-the Netherlands

III Appendix III - List of abbreviations



6





1. Developments in 2018

For FIU-the Netherlands, 2018 was a year of large numbers. Partly due to the implementation of the fourth money laundering directive, in 2018 a total of 753,352 transactions were reported to FIU-the Netherlands. Of this number, 358,609 unusual transactions were the direct result of this specific legal amendment (see further chapter three of this annual report), in addition to which in 2018, 394,743 regular² reports were made of unusual transactions. The trend of increasing numbers of unusual transactions thereby continues.

² Regular reports should be understood to mean reports not received pursuant to the legal amendment implemented in 2018 in which, based on an objective reporting threshold, reporting entities must report transactions in relation to the high-risk countries designated by the European Commission.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



The 358,609 unusual transactions reported were the direct result of a new objective indicator, which was introduced upon the implementation of the fourth anti-money laundering directive. After being analysed, only 222 of the 358,609 unusual transactions reported could be declared suspicious (0.4 percent of the total number of suspicious transactions), representing a total value of approximately 94,000 euros. On average, FIU-the Netherlands declares one out of eight unusual transactions suspicious. The legislator has now commenced a review and adjustment of this specific reporting indicator, which is expected to be modified in 2019³. In total, in 2018 FIU-the Netherlands declared 57,950 transactions suspicious, with a total value of more than 9.5 billion euros, combined in 8,514 files. Based on these figures, all statistics for previous years were exceeded.

FIU-the Netherlands works with an extensive amount of data and expects that in accordance with the observed trend, these amounts will further increase in the oncoming years. To continue to approach and process these data flows in a future-proof manner, a procedure was started in previous years to examine the relationship between the different information sources used by FIU-the Netherlands in an innovative manner to enable the smart analysis of unusual transactions. On the arrival of its own data scientist, in 2018 FIU-the Netherlands started setting up experiments in the field of transaction modelling and text analysis. Transaction modelling examines specific characteristics of unusual transactions and looks at the characteristics that can be thereby predictive in relation to declaring a transaction to be suspicious. This can lead to improved efficiency in declaring transactions suspicious. Text analysis makes use of advanced techniques to cluster transactions based on the content of the corresponding reporting text. This furthermore increases the possibility of signalling new, as yet unknown trends early on, given that these transactions are automatically clustered. FIU-the Netherlands hereby hopes that in due course it will be able to use the available data and data systems in a more effective manner.

Because FIU-the Netherlands has its own environment at its disposal to work with data in an innovative manner, in 2018 a procedure was started aimed at acquiring its own separate computation server, while also creating a data science platform.

³ Public consultations have now been held on an upcoming amendment of the legislation and a proposal has been brought forward to do away with the objective indicator. This amendment is expected to enter into force at the beginning of August 2019.

FIU-the Netherlands is expected to have these at its disposal by mid-2019, leading to both data scientists and strategic analysts having a large degree of flexibility to carry out high-tech analyses in a non-operational environment. The objective hereby is the creation of a sound basis for innovative projects in the area of data applications.

These initiatives will be further developed in 2019. In the long-term, successful projects will be integrated into the daily work process to allow more efficient and targeted work to take place on producing valuable suspicious transactions and files.

In 2018, FIU-the Netherlands declared 57,950 transactions suspicious, with a total value of more than 9.5 billion euro

1.1 Prioritised themes

FIU-the Netherlands works on an annual basis with prioritised themes, based on the priorities of the investigation, intelligence and security services, as well as on self-signalled phenomena. By among things adhering to the priorities of the investigating authorities, FIU-the Netherlands contributes towards the effective use of the reports submitted by the reporting entities and in this way to the objectives of the Dutch Money Laundering and Terrorism Financing (Prevention) Act (Wwft), preventing and combatting money laundering, terrorism financing and underlying offences.



Contents



Management summary

1 Developments in 2018

2 Receiving unusual transaction reports

3 Analysing unusual transactions

4 The use of transactions declared suspicious

5 Terrorism financing

6 The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I Appendix I - Key indicators of FIU-the Netherlands 2018

II Appendix II - About FIU-the Netherlands

III Appendix III - List of abbreviations



The prioritised themes of FIU-the Netherlands in 2018 were:

- Known and unknown threats in relation to terrorism financing;
- Corruption;
- Money laundering in relation to criminal assets;
 - Money laundering constructions
 - Financial facilitators
 - Confiscation
- Drugs;
- Fraud;
- The Caribbean Netherlands;
- Remarkable changes to reporting patterns and files.

FIU-the Netherlands participates in multiple collaborations that specifically focuses on tackling undermining criminality

In addition to these established themes, FIU-the Netherlands uses its investigating capacity for investigations that it is able to conduct based on its unique position in the extensive unusual transactions database. Investigating capacity may be deployed in the event of an attack or serious threat. In these sorts of cases, FIU-the Netherlands can expose potential financial signals, acts or patterns which help to stop or trace perpetrators of and accessories to criminal acts.

1.2 Management and organisation

This section sets out various Information and Communication Technology (ICT)-based developments in which FIU-the Netherlands invested in 2018. New developments can thereby be mentioned (e.g. the application of data science), but also ongoing developments of the current ICT-systems.

FIU-the Netherlands is not just witnessing an increase of the number of reports, but furthermore an increasing need for participation in different alliances which aim to contain undermining crime in an innovative manner. This continually requires careful prioritising for the deployment of the available capacity. The technical developments within FIU-the Netherlands focus on finding ICT-based solutions for work currently performed by personnel. This enables the available capacity to be used as effectively as possible for high-quality analyses and expertise.

Automation of requests by the National Public Prosecutor (LOVJ)

In 2018, together with the National Police's Information Service department, FIU-the Netherlands started digitalizing the intake of national and international requests to FIU-the Netherlands, making them capacity-saving. This automation is expected to make the intake process for requests from the National Public Prosecutor more efficient in order to benefit both organisations. In 2019 this process will be further assessed within FIU-the Netherlands in an operational testing ground.

Data analysis for the future

In 2018 preparations were made to realise a closed digital innovative environment for FIU-the Netherlands. This environment will offer financial investigators and analysts better support in handling the increasing number of reports of unusual transactions. FIU-the Netherlands will implement this environment in 2019, enabling the efficient analysis of data in a smart manner by using data science and artificial intelligence (AI) technology.

Development of an information service

Following from the significant rise of reports of unusual transactions, FIU-the Netherlands must prepare to build a new, comprehensive information service. The first steps to this end were taken in 2018 and in the oncoming years, they will lead to the start-up of a new project aimed at the development of this information service. The new information service should also make reporting transactions considerably more user-friendly. It should also enable FIU-personnel to make future analyses faster, as a result of which it will be simpler and quicker to identify varying patterns (modus operandi) in incoming reports and requests. Furthermore, the new information service should be able to be used for data science and combining external sources, e.g. by the application of artificial intelligence.



Contents



Management summary

1 Developments in 2018

2 Receiving unusual transaction reports

3 Analysing unusual transactions

4 The use of transactions declared suspicious

5 Terrorism financing

6 The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I Appendix I - Key indicators of FIU-the Netherlands 2018

II Appendix II - About FIU-the Netherlands

III Appendix III - List of abbreviations

Cross Border Dissemination

The European fourth money laundering directive determines that FIUs of the European member states must share relevant reports with each other (Cross Border Dissemination, hereinafter referred to as XBD). This obligation was incorporated into the new Dutch Money Laundering and Terrorist Financing (Prevention) Act (Wwft) which entered into force at the end of July 2018. To meet this legal obligation, in 2017 FIU-the Netherlands made a start to enable this legal form of information with the other member states. Since May 2018 FIU-the Netherlands has shared all relevant unusual transactions with the other EU member states. As a result, in 2018 approximately 113,000 unusual transactions were shared via FIU.net, subsequent to the obligation in the fourth anti-money laundering directive to share received transactions which are also related to another member state with the FIU in that member state. FIU-the Netherlands does this in an automated manner.

The top three FIUs that these transactions were sent to were Great-Britain (more than 40,000 reports), followed by Germany and Romania. In 2018 FIU-the Netherlands received and used for further analysis a total number of 93 XBD-reports from 12 different European member states and Norway. The European FIUs will still have to carry out the necessary work to increase the usability of these reports. Some FIUs now receive more reports in this way than they receive nationally from their own reporting entities. In a joint effort EU FIUs will look into whether more relevance criteria can be developed or whether a collective strategic analysis can be made together.

Information-sharing by the Dutch Fiscal Intelligence and Investigation Service (FIOD)

In an alliance between FIU-the Netherlands and the Dutch Fiscal Intelligence and Investigation Service (FIOD), in 2018 a project was commenced to digitalise the exchange of information between both organisations. The project uses the FIOD's FCI-net application, a digital information service which can match data sources locally and anonymously. In 2018 a test phase took place, with a test performed on two operational themes, (corruption and terrorism). This led to a positive result and consequently, in 2019 a follow-up will take place whereby, among other things, an operational match will be able to be performed with an FIU outside Europe. This form of (inter)national information exchange expands the current possibilities for information-sharing.

Simplification of the National Police's analysis possibilities

FIU-the Netherlands reports individual transactions and files with suspicious transactions to the National Police and other investigation services for further investigation. In 2018 the National Police developed a new information service as a result of which more police officers and investigation services can inspect reported suspicious transactions received from FIU-the Netherlands. Together with the National Police, FIU-the Netherlands tested this new application in 2018 and where necessary, compiled extra functional requirements. In 2019 the new application will be made operational. Furthermore, the National Police has a data warehouse with various sources, including the suspicious transactions submitted by FIU-the Netherlands. The combination of the data warehouse and the new application will enable National Police analysts to carry out independent analyses on all suspicious transactions. In due course, this will mean that National Police analysts submit fewer requests to FIU-the Netherlands. As a result, FIU-the Netherlands will be able to focus more on highly complex analyses for specific investigations regarding the unusual transactions.

1.3 National cooperation

The fight against money laundering and terrorism financing starts at a national level by a strong cooperation between various public and private bodies. FIU-the Netherlands is highly aware of the necessity to cooperate to properly perform the relevant statutory tasks and services. Based on its extensive database, FIU-the Netherlands can recognise trends and phenomena which, if relevant, are discussed with network partners and for which, if necessary, a joint approach is developed. Based on these perspectives, as well as the knowledge that cooperation leads to progress and other insights, in 2018, FIU-the Netherlands actively sought cooperation with network partners. The resulting alliances are comprised of the entire range of possible systems of cooperation. These systems of cooperation range from fully public-public (National Police, the Fiscal Intelligence and Investigation Service (FIOD), the Public Prosecution Office, the Regional Information and Expertise Centres (RIECs)) to mixed systems (educational institutions) and private-public systems (the banking sector, payment service providers, casinos and other reporting entities). This section sets out the various alliances and the content-based contribution they made in 2018 to combatting money laundering and terrorism financing. National cooperation largely overlaps with international cooperation.



Contents



Management summary

1 Developments in 2018

2 Receiving unusual transaction reports

3 Analysing unusual transactions

4 The use of transactions declared suspicious

5 Terrorism financing

6 The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I Appendix I - Key indicators of FIU-the Netherlands 2018

II Appendix II - About FIU-the Netherlands

III Appendix III - List of abbreviations



Section 1.4 specifically focuses on the international forms of cooperation that FIU-the Netherlands participated in.

Reinforcing the approach to undermining crime

In 2018 FIU-the Netherlands also participated in a national alliance with a local operation, named Field Lab, which arose following previous positive results. In 2018, together with the network partners of the National Police, the Public Prosecution Service, a number of big municipalities, the Fiscal Intelligence and Investigation Service (FIOD) and the Dutch Tax and Customs Administration, this alliance was further improved and expanded. In 2018 a Euregional Field Lab was initiated in the south of the country, whereby an alliance was formed between similar Dutch and Belgian public services. Following from a desire for broader-ranging public cooperation, the Infobox Criminal and Unaccountable Assets (ICOV) will contribute specific information to provide the cooperation with usable data. The objective of this specific joint venture is to combat money laundering using immovable property within the Euregio. Furthermore, in 2018 FIU-the Netherlands also participated in a Field Lab on the approach to drugs (cocaine smuggling) and the logistics process formed around these as well as in a Field Lab in the area of Virtual Assets. In 2019 FIU-the Netherlands will further participate in Field Lab alliances in order to contribute towards tackling current relevant criminal practices.

National Police

Where possible, FIU-the Netherlands aligns with the prioritised themes of the National Police and provides specific financial intelligence. Based on this perspective, in 2018 a new alliance was constructed with the police units, the Regional Information and Expertise Centre (RIEC), the Fiscal Intelligence and Investigation Service (FIOD), the Dutch Tax and Customs Administration and the Public Prosecution Office in the south of the Netherlands. FIU-the Netherlands thereby submitted information to enable the confiscation of criminal assets. Within this alliance in 2018 a total number of more than twenty files were used for investigating purposes. This development ensures that FIU-the Netherlands is able to make a better targeted contribution towards criminal investigations. Other area bound Police units also made use of financial insights in 2018 which FIU-the Netherlands can provide. These largely concerned cooperation in the area of the intensification of the approach to facilitators in undermining crime, the confiscation of criminal assets and specific insights into criminal networks.

In the area of these subjects, FIU-the Netherlands can provide the National Police with usable control information or evidence for further investigations or possibly prosecution. The cases in this annual report include examples partly owing to cooperation with the National Police.

In 2018, FIU-the Netherlands intensified the public-private cooperation with the banking sector

Cooperation within the banking sector

Based on the public-private perspective, in 2018 FIU-the Netherlands intensified its cooperation with the banking sector. Within this framework a pilot was carried out whereby bank personnel cooperated with staff of FIU-the Netherlands. This cooperation is twofold; on one hand FIU-the Netherlands can provide the banks with knowledge enabling them to recognise money laundering practice and the financing of terrorism faster in general. On the other hand, FIU-the Netherlands staff can learn from bank personnel where monitoring transactions is concerned. This form of cooperation can lead to the improved setting up of compliance procedures in the bank and can furthermore ensure better quality reports, but can also make the procedure around declaring reported transactions to be suspicious more effective. This form of cooperation extends further than only giving feedback. The cooperation has proven to be so effective that the initiative will be continued in 2019 and if possible expanded and brought within the framework of the Public Private Cooperation as this is employed by the Financial Expertise Centre (FEC). Up to now the pilot has produced very usable unusual transactions for further investigation.

Scientific research

FIU-the Netherlands is a big advocate of scientific research for specific subjects which affect FIU-the Netherlands. FIU-the Netherlands therefore offers students the opportunity to carry out study assignments within FIU-the Netherlands.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



This generally takes place in collaboration with Universities and Universities of Applied Sciences. In 2018 FIU-the Netherlands offered various students the opportunity and research was conducted in various fields. For example research was conducted into private parties that are particular engaged in the subject of virtual assets. The results of this research provide FIU-the Netherlands with more insight into possible networks, which contributes towards a more effective analysis of unusual transactions in relation to virtual assets. At the beginning of 2018, based on a study assignment a project plan was compiled to set up innovative cooperation between the Fiscal Intelligence and Investigation Service, the FCI.net secretariat and FIU-the Netherlands. The objective of this cooperation was to test decentral matching technology on two operational themes, namely corruption and the financing of terrorism. These tests were successfully performed in 2018, and operational results were actually recorded.

The project will be continued in 2019, with a new test with an international decentral exchange of information scheduled in phase two. Furthermore, in 2018 an exploratory study was conducted in the field of artificial intelligence and the interfaces with the central unit of the National Police. Partly based on this study, cooperation with the central unit regarding this subject will be further expanded in 2019.

Furthermore, in 2018 a study was conducted into the quality of reports on the BES islands. Based on this study FIU-the Netherlands gave various presentations in the area of signalling and recognizing money laundering in order to improve the quality of reports on the BES islands (see further section 6.1). In 2018 researchers from two separate universities (one of which abroad) and the Infobox Criminal and Accountable Assets (ICOV) initiated an academic study. The study focussed on exposing currencies with a money laundering character, whereby the Netherlands was used as a transit country. The outcomes of this study are expected at the end of 2019. In 2019 FIU-the Netherlands will continue to provide opportunities for students to perform academic research.

Anti-Money Laundering Centre (AMLC)

In 2018 FIU-the Netherlands also cooperated with the Anti-Money Laundering Centre (AMLC) of the FIOD. This alliance consisted of submitting potential investigation files for the money laundering teams and the FIOD's anti-corruption centre. To make the cooperation more sustainable, two members of the staff of the AMLC work within FIU-the Netherlands

as a liaison. Files are collectively examined and using their specific fiscal knowledge, these members of staff contribute towards building files which are analysed by FIU-the Netherlands. This ensures a more efficient and broader analysis of the unusual transactions of FIU-the Netherlands, improving the usability of suspicious transactions for investigators.

Infobox Criminal and Unaccountable Assets

FIU-the Netherlands and the Infobox Criminal and Unaccountable Assets (iCOV) have a big mutual collective interest. For the iCOV the suspicious transactions passed on by FIU-the Netherlands form a major ingredient for the preparation of the products which iCOV supplies on request. Furthermore, FIU-the Netherlands makes frequent use of iCOV-products in order to improve analyses. Examples of these products provided by iCOV include the Intelligence Reporting Wealth and Income (iRVI) and the iCOV thematic scan (iRT).

1.4 International cooperation

FIU-the Netherlands has an extensive international network. This is necessary to be compliant with the statutory task and remain connected to international partners.

Egmont Group of Financial Intelligence Units

To ensure that FIU-the Netherlands can provide investigation, intelligence and security services with usable financial intelligence and on account of the conditions set to this end by the Financial Action Task Force, FIU-the Netherlands is a member of the Egmont Group of Financial Intelligence Units. This international alliance ensures that FIUs can exchange financial intelligence with each other in a secure manner. Furthermore, the interaction of FIUs in this alliance ensures the improvement of the existing professionalism, by knowledge-sharing and innovation. At the end of 2018 the alliance consisted of 159 FIUs worldwide. The number of members of the Egmont Group is increasing each year, among other things based on the recommendations of the Financial Action Task Force (FATF). Membership of the Egmont Group is linked to an established set of requirements and legal conditions which guarantee the safe international sharing of financial intelligence. In 2018 FIU-the Netherlands submitted 543 requests for information to 76 different FIUs.



Contents



Management summary

1 Developments in 2018

2 Receiving unusual transaction reports

3 Analysing unusual transactions

4 The use of transactions declared suspicious

5 Terrorism financing

6 The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I Appendix I - Key indicators of FIU-the Netherlands 2018

II Appendix II - About FIU-the Netherlands

III Appendix III - List of abbreviations



This is a decline compared to previous years, caused by a number of internal organisational changes, in addition to the fact that FIU-the Netherlands has now taken to assessing foreign requests more strictly in terms of their content before submitting a request. Based on an advance assessment, it is largely possible to determine whether and how a request to another FIU should take place. In 2018, 587 requests for information were received from 88 different FIUs, virtually the same amount compared to previous years.

Chairmanship of the Egmont Group of FIUs

In July 2017 the Head of FIU-the Netherlands was elected the first female chair of the Egmont Group of FIUs for a two-year period. The chair's task entails a number of content-based and representative tasks which the Head of FIU-the Netherlands filled in 2018, in addition to her national task. In March 2018 the Egmont Group's sub-annual meeting took place in Argentina. The overarching theme of the meeting was the fight against corruption (which was also one of the themes that FIU-the Netherlands established in 2018). Together, the various workgroups discussed the approach to this theme, experiences were exchanged and information was collected. Among other things, this resulted in a "set of indicators" which has now been made available to the Dutch reporting entities. The annual plenary meeting of the Egmont Group took place in Sydney, Australia, based on the theme public – private cooperation. The Head of FIU-the Netherlands filled the role of chair at both meetings, with the Australian Broadcasting Company (ABC) being given a radio interview within the framework of the meeting which discussed, among other things, the role of FIUs in respect of incidents related to money laundering in the banking sector.

In her position as chair of the Egmont Group, in 2018 the Head of FIU-the Netherlands made a content-based contribution to various meetings. For example, a presentation was given to the Arab Forum for Anti-Corruption Agencies and Financial Intelligence Units in Beirut, Lebanon concerning the role that FIUs can hereby fill. In addition, a speech was given for the United Nations Counter Terrorism Council (CTC) in New York, the essence of which was the added value that FIUs can have in the fight against terrorism. As chair of the Egmont Group, the Head of FIU-the Netherlands also gave a speech and made a contribution towards a workshop at the 36th International Symposium on Economic Crime in Cambridge, England. The theme of the symposium was unaccountable assets, a subject which is receiving a lot of attention both within FIU-the Netherlands and the Egmont Group.

The position of the chair within the Egmont Group contributes towards this by emphasizing the importance of financial intelligence internationally, and furthermore towards the role that FIUs can play in tackling criminal activities.

The Egmont Group of FIUs new strategic long-term plan has adopted as its major objectives working towards increased multilateral information-sharing, researching and where possible improving the Egmont Group's IT-facilities and expressly investing in greater membership in Asia and Africa.

Financial Action Task Force (FATF)

In 2018 FIU-the Netherlands made a content-based contribution towards the Forum of FATF Heads of FIU and the Risks, Trends and Methods Group (RTMG). This forum produced a paper on the importance of operational independence and the autonomy of FIUs, as well as the possible impact they have on the strategic and operational work that FIUs are legally expected to carry out. The paper was further adapted by the Egmont Group and established as a formal document, as a result of which it can be used as a guideline by FIUs, but also by other organisations which deal with the issue at hand, such as ministries and other government bodies. Within the RTMG, FIU-the Netherlands has given its cooperation in the co-project between FATF and the Egmont Group of FIUs concerning the report "Vulnerabilities link to the concealment of Beneficial Ownership". The end report of this project was published by FATF in July 2018. FIU-the Netherlands furthermore made a contribution towards drawing up an FATF inventory on the terrorist groups of ISIL and Al Qaida in the field of terrorism financing.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



EU-FIU Platform

The EU-FIU platform aims to advise the European Commission on tackling money laundering and terrorism financing. The platform moreover aims to promote cooperation and information-sharing between the FIUs of the EU-member states. Within this framework, in 2018, together with the FIU Italy, FIU-the Netherlands rounded off a project which aimed to analyse transaction networks jointly with one or more FIUs. Based on a collective analysis, separate parts of a criminal money laundering network at a European level were brought together. As a result, bigger European money laundering practices may be exposed. The cooperation is largely complex due to differences in language, legislation and time investment. The project had two objectives, namely performing a content-based collective analysis and furthermore drawing up a description of the obstacles encountered when making a collective analysis.

Drawing up collective analyses is an important aim for European FIUs, but at this moment there is inadequate ICT-based support to properly enable it. The insights that these collective analyses provide can help the European Commission to strengthen and improve the European fight against money laundering and terrorism financing. The platform also discussed the new European privacy legislation and the way in which this legislation relates to the variously positioned FIUs in Europe was examined. In the field of active information-sharing, in 2018 the platform also discussed the legal European obligation concerning Cross Border Dissemination (XBD) between EU FIUs. In 2018 the Netherlands complied with the statutory European requirements in the field of XBD (see section 1.2).



Contents



Management summary

1 Developments in 2018

2 Receiving unusual transaction reports

3 Analysing unusual transactions

4 The use of transactions declared suspicious

5 Terrorism financing

6 The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I Appendix I - Key indicators of FIU-the Netherlands 2018

II Appendix II - About FIU-the Netherlands

III Appendix III - List of abbreviations





Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations

2. Receiving unusual transaction reports

This chapter describes how the figures pertaining to unusual transactions should be interpreted and the choices and shifts that may have contributed towards this. Besides figure-based insights, this chapter will discuss the alliances of FIU-the Netherlands with reporting entities and the supervisory bodies of the Dutch Money Laundering and Terrorist Financing (Prevention) Act (Wwft) which aim to ensure lawful, good quality reports at a desirable level.



Due to a legal amendment that introduced an objective indicator for reporting unusual transactions with high-risk countries, in terms of figures, 2018 was a divergent year for FIU-the Netherlands. In 2018 a total of 753,352 unusual transactions were reported to FIU-the Netherlands. Of these 753,352 unusual transactions, 358,609 transactions were reported based on a possible connection with one of the high-risk countries indicated by the European Commission. Chapter three will further discuss why, in terms of their content, these unusual transactions represent another value than reports of unusual transactions based on other reporting reasons. Not counting the transactions reported which were based on the unexpected working of this objective reporting indicator, the number of unusual transactions reported in 2018 is 394,743 (see appendix I).

Based on these figures and compared to 2017, in which year FIU-the Netherlands received 361,015 unusual transactions, the number of “regular⁴” unusual transactions received in the long term is steadily on the rise (in 2018 33,728 more regular unusual transactions were received, a increase of almost ten percent compared to the numbers in 2017). These figures can be approached in two ways. On one hand, with 753,352 reports, the total number of reports of unusual transactions forms a clear peak in the trend of the past years. On the other hand, if the regular reports of unusual transactions are examined, it is clear that the rising trend in the number of unusual transactions continued steadily in 2018. FIU-the Netherlands also foresees an increase in the number of unusual transactions reported in 2019. The rise is expected to be largely the result of reports made based on the high-risk countries designated by the European Commission following from the implementation of the fourth anti-money laundering directive (Wwft) which is to be amended in 2019.

2.1 Cooperation with supervisory bodies and institutions with an obligation to report

Where possible, FIU-the Netherlands cooperates with the six designated statutory supervisory bodies. These are:

- Netherlands Authority for the Financial Markets (AFM);
- Netherlands Financial Supervision Office (BFT);
- Wwft Supervisory Office of the Dutch Tax and Customs Administration;
- The Dutch Central Bank (DNB);
- the eleven deans of the bar association in the districts; and
- the Netherlands Gaming Authority (Ksa)

One of FIU-the Netherlands’ statutory tasks (Section 13 under g Wwft), is to provide the supervisory authorities with information on institutions’ reporting behaviour. Following from this task, in 2018 FIU-the Netherlands periodically provided the supervisory authorities of reporting entities per branch with an aggregated overview. This overview helps supervisory bodies perform their task in a more targeted manner. Based on previous experiences, reporting entities that are supervised in a targeted manner become more compliant and generally submit better quality reports of unusual transactions.

Compared with 2017, in 2018 almost ten procent more unusual transactions were received

Requests by supervisory bodies

In 2018 FIU-the Netherlands received 71 targeted requests from supervisory bodies concerning the reporting behaviour of reporting entities. For supervisory bodies, providing this information can contribute towards a more risk-based implementation of their statutory task. In due course, these reports may also contribute towards improving the compliance of reporting entities. In addition, each quarter FIU-the Netherlands disseminates standardised and aggregated supervisory reports.

4 Supra note 1



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



This gives supervisory bodies a greater number of points based on which more targeted supervision can be carried out. FIU-the Netherlands receives positive feedback on the submission of these reports to supervisory bodies.

Corruption Theme

In 2018 FIU-the Netherlands established corruption as one of its themes, focussing the necessary attention on this theme during the year. An example of the attention is the auditing project carried out in 2018 on the theme of corruption. The project was implemented in cooperation with the Public Prosecution Service, the Anti-Corruption Centre of the Fiscal Intelligence and Investigation Service (FIOD), the supervisory body of the Netherlands Authority for the Financial Markets (AFM) and a number of reporting entities in the sector. Its objective is to better equip auditors to identify unusual transactions that may be related to corruption. Based on frequently occurring cases, FIU-the Netherlands has observed that auditors can generally identify possible corruption directly if it is easier for them to recognise its features. In relation to this, in 2018 FIU-the Netherlands gave workshops to cultivate more understanding in the auditors' reporting group on the importance of submitting proper and complete reports. This has helped the auditors' group make better content-based reports, strengthening the fight against corruption. Following from this project, seven criminal investigations were initiated in connection with reports of unusual transactions. In addition to the accountants' project, based on a data analysis, in 2018 FIU-the Netherlands commenced 57 investigations based on suspicions of money laundering in relation to corruption. These investigations have resulted in 50 files, which have all been handed over to investigating authorities.

In 2019, together with the Anti-Corruption Centre and the Public Prosecution Service, FIU-the Netherlands aims to enter into cooperation with similar gatekeepers of the financial sector such as banks, trust offices and civil-law notaries.

New indicators

If possible FIU-the Netherlands provides indicators which help reporting entities to recognise unusual transactions more easily, also in relation to the theme of corruption. In 2018, together with a selected group of reporting entities, FIU-the Netherlands used a pilot to examine whether or not adding to corruption indicators can contribute towards making more and better unusual transactions in connection with this theme.

Because the outcome of this pilot was positive, the indicators were introduced to a workgroup of the Egmont Group of Financial Intelligence Units. Within this workgroup these indicators were further discussed with other FIUs and where necessary, updated, after which they were formally determined and made available to reporting entities in other countries. In 2018, via an information sheet, FIU-the Netherlands requested attention for these indicators by reporting entities and other network partners.

Amendment of legislation and the consequences

In the period from May up to and including August 2018 the fourth Anti-Money Laundering Directive (AMLD4) Implementation Act entered into force. The Dutch Money Laundering and Terrorist Financing (Prevention) Act (Wwft) as well as a number of reporting indicators have been hereby adapted. In 2018 FIU-the Netherlands compiled a newsletter specifically related to the amendments to the fourth money laundering directive. FIU-the Netherlands sent this newsletter digitally to all registered traders, trade associations, supervisory bodies, the Ministry of Finance and other relevant chain partners. The reporting limits for traders in goods were hereby lowered and furthermore, an objective indicator for transactions with high-risk countries designated by the European Commission applies for all reporting entities. In 2018 the addition of this objective indicator for reporting unusual transactions with and in high-risk countries led to increased coordination with reporting entities which directly encountered this. Examples of these entities are payment service providers and banks. In 2018 the amendment had far-reaching consequences for the reporting entities and subsequently, also for FIU-the Netherlands.

A number of reporting entities must adapt their automated reporting systems to be able to correctly recognise and report the necessary transactions. To this end, good cooperation was sought with FIU-the Netherlands. After this had been arranged with a number of institutions, as mentioned earlier, the number of reports based on the indicator rose sharply.

Chapter three of this annual report further discusses the analysis of these specific and other unusual transactions.

Payment service providers

FIU-the Netherlands maintains good contact with trade associations and payment service providers. It is hereby important that FIU-the Netherlands provides them with information and in turn, receives the necessary



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



reports and information itself. In 2018, making reports from payment service providers as complete as possible was examined. To this end, in 2018 a pilot was conducted with a payment service provider in order to supplement information where necessary. In 2019 the pilot will continue, as FIU-the Netherlands considers the method to be of value. In 2018, based on signals received from FIU-the Netherlands and the investigation services, the municipality of Rotterdam held a meeting to generate a greater self-cleansing capacity within the group of money transaction offices. The urgency of the problem was stressed by the mayor of Rotterdam, who was also present at the meeting.

Compared with 2017, in 2018, FIU-the Netherlands received double the number of unusual transactions related to virtual assets

Virtual assets

In 2018 FIU-the Netherlands saw a further rise in the number of reports made in the field of virtual assets. In anticipation of the scheduled introduction of the reporting obligation of service providers for exchanges between virtual currencies and fiat currencies on one hand and custodian wallet providers on the other in 2020, in 2018 FIU-the Netherlands started investing in this subject. At the end of 2018, in answer to the challenges in the field of virtual assets, FIU-the Netherlands appointed a relations manager specifically appointed for the subjects of fintech and crypto. By providing reporting entities (including banks) and supervisory authorities with information on current developments and patterns recognised by FIU-the Netherlands in relation to crypto-related transactions, FIU-the Netherlands receives reports which can be used by investigators regarding this subject. The connection with the investigation services can be referred to as twofold. On one hand FIU-the Netherlands receives reports of unusual transactions related to virtual assets and and if possible, declares these to be suspicious for the benefit of investigators. On the other hand, investigators share knowledge on virtual assets which was gained during criminal

investigations with FIU-the Netherlands. The exchange allows FIU-the Netherlands to share the relevant knowledge with reporting entities, if it is suitable for this purpose.

In 2018 FIU-the Netherlands saw that within the subject of virtual assets, the number of unusual transactions reports, doubled compared to 2017. In 2018 various crypto-related investigations attracted publicity⁵, fully or partly based on suspicious transactions passed on by FIU-the Netherlands. In 2018 the investigation service's demand for files was greater than FIU-the Netherlands could supply. The virtual assets-related analyses are largely complex and have a strong international component and are generally time-consuming. In 2018 FIU-the Netherlands shared lots of unusual transactions with other FIUs, where applicable declaring them suspicious and collecting them in files for the investigation services. These files have largely led to new, or contributed to current investigations regarding the use of virtual assets in respect of money laundering.

In 2018 the current FIU-the Netherlands network was expanded by both private and public parties active within this theme. These are various private parties, the Public Prosecution Service, the Dutch Central bank, the Fiscal Intelligence and Investigation Service, the Dutch Tax and Customs Administration and the Dutch National Police. Together with these network partners investments were made in the expansion and intensification of knowledge on this subject. Because developments in the field of new payment methods and virtual assets are unfolding at a rapid pace, it is important for FIU-the Netherlands, based on its own data, to gain more insight into trends and patterns. In 2018 FIU-the Netherlands provided information on this subject both in national and international settings. Moreover, various presentations have been held in the BES islands for reporting entities, whereby cooperation with other FIUs in the Caribbean has also been entered into with a view to realizing both knowledge-sharing and cooperation on this subject. More information can be found on this subject in chapter 6 of this annual report.

⁵ Source: [Algemeen Dagblad](#)
Source: www.politie.nl
Source: www.rechtspraak.nl
Source: www.recht.nl



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



In 2019 FIU-the Netherlands will focus on knowledge-sharing with, and providing information to, network partners. Furthermore, FIU-the Netherlands will work on preparing the scheduled introduction of the planned reporting obligation for crypto exchanges and wallet providers in January 2020, which is expected to have a large impact on FIU-the Netherlands where this subject is concerned.

Use of cases by reporting entities

Because the right level of knowledge is required for reporting entities to recognise unusual transactions, anonymised cases are regularly placed on FIU-the Netherlands' public website. By placing this casuistic FIU-the Netherlands also complies in part with the statutory task to provide information to reporting entities. Per sector, a specific search can be carried out for relevant casuistic per theme. In this way, actual cases from the past may contribute towards improving the recognition of unusual transactions in the present. At the end of 2018 more than two hundred anonymised cases had been placed on FIU-the Netherlands' website, which can be reached via the internet address; <https://www.fiu-nederland.nl/en/legislation/relevant-cases>.

The investor who did not invest

In the summer of 2018 the two hundredth anonymised case was published on FIU-the Netherlands' website. Because it was the two hundredth and furthermore a good example of an effective consequence of the reporting obligation, it has been included in this annual report.

The Fiscal Intelligence and Investigation Service (FIOD) arrested a man from Amsterdam in connection with fraud and money laundering. When they searched his home the team found 87.000 euros in cash, luxury items and administrative records. It was also established that more than 70,000 euros had been paid into bank accounts of the man's girlfriend.

The investigation was commenced in response to an analysis of the FIU. Several months before, various reports of unusual transactions had been received. The suspect appeared to have made lots of wire transfers and to have withdrawn large amounts of cash. In a short period, no less than 99 transaction reports had been received about him. These formed a reason to subject his conduct to an analysis. Indications of fraudulent behaviour quickly came to light. FIU-the Netherlands submitted the analysis to the FIOD, which in turn immediately started an investigation. The result was the aforementioned arrest and confiscation.

The suspect had set up an investment fund based on which he persuaded investors to day trade in virtual currencies. He had managed to get around five million euros out of the investors, but the analysis showed a large part of the sum paid in had not been used for day trading at all. Lots of cash was withdrawn or paid into his Dutch and foreign bank accounts by wire transfer.

The quick detection of the unusual financial behaviour of their client by reporting banks, the overall analysis of FIU-the Netherlands and the adequate investigations of the FIOD kept the damage done by this investment fraud, as far as possible, to a minimum.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



3. Analysing unusual transactions

FIU-the Netherlands is the organisation that receives unusual transactions reports in the Netherlands. Based on analyses and investigation these transactions are declared suspicious. Analysing these unusual transactions is a semi-automated process, based on a comparison with police- and other relevant information systems. FIU-the Netherlands analyses and investigates unusual transactions based on specific predetermined themes. Research is carried out by financial researchers, that compile files related to unusual transactions and if possible declared suspicious by the head of FIU-the Netherlands.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



3.1 From unusual to suspicious

In 2018 FIU-the Netherlands received 753,352 reports of unusual transactions. As mentioned in chapter two of this annual report, a large section of the unusual transactions received consisted of reports based on high-risk countries designated by the European Commission. This included 358,609 reports of unusual transactions. Without these transactions FIU-the Netherlands received 394,743 reports (753,352 minus 358,609 reports). Due to efficiency considerations, unusual transactions that are demonstrably interrelated are combined in a file. The interrelation can consist of geographical, criminal network-related, transaction-related or economic factors. In some cases, several transactions are carried out by one or more of the same people, nevertheless with a variety of different factors.. Based on FIU-the Netherlands' analysis, an indication can then be given, the various transactions and documentation can then be combined in a file and if possible, the transactions can be declared suspicious. An overview of the numbers of unusual and suspicious transactions per sector is shown in appendix I.

Based on its analyses, in 2018 FIU-the Netherlands completed 8,514 files containing 57,950 transactions that had been declared suspicious. Therefore, 2018 was the year in which the highest number of files were compiled and the highest number of transactions that were declared suspicious since the FIU-the Netherlands was formed. The total value of all suspicious transactions represents an amount of more than 9.5 billion euros, this is the highest amount that the FIU-the Netherlands has ever registered. All the suspicious transactions and files have been provided to the investigation, intelligence and security services. Besides the use that suspicious transactions have as investigation and intelligence resources, the suspicious transactions can also be anonymised and used to obtain insight into criminal acts, or as a knowledge or information service for reporting entities and supervisory bodies. Where possible, FIU-the Netherlands shares insights and knowledge with all parties involved to provide insight into the process of reporting, supervision and analysis in order to improve investigations.

Analysing unusual transactions related to high-risk countries

As mentioned above in chapter two of this annual report, in 2018 FIU-the Netherlands received a total number of 753,352 of unusual transactions. This immense increase of unusual transactions reported was largely attributable to reports based on an objective indicator set in 2018. These unusual transactions were related to high-risk countries designated by the European Commission. This included 358,609 reports of unusual transactions in 2018, where solely the fact that a transaction was carried out in a designated high-risk country constituted its unusualness. The majority of the 358,609 reports received in 2018 were reported by the reporting group payment service providers, which has just one office in the Netherlands but provides its services worldwide. In 2018 FIU-the Netherlands analysed all reports of unusual transactions received in 2018 based on this indicator. After being analysed, only 222 of the 358,609 unusual transactions reported could be declared suspicious (0.07 percent of the total number of suspicious transactions), representing a total value of approximately 94,000 euros.

In terms of content, the majority of the unusual transactions reported to the FIU-the Netherlands based on the above indicator did not include enough details and information for further analysis. The reporting entities that reported these unusual transactions were unable to exercise any influence on adding additional information therefore, FIU-the Netherlands was unable to analyse these unusual transactions related to the indicator or wasn't able to analyse them in a correct manner. Based on these findings, conversations were held in 2018 with the legislator with a view to adjust the indicator, if possible. The conversations will continue in 2019 particularly in order to improve the value of these specific reports. The reporting indicator has hereby had considerable influence on the number of reports of unusual transactions received in 2018.

In 2019 the conversations will continue, especially to improve the value of these specific unusual transactions. The reporting indicator has had a noticeably influence on the sum of unusual transaction reports received in 2018.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



Requests received from the National Public Prosecutor (LOvJ)

To provide financial information for investigation services the National Public Prosecutor (LOvJ) can file a request for information with the FIU-the Netherlands, known as a LOvJ request. Based on this request, FIU-the Netherlands will look at whether suspicious subjects mentioned in criminal investigations are also listed in the unusual transactions database.

The National Public Prosecutor can decide to file this request at any stage of the investigation phase, depending on whether additional financial information or insights turn out to be necessary. Table 1 shows the breakdown in 2018 of the origin of LOvJ-requests received by FIU-the Netherlands.

Table 1: Incoming requests from the National Public Prosecutor (LOvJ) in 2018, categorised per investigation service

National Police		Other investigation services	
Police - Central Unit	121	FIOD (Fiscal Intelligence and Investigation Service)	198
Police Unit - Zeeland / West Brabant	150	Royal Netherlands Marechaussee (KMAR)	97
Police Unit - Eastern Netherlands	54	Inspectorate SZW	37
Police Unit - The Hague	91	District Court Public Prosecutor's Office	10
Police Unit - Central Netherlands	103	Royal Netherlands Marechaussee (KMAR) Schiphol	6
Police Unit - Amsterdam	53	National Public Prosecutor's Office for Financial, Economic and Environmental Offences	46
Police Unit - Rotterdam	65	National Police Internal Investigations Department	9
Police Unit - North Holland	34	Expertise Centre for Human Trafficking and Human Smuggling	5
Police Unit - North Netherlands	63	Netherlands Social Security Fraud Department	9
Police Unit - East Brabant	49	Netherlands Food and Consumer Product Safety Authority OID	17
Police Unit - Limburg	38	Special Task Force	1
		Ministry of Infrastructure and the Environment	4
		The Caribbean Netherlands Police Force	0
		Netherlands Tax and Customs Administration	0
		BOOM	0
		National Public Prosecutor's Office	2
Subtotal of the National Police	821	Subtotal for other services	441

In 2018 FIU-the Netherlands received 1,262 requests from the National Public Prosecutor. This number corresponds to the average numbers of LOvJ-requests received by FIU-the Netherlands in previous years (in 2016, 1,277 and in 2017 1,246 requests). When assessing LOvJ-requests the national database is consulted and analysed and where necessary, questions are asked to foreign FIUs. This ensures that FIU-the Netherlands can provide criminal investigation services with valuable financial indications, or evidence that can be crucial for criminal investigation purposes. FIU-the Netherlands can use LOvJ-requests to show and/or specify criminal investigations, criminal networks, hubs and connections, both nationally

and internationally. The LOvJ-requests related to the National Police rose from 751 requests in 2017 to 821 in 2018, while LOvJ-requests from the other investigative bodies slightly decreased. The total number of LOvJ-requests corresponds with the average number in the previous years, but the complexity of the requests to be handled by FIU-the Netherlands increased considerably in 2018. As a result, FIU-the Netherlands must reserve more analysis capacity on an annual basis than in previous years. This increase of complexity is due to various factors, such as the use of virtual assets for money laundering, complex criminal networks or a considerable foreign component or a combination of factors.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



Dubious fruits

Millions passed through the accounts of a number of trading companies in the fruit sector. After the necessary reports, the FIU drew up a financial flow diagram of four million euros. By then, the first signal had been received by investigators. The signal concerned a financial injection of 1.5 million euros for companies of the subsequent main suspect. The amount had been transferred to the companies, which at the time were inactive, by a scrap merchant.

A financial detective team of the national investigation service started work on the file received from the FIU.

During the investigation several new reports were received. The main suspect received more than a half million euros from a sports association, which in turn had received the money from foreign bank accounts, a Porsche was bought for 134,950 euros and put into the name of a foreign legal person, and cash payments were made into accounts, among other things with 200 and 500 euro notes.

The detective team established that the previously mentioned 1.5 million had been used by the main suspect to purchase a building at an A-location.

After several months of investigations, the detective team proceeded to arrest the main suspect and a co-suspect on suspicion of money laundering, and several buildings were searched. Among other things, notes and objects used to enable payments were thereby found. 95,000 euros in 500-euro bank notes and a money counting machine were also confiscated.

At the time of his arrest the main suspect was renting a canal house for more than 6500 euros per month, whereby the rental contract was in the co-suspect's name. It was established that the main suspect used lots of front men to carry out transactions on his orders, while he himself remained invisible. The main suspect, who had deregistered from the Netherlands years earlier, did however purchase batches of fruit through his businesses. He furthermore declared that he was an internationally-operating businessman who earned his assets in the international meat trade. This was completely unsubstantiated.

During the search, tens of mobile telephones were found, all with a code. The detective team was able to link the codes to notes found during searches at two different locations. The codes had been assigned to businesses that were solely used to make payments in cash on the instructions of the main suspect. The detective team was able to show that during a two-year period, the main suspect had a spending pattern of approximately five million euros, which absolutely failed to fit in with his regular income and assets. All investigation findings of the detective team ultimately resulted in his prosecution, culminating in December in a judgment for money laundering. The main suspect received a three-year prison sentence on account of money laundering. The building he had purchased for one and a half million euros, the 95,000 euros found in cash and a money counting machine were confiscated. The value of these items will be deducted from the total amount of the confiscation proceedings, which will take place on a later date.

Index of Criminal Investigations and Subjects (VROS)-match

FIU-the Netherlands is an advocate for the possibility of (semi) automated analyses. When examining the numbers of unusual transactions processed by FIU-the Netherlands each year, the necessity for automated or semi-automated analyses is clear. To this end, FIU-the Netherlands uses the so-called VROS-match (Index of Criminal Investigations and Subjects, a database management by the National Police). Based on this VROS-match, unusual transactions can be declared suspicious in a semi-automated

manner. Throughout 2018 a total of 31,507 transactions were declared suspicious by means of the Reference Index Criminal Investigations and Subjects (VROS)-match. In 2018 these transactions were presented in a total of 6,384 files. The VROS-match thereby forms the biggest share of the files produced each year by FIU-the Netherlands.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



3.2 Own investigations

In addition to the semi-automated matches FIU-the Netherlands also conducts its own investigations and analyses. To do this, FIU-the Netherlands uses its own databases, as well as other databases and requests for information made to other FIUs. In 2018 these analyses and own investigations led to almost 18,000 transactions being declared suspicious, distributed among 1,470 compiled files. In the past year FIU-the Netherlands made further investments in public-private alliances, as well as intensifying its cooperation with public partners. Based on this alliance FIU-the Netherlands has seen that directly sharing valuable information and reports thereby visibly pays off. Both forms of cooperation show good results in connection with investigations, and can among other things be viewed in the practice-based cases distributed throughout this annual report, to be consulted via the internet address: <https://www.fiu-nederland.nl/en/legislation/relevant-cases>.

Investigations into healthcare fraud

As a result of signals regarding healthcare fraud, FIU-the Netherlands investigated unusual transactions that were possibly related to this in 2018. Healthcare fraud falls within the FIU-the Netherlands theme of fraud. In order to approach the subject of healthcare fraud carefully, FIU-the Netherlands uses the definition of healthcare fraud employed by the Healthcare Information Hub (IKZ). The Healthcare Information Hub defines healthcare fraud as “the intentional and deliberate use of healthcare funds against the rules for one’s own or another person’s benefit” (Healthcare Information Hub, 2019). Because this definition does not fully suffice, because healthcare fraud may also occur to finance terrorism. Therefore, FIU-the Netherlands distinguishes between regular healthcare fraud and healthcare fraud through which it is established that a terrorism financing component is present. Fraud offences are generally a way of realising a financial gain for the benefit of other forms of crime or the financing of terrorism.

After analysis based on various data sources it appears that in 2018 FIU-the Netherlands received more than 1,300 unusual transactions related to healthcare fraud. These unusual transactions were mostly reported by the banking sector. Reports regarding the phenomena of healthcare fraud is thereby a new development. Because a large number of these unusual transactions were still under investigation while this annual report

was drafted, no specific statements can yet be made on the number of suspicious transactions related to healthcare fraud. What makes these reports so particular is that with approximately twenty percent of these unusual transactions, there is a possible connection with people that may be involved in the financing terrorism. Healthcare fraud is an offence that puts the solidarity of the Dutch healthcare system under pressure and which, certainly in times of rising healthcare costs, needs to be addressed.

In 2018, FIU-the Netherlands received more than 1,300 unusual transactions related to health care fraud

Because healthcare fraud may involve the misuse of public funds (intended for a social purpose) which is used to finance terrorism or to satisfy one’s own desires, FIU-the Netherlands will explicitly invest further in this theme in 2019. Should it appear that FIU-the Netherlands is able to declare considerable numbers of transactions related to healthcare fraud suspicious, then this will be discussed with the relevant criminal investigation partners and the suspicious transactions will be passed on to criminal investigators. In this way, if necessary, a more targeted approach to the phenomena can be realised.



Contents



Management summary



1 Developments in 2018



2 Receiving unusual transaction reports



Analysing unusual transactions



4 The use of transactions declared suspicious



5 Terrorism financing



6 The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba



I Appendix I - Key indicators of FIU-the Netherlands 2018



II Appendix II - About FIU-the Netherlands



III Appendix III - List of abbreviations



Transactions without providing care

FIU-the Netherlands regularly notices signs of fraud in the healthcare sector, committed with the personal care budget (PGB) in its analyses. One analysis revealed the exceptional behaviour of a healthcare organisation established in the middle of the Netherlands. FIU-analysts compiled various files regarding transactions of the healthcare institution, a holder/operating company construct. It was remarkable that the registration of the institution in the trade register did not only state the SBI-code of the healthcare institution, but also that of the snack bar and bar establishment. Large amounts in cash were withdrawn from the healthcare institution's bank accounts. The first year looked into brought withdrawals to light of a total amount of well above a million euros. During the next year lots of non-economically accountable wire transfers took place between the private and business accounts of directors and the healthcare provider. Also here, considerable amounts were concerned. In addition, the cash transactions continued to take place. All the indications of fraud with personal care budgets were present. The file was passed on to the Inspectorate of the Ministry of Social Affairs and Employment (ISZW) which, following its criminal investigation in April 2018, raided a number of buildings, including the healthcare institution's head office. Two men in control of the healthcare institution were arrested. The findings of the criminal investigation reinforced the suspicion that the suspects who had been arrested had wrongfully collected millions of euros in personal care budget payments which they had not spent on healthcare. Among other things, this was apparent from the use of false invoices to account for expenditure. It also became likely that it was not just the healthcare institution that was guilty of fraud, but that it also regularly acted together with budget holders to commit fraud. The suspects did very well out of it. During the raids, among other things more than ten luxury cars were confiscated, including Porsches and BMWs.

3.3 International operational cooperation

International cooperation forms a major part of the tasks of FIU-the Netherlands. The 4th Anti-Money laundering directive has a number of components which pertain to intensify cooperation between FIUs of the member states. Besides the statutory task of FIU-the Netherlands to cooperate internationally, in most cases, combatting money laundering and terrorism financing has an international character. Implementing an international analysis and related inquiries generally requires a great deal of capacity. To ensure that the exchange of privacy-sensitive financial information can take place safely FIU-the Netherlands uses two secured information systems. Within the European Union the FIU.net is used at a European level to send and receive information. Internationally, FIU-the Netherlands also uses the Egmont Secure Web (ESW), the secure environment of the Egmont Group of Financial Intelligent Units, within which the 159 FIUs which are members can exchange information securely.

In 2018 FIU-the Netherlands received a total of 587 requests for information from 88 different FIUs. These requests focus on subjects that may be involved in an analysis of or investigation into money laundering and/or terrorism financing with a relation with the Netherlands. The number of request received in 2018 was somewhat less than in 2017 (692) and is an average of the two previous years. In 2018 it was especially FIU-Belgium and FIU-Germany that had a considerable need for information related to transactions with a Dutch component (see table 2).

In 2018 FIU-the Netherlands sent 543 requests for information to 76 different FIUs. The number of requests for information sent to other FIUs in 2018 thereby fell compared to 2017, when 824 queries were made. In 2018 FIU-the Netherlands implemented an internal change to its structure to improve the quality of international requests. Because this change requires some time before its qualitative and quantitative effects manifest, it impacted the numbers of requests for information sent out by FIU-the Netherlands in 2018. In 2019 FIU-the Netherlands continues to monitor both the numbers and the quality of the requests for information. With regard to the information requests made by FIU-the Netherlands FIU-Germany, followed by FIU-Belgium are at the top of the list (see table 3).



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



Table 2: Top 5 of the requests for information received from FIUs in 2018


Top 5	Requests received from	Number
1	FIU-Belgium	129
2	FIU-Germany	65
3	FIU-United States	46
4	FIU-Luxembourg	33
5	FIU-France	29

Table 3: Top 5 of the requests for information sent to FIUs in 2018

Top 5	Requests sent to	Number
1	FIU-Germany	63
2	FIU-Belgium	53
3	FIU-Spain	48
4	FIU-United Kingdom	29
5	FIU-Morocco	27

Bribes via Dutch companies

In 2018, under the leadership of the National Public Prosecutor's Office for Financial, Economic and Environmental Offences (Functioneel Parket), the FIOD conducted raids at various locations throughout the Netherlands. During the raids a suspect was arrested. The raids were carried out within the framework of a criminal investigation into corruption, whereby a Brazilian group of companies played a key role. On account of the bribery, admitted by the Brazilian group, of bureaucrats and member of boards of management, a fine amounting to billions has now been imposed by it by both Brazilian and American authorities. The investigation into suspected Dutch involvement commenced after FIU-the Netherlands had passed on several files containing a total of tens of millions of euros to the FIOD's Anti-Corruption Centre (ACC). The ACC started an intensive investigation and thus acquired insight into the structure, which had probably been created through bribes. An amount of at least 100 million euros, following from money flows involved in corruption, probably passed through accounts of Dutch companies. The investigation, which focussed on facilitating money flows through target and conduit companies, had not yet been rounded off at the end of 2018.

-  Contents
-  Management summary
- 1** Developments in 2018
- 2** Receiving unusual transaction reports
- 3** **Analysing unusual transactions**
- 4** The use of transactions declared suspicious
- 5** Terrorism financing
- 6** The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba
- I** Appendix I - Key indicators of FIU-the Netherlands 2018
- II** Appendix II - About FIU-the Netherlands
- III** Appendix III - List of abbreviations



4. The use of transactions declared suspicious

One of the statutory tasks of FIU-the Netherlands is to declare unusual transactions suspicious. In 2018, based on analyses, 57,950 transactions were declared suspicious. After transactions have been declared to be suspicious they are submitted to the investigation, intelligence and security services. From that point forward, suspicious transactions may be used to serve different purposes. They can primarily be used as a reason to initiate a criminal investigation, serve as demonstrable and additional evidence in court, or as guidance in an investigation. Furthermore, suspicious transactions can be used as a source of analysis for conducting strategic investigations and providing insight into and overviews of regional and national crime pictures.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



4.1 Transactions declared suspicious and documentation

In 2018 FIU-the Netherlands completed 8,738 files. Of these completed files, after investigations and analysis, 180 files were considered 'not suspicious'. After investigations, the 993 unusual transactions in these 180 files were not able to be declared to be suspicious, as they could not be linked to punishable acts. Of the total number of completed files, 44 were awarded the status 'embargo suspicious'. Following from the necessary secrecy, the 392 suspicious transactions included in these 44 embargo files were only shared with one or with a limited number of investigation, intelligence and security services. In 2018 a total number of 8,514 files were thereby passed on to the investigation, intelligence and security services for further investigation. A total number of 57,950 suspicious transactions were thereby concerned. This is the largest number of files counted and also the largest number of suspicious transactions in any year since FIU-the Netherlands was formed. Appendix I of this annual report shows how the declared suspicious transactions relate to each reporting group in the period 2016 up to and including 2018.

The breakdown of the precise numbers, the reporting reason and the percentual distribution are further shown in table 4.

Table 4: Number of Declared Suspicious Transactions and Files in 2018 per reporting reason

Reporting reason	Number of transactions	Share (%)	Number of files	Share (%)
Index of Criminal Investigations and Subjects (VROS)	31,507	54%	6,384	75%
Own investigation	17,982	31%	1,470	17%
National Public Prosecutor	7,480	13%	583	7%
Match Central Fine Collection Authority (CJIB)	981	2%	77	1%
Total	57,950	100%	8,514	100%

The breakdown of the number of declared suspicious transactions per reporting group (as can be viewed in table 4) is fairly consistent. In 2018 the VROS-match worked properly for the largest part of the year. The number of transactions declared suspicious based on own investigations was the highest

in 2018 since FIU-the Netherlands had existed and even exceeds the peak year 2016. These numbers were partly achieved by targeted thematic work, allowing a greater efficiency of analyses of unusual transactions. In 2018 FIU-the Netherlands carried out targeted work on qualitative files, in line with the needs of the investigation services. In 2018 the number of L Ovj-requests and the Central Fine Collection Authority (CJIB)-match was virtually the same as in 2017.

Table 5: Number of transactions declared suspicious in 2018 per sector

Reporting sector	Number of suspicious transactions	Of which Money Transfers
Payment service provider	39,239	35,604
Banks	15,437	185
Traders	1,768	0
Free professions	539	0
Casinos	519	0
Government	276	0
Credit card companies	95	0
Other sectors	77	4
End total	57,950	35,793

The breakdown of the number of suspicious declared transactions per reporting group (as can be viewed in table 5) is fairly consistent. In 2018 the majority of suspicious transactions were reported by payment service providers. Proportionally, this sector also reports the largest part of the unusual transactions and these numbers are in line with the numbers of transactions declared suspicious.

Compared to 2017, in 2018, the number of suspicious transactions derived from the banking sector tripled

-  Contents
-  Management summary
- 1** Developments in 2018
- 2** Receiving unusual transaction reports
- 3** Analysing unusual transactions
- 4** **The use of transactions declared suspicious**
- 5** Terrorism financing
- 6** The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba
- I** Appendix I - Key indicators of FIU-the Netherlands 2018
- II** Appendix II - About FIU-the Netherlands
- III** Appendix III - List of abbreviations

Among other things necessitated by the high number of transactions, payment service providers have generally automated their reporting systems to a high degree. In many cases, this method produces a high level of efficiency with regard to the existing obligation to report. The number of suspicious declared transactions has increased compared to 2017. Compared to the other reporting groups, apart from the payment service providers, the bank sector also has a high number of suspicious transactions. Like the reporting group of payment service providers, the bank sector is confronted by a high number of transactions. The suspicious declared transactions reported by the bank sector tripled in 2018 compared to 2017. This was probably a consequence of the increasing degree of attention for the obligations under the Dutch Money Laundering and Terrorist Financing (Prevention) Act (Wwft). The other reporting sectors display virtually no large differences compared to previous years.

Table 6: Number of suspicious declared transactions in 2018 per type of transaction

Type of transaction	Number
Money transfer	35,793
Cash transaction	13,314
Wire transfer	7,450
Other	1,393
End total	57,950

As in the past years, in 2018 the most suspicious transactions concerned money transfers (see table 6). Money transfers are generally carried out at by money transfer companies and are susceptible to money laundering and terrorism financing. Cash transactions are generally also susceptible to money laundering and form the second largest group, with more than 13,000 suspicious transactions. In 2018 the cash transactions group grew substantially compared to 2017 (6,555 cash transactions). This more than doubling of the suspicious cash transactions shows that money laundering (and to an extent terrorism financing) by using cash is a major factor and must be a continued point of attention. FIU-the Netherlands also saw the number of suspicious wire transfers almost triple in 2018, compared to 2017. It can thereby be said that besides the use of cash for money laundering and terrorism financing, reporting entities must also focus a sufficient amount of attention on suspicious wire transfers. Based on these numbers, this attention has further increased in the past year.

Table 7: Number* and share amount of transactions (carried out) declared suspicious in 2018.**

Amounts involved in suspicious transactions	Number	Share	Amount in €	Share
< €10.000	43,725	79%	44,882,089	0%
€ 10.000 tot €100.000	8,790	16%	311,042,885	3%
€ 100.000 tot €1.000.000	2,354	4%	650,674,113	7%
€ 1.000.000 tot €5.000.000	341	1%	716,292,431	7%
€ 5.000.000 tot €10.000.000	52	0%	371,627,327	4%
>= € 10.000.000	105	0%	7,496,034,835	78%
Eindtotaal	55,367	100%	9,590,553,680	100%

* Intended transactions (2,583 transactions) have not been counted

** Due to rounding differences, the percentages in the table do not add up to exactly 100%

In 2018 the total value of all suspicious transactions together was more than 9.5 billion euros (see table 7 for this and other insights into amounts relating to suspicious transactions). This record amount exceeds all previous years, in which FIU-the Netherlands previously recorded total amounts in suspicious transactions. The total overview of amounts for suspicious transactions clearly shows that just 105 suspicious transactions represent almost 7.5 billion euros. These transactions are of great importance for FIU-the Netherlands, as well as for tax and investigation services. Suspicious transactions of this scope can have a big impact on financial integrity, both nationally and internationally. Furthermore, money laundering amounts of this scope could influence managerial or other decision-forming processes. FIU-the Netherlands therefore focuses the largest possibly amount of attention on transactions of this scope. The other value of the suspicious transactions represents almost two billion euros. The highest value of the other categories is formed by suspicious transactions between one and five million euros. The highest number of suspicious transactions represents the lowest total amount in the report. The category of suspicious transactions of less than ten thousand euros requires a large part of FIU-the Netherlands' annual analysis capacity.

Intended transactions

The number of intended transactions rose from 1,481 in 2017 to 2,583 transactions in 2018. This is an important signal for FIU-the Netherlands, as it indicates that reporting entities suspected money laundering at



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



an early stage, even before the transaction was actually carried out. Regarding the number of intended transactions a slight trend is observable: 841 in 2016, 1,481 in 2017 and 2583 in 2018. These transactions are generally signalled by the reporting group of payment service providers. By declaring these transactions to be suspicious before they are actually handled and submitting them to the investigation services in good time, it may be possible to access the front of the criminal process. This could help prevent criminals from removing evidence before the transaction concerned is actually carried out.

Table 8: Files per form of crime 2018

Form of crime	Number of files	Share
Money laundering	1,469	53%
Terrorism	560	20%
Fraud	267	10%
Hard drugs	129	5%
Other	44	2%
Soft drugs	58	2%
People smuggling	50	2%
Human trafficking	50	2%
Murder/manslaughter	26	1%
Corruption	43	2%
Arms trade	16	1%
Synthetic drugs	6	0%
Robberies	2	0%
Burglary	23	1%
Cyber crime	3	0%
Violence	0	0%
Child porn	13	0%
Environment	1	0%
Mugging	0	0%

All files reported that were prepared in response to LOvJ-requests and include own investigations contain a description of the possible related form(s) of crime. A single file may relate to different forms of crime. In the event of more than one form of crime, the file have been counted in the table above that number of times. This is why the total number in the table above is higher than the number of unique files with only one form, of crime filled in (in 2018 FIU-the Netherlands produced 2,053 own investigations and LOvJ-files).

Forms of crime

To obtain more insight into the forms of crime that money laundering and terrorism financing are related to, FIU-the Netherlands records a form of crime in connection with all files prepared based on own investigations or a LOvJ-request. For FIU-the Netherlands the form of crime is generally also decisive for the start of further investigations. In 2018 the relevant forms of crimes were recorded in connection with approximately one third of the 8,514 files. FIU-the Netherlands does not record a form of crime in connection with a VROS (Index of Criminal Investigations and Subjects)-match, given that based on this system it is not possible to disclose the relevant form of crime in the right way. Among the forms of crime, money laundering, terrorism financing and fraud are the logical top three (see table 8 for more figure-based insights).

4.2 Cooperation with investigation and enforcement partners

National Police

The National Police's various investigation services are FIU-the Netherlands biggest recipient. FIU-the Netherlands is continuously striving to realise products that are useful for investigation purposes. This is also the reason that as far as possible, FIU-the Netherlands brings its priorities into line with themes prioritised by the National Police. In many cases, suspicious transactions, whether or not in the form of files, may mean the beginning of an investigation, or make an essential contribution to evidence for a hearing.

In 2018 investigation services were especially focussed on strengthening the approach towards undermining crime and confiscating criminal assets. To this end, alliances were set up in many units, together with the Regional Information and Expertise Centres (RIECs), the Public Prosecution Service and FIU-the Netherlands. Because the approach of the investigation services to undermining crime is increasingly focused on gaining insights and making analyses, FIU-the Netherlands can make a valuable, significant contribution. Financial insights can expose those who facilitate undermining crime and based on this, further investigations can be conducted into those giving orders and ultimately the criminals at the top. In 2018 an increasing amount of attention was thereby focused on confiscating assets acquired by crime.

-  Contents
-  Management summary
- 1** Developments in 2018
- 2** Receiving unusual transaction reports
- 3** Analysing unusual transactions
- 4** **The use of transactions declared suspicious**
- 5** Terrorism financing
- 6** The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba
- I** Appendix I - Key indicators of FIU-the Netherlands 2018
- II** Appendix II - About FIU-the Netherlands
- III** Appendix III - List of abbreviations

In 2018 FIU-the Netherlands received 821 LOvJ-requests which aimed to obtain additional financial information for criminal investigations.

Confiscation cooperation

In previous years FIU-the Netherlands commenced its participation in the comprehensive confiscation team Confisq in Rotterdam, which among others the National Police, the Dutch Tax and Customs Administration, the Fiscal Intelligence and Investigation Service (FIOD), the Public Prosecution Service, the municipality and the Regional Information and Expertise Centre (RIEC) Rotterdam take part in. The collective objective was thereby to confiscate criminal and unaccountable assets from criminals in an innovative manner by public cooperation. The method thereby employed is that if one of the participating partners has received a sign of criminal or unaccountable assets, the information is actively shared with each other and analysed. Based on the sharing of this information, the possibility of a direct approach was subsequently examined. The approach chosen varies from criminal investigations, imposing additional tax assessments and collecting (municipal) taxation to stop benefit payments and bonuses. In 2018, 157 signals were dealt with in this public alliance, with 34 signals consisting of comprehensive casuistry. Based on this cooperation, in 2018 various successful confiscation operations took place, amounting to a total value of several million euros. Besides the confiscation of criminal or unaccountable assets, attention was also focused on other sorts of interventions that

can contribute to tackling organised crime and the promotion of societal safety. These could include administrative reports drawn up with the aim of closing down premises, among other things after finding illegal guns, and dismantling drugs laboratories and/or hemp farms.

Following from the cooperation between FIU the Netherlands and Confisq, the possibility of selecting signals, based on suspicious transactions coming from FIU-the Netherlands, which could potentially lead to confiscating unaccountable assets was examined. These would largely be signals relating to cash money flows (with regard to which the numbers of suspicious transactions rose considerably in 2018) and signals concerning the availability of luxury goods and/or a luxurious lifestyle without an unaccountable income. A total number of 70 separate suspicious transactions were analysed to this end. This resulted, in 2018, to 22 fully detailed files that have led to a criminal investigation. The results of these investigations are expected in 2019.

Special investigation services (NVWA, ILT IOD, SZW W& I, SZW Zorg, FIOD, KMAR, RR)

In 2018, together with the special investigation services, further investments were made to allow FIU-the Netherlands to link up with the specialist tasks of these bodies. In 2018 FIU-the Netherlands cooperated mostly with the FIOD, on account of the largely overlapping objectives.



Contents



Management summary



1 Developments in 2018



2 Receiving unusual transaction reports



3 Analysing unusual transactions



4 The use of transactions declared suspicious



5 Terrorism financing



6 The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba



I Appendix I - Key indicators of FIU-the Netherlands 2018



II Appendix II - About FIU-the Netherlands



III Appendix III - List of abbreviations





Contents



Management summary



1 Developments in 2018



2 Receiving unusual transaction reports



3 Analysing unusual transactions



4 The use of transactions declared suspicious



5 Terrorism financing



6 The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba



I Appendix I - Key indicators of FIU-the Netherlands 2018



II Appendix II - About FIU-the Netherlands



III Appendix III - List of abbreviations

5. Terrorism financing

Terrorism can practically not exist without the need of financial resources. For this reason it is of crucial essence to identify money flows in a timely manner that may be linked to terrorism financing. In previous years FIU-the Netherlands has seen that the proceeds of criminal activities were sometimes used to finance terrorism (nexus⁶).

⁶ The interrelatedness of terrorist groups and organisations with organised crime.



Recognising these money flows in a timely manner can make a significant contribution towards combatting terrorism. Preventing and combatting terrorism financing is one of the two main statutory tasks of FIU-the Netherlands. In 2018, based on its financial specialism, FIU-the Netherlands contributed towards targeted investigations in relation to possible terrorist threats and the detection of terrorism financing. FIU-the Netherlands works both nationally and internationally on recognizing and combatting terrorism financing. This largely takes place in public alliances in which information, knowledge and insights are shared. FIU-the Netherlands thereby strives to retain, and where possible, improve its current level of knowledge and expertise.

5.1 National developments

Action Programme on the Comprehensive Approach to Jihadism

Based on the Action Programme on the Comprehensive Approach to Jihadism, FIU-the Netherlands contributed in 2018 towards tackling jihadism and radicalisation. The contribution consisted of providing specific suspicious transactions, and other financial intelligence which showed a link between these two phenomena. FIU-the Netherlands obtained this shared intelligence through intensive cooperation with national and/or international partners. The provision of this information by FIU-the Netherlands within the interdepartmental sanctions committee (BVO) also contributes towards placing persons on the national sanctions list. This is a list of persons who have been established to form a national risk in the area of terrorism. When placed on the list, the assets of these people can be frozen. In 2018 FIU-the Netherlands declared 118 transactions suspicious related to the sanctions legislation, mainly concerning money transfers and wire transfers. In 2018, FIU-the Netherlands compiled 29 files related to the sanctions legislation. These numbers of suspicious transactions and files in the area of terrorism financing are lower compared to the years 2016 and 2017, these were the years in which the Islamic state was at its peak, but much higher than in previous years.

National and international sanctions legislation

FIU-the Netherlands took part in the sanctions committee (BVO) throughout 2018. The sanctions committee (BVO) is the consultation body that collects information in preparation of proposing persons to be placed on the

National Sanctions List for Terrorism. FIU-the Netherlands submits relevant suspicious transactions to the sanctions committee with a view to help substantiate proposals to place them on the National Sanctions List for Terrorism. The persons placed on the National Sanctions List for Terrorism are monitored by FIU-the Netherlands for unusual transactions. If specific transactions are signalled that may be related to terrorism financing, they are passed on to the intelligence, security and investigation services based on a possible violation of sanctions legislation. FIU-the Netherlands also scans the European Union terrorism list, and a number of national sanctions lists of European Member States for potential risks in connection with terrorism financing.

The national European sanctions lists are not effective beyond the borders of the separate Member States. For this reason, these European FIUs started sharing national sanctions list with each other in 2017. This way, European FIUs can establish amongst themselves whether persons on national European sanctions lists carry out financial transactions with a possible link to terrorism beyond separate country borders. Based on a number of successful reports in 2017, this initiative was continued in 2018. The sharing of the national sanctions lists also generated a number of reports in 2018 regarding persons who carried out cross-border financial acts, inside or outside of the Netherlands, which were possibly related to terrorism financing.

Operational cooperation with public partners

Because the fight against terrorism requires an approach based on various disciplines, FIU-the Netherlands cooperates with a number of public partners. In 2018 these included the investigation, security and intelligence services, such as General Intelligence and Security Service (AIVD)/ Military Intelligence and Security Service (MIVD), the National Police and the FIOD/ Netherlands Tax and Customs Administration. FIU-the Netherlands is generally concerned with contributions of targeted financial information in the preparatory or the operational phase of terrorism-related criminal investigations. FIU-the Netherlands provides network partners with intelligence reports in which findings set out findings that may be of value for a specific partner. In the event that an acute threat occurs related to terrorism or circumstances that may indicate terrorism, FIU-the Netherlands can contribute towards the assessment of the relevant threat by providing financial intelligence. In 2018, based on a mutual need, consultations were conducted with the National Public Prosecutor's Office for Financial,



Contents



Management summary



1 Developments in 2018



2 Receiving unusual transaction reports



3 Analysing unusual transactions



4 The use of transactions declared suspicious



5 Terrorism financing



6 The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba



I Appendix I - Key indicators of FIU-the Netherlands 2018



II Appendix II - About FIU-the Netherlands



III Appendix III - List of abbreviations





Economic and Environmental Offences, the National Police, the FIOD and the security and intelligence services. FIU-the Netherlands supplies financial intelligence spontaneously or after a targeted request. Pursuant to the law, in which the financing of terrorism is a criminal offence (Article 421 of the Dutch Criminal Code) and largely based on financial intelligence from FIU-the Netherlands, a number of suspects were prosecuted for this crime in 2018. In 2019 these suspects will stand trial on account of their suspected offences. A number of cases concern the financing of so-called Syria volunteers, who are presumed to have taken part in the armed struggle for the Islamic State and were financed by persons or institutions in the Netherlands.

In 2018 FIU-the Netherlands also took part in alliances where various network partners were involved.. These include the Counterterrorism Info-box and as a participant in the Financial Expertise Centre-consultation, where FIU-the Netherlands provides information for in the field of terrorism financing. FIU-the Netherlands provides usable information related to terrorism financing during these consultations.

Cooperation with private partners

In addition of the improvement on the side of the information providers, FIU-the Netherlands also tried to improve the reports of unusual transactions. This usually takes place by means of cooperation with the reporting entities, including the banks. One of these alliances is the Terrorism Financing Platform (TF-Platform). Within this platform, that is managed by the Dutch Banking Association (NVB), FIU-the Netherlands gives banks feedback on the reports received which are possibly related to terrorism financing. In 2018, together with the banks participating in the TF-platform, a study was conducted into the development of risk profiles in the field of terrorism financing. The ensuing risk profiles are assessed by FIU-the Netherlands for feasibility and effectiveness. If the risk profiles are assessed as being positive, the Head of FIU-the Netherlands makes them available to all relevant reporting entities. Furthermore, in 2018 FIU-the Netherlands also shared phenomena and trends with reporting entities in the area of financial products and services related to terrorism financing. FIU-the Netherlands hereby strives to create more alertness and awareness on the part of reporting entities to emerging trends and phenomena in the field of terrorism financing.



Contents



Management summary



Developments in 2018



Receiving unusual transaction reports



Analysing unusual transactions



The use of transactions declared suspicious



Terrorism financing



The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba



Appendix I - Key indicators of FIU-the Netherlands 2018



Appendix II - About FIU-the Netherlands



Appendix III - List of abbreviations



Taskforce on terrorism financing

Since 2017, together with the large banks, an insurer, the National Police and the Public Prosecution Service, FIU-the Netherlands has taken part in the taskforce on terrorism financing, an important approach in association with the Financial Expertise Centre (FEC). The taskforce aims to improve the fight against terrorism financing by intensive coordination with the participating network partners. The taskforce's point of view is that each participating party is in the possession of relevant information related to subjects which may be able to be linked to the financing of terrorism. In 2018, in addition to filling an advisory role in the taskforce, FIU-the Netherlands has focussed targeted attention on analysing transactions reported by participating banks. Together with other transactions related to this subject, these transactions have contributed towards targeted financial intelligence provided by FIU-the Netherlands to the investigating teams in the area of terrorism.

5.2 International developments

Terrorism financing is usually cross-border and for this reason it is necessary to have an international network that works sufficiently. The network ensures improved and faster information-sharing, while also providing insight into relevant developments. In the light of these developments, in 2018, together with the FIU of the United States (FinCen), the management of an ongoing project within the Egmont Group in the field of combatting terrorism financing was taken on. The basis of this project consisted of a targeted exchange of information regarding the financial flows around lone wolves with a terrorist motive. In 2018, worldwide, a total number of 20 FIUs took part in this project. Due to the project, the exchange of information in this area between these FIUs improved. According to the schedule the project will be completed in 2019, and a decision will then be taken on whether or not a follow-up is desirable.

Based on suspicious transaction information at the disposal of the participating FIUs, investigations have been carried out into the possibility of identifying facilitating networks around the support for jihads. An important point with this project is that it offers participants the possibility to share multilateral information. This form of information-sharing often provides more insights than just bilateral sharing.

The FIU-the Netherlands will further develop this form of international information-sharing in 2019. It is thereby important to realise visible results to allow as many FIUs as possible to benefit and take part.

Together with the participating banks in the TF-platform, in 2018 a study was conducted into the development of risk profiles in the field of terrorism financing

Other International developments

In 2018 the international situation regarding the relevant terrorist groups was described very variable. This was for example due to the consequences that the pulling back of the Islamic State had. Based on the fight against the Islamic State a high-risk phenomenon arose, namely the return of former Foreign Terrorist Fighters (FTS) to the Netherlands and other countries. Based on the potential risks that this incoming migration flow may bring with them, in 2018, within the Egmont Group, FIU-the Netherlands deliberately expanded and strengthened the existing alliances. The strengthening concerned organisations that may have relevant and current information at their disposal regarding any risks arising, such as the United Nations Office on Drugs and Crime (UNODC) and the United Nations 1267 Sanctions Committee. Through these alliances FIU-the Netherlands aims to acquire enough information and knowledge to identify terrorism financing in good time. Furthermore, in 2018, FIU-the Netherlands took part in various meetings of the Counter ISIL Financing Group (CIFG), part of the Global Coalition against ISIL/Da'esh. These meetings specifically focus on knowledge-sharing in the field of disrupting financial flows which may be used by ISIL by identifying these flows and if necessary, blocking them.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



5.3 Operational results

Suspicious transactions

In 2018 FIU-the Netherlands declared 3,338 transactions with a possible relation to terrorism financing suspicious. In a number of cases the link to terrorism financing could not be directly shown by investigators. However, these transactions were able to be declared suspicious based on another form of crime. In terms of figures, the number of suspicious transactions thereby rose slightly compared to 2017, in which 3,139 transactions related to terrorism financing were declared suspicious. The long term a slight increase has been observed of suspicious transactions related to terrorism financing. The international fight against the Islamic State and the successes thereby achieved could influence the number of unusual transactions and the numbers of suspicious transactions indirectly linked to these in the coming years.

Table 9: Number of suspicious transactions with a possible link to terrorism.

	2014	2015	2016	2017	2018
Number of Suspicious Transactions	1,916	2,014	4,494	3,139	3,338

Table 10: Number of files with a possible link to terrorism

	2014	2015	2016	2017	2018
Number of files	251	286	623	520	665

Table 11: Number of suspicious transactions related to terrorism in relation to the Sanctions Act.

	2014	2015	2016	2017	2018
Number of Suspicious Transactions	63	26	205	199	118

Table 12: Number of files related to terrorism in relation to the Sanctions Act.

	2014	2015	2016	2017	2018
Number of files	17	12	54	57	29

FIU-the Netherlands incorporated 3,338 suspicious transactions with a possible link to terrorism financing into 665 files (see tables 9 and 10). These files may also be of value in preventing terrorism. In 2018, 145 more files were thereby formed compared to 2017, in which 520 files were compiled. Therefore, the highest number of files in the area of terrorism financing was formed in 2018 over a time frame of the last five years. The relatively high number of files is partly related to the capacity increase of six members of staff, taken on to tackle terrorism financing. In 2018 FIU-the Netherlands noted 118 suspicious transactions related to terrorism in relation to the Sanctions Act (see table 11). The number of suspicious transactions in 2018 thereby decreased in respect of 2017 (199) in a parallel movement to the decline of the Islamic State. The number of files compiled (see table 12) in relation to the Sanctions Act (of the entirety of files) decreased in 2018 by 29 compared to 2017 (57). This decrease was partly related to a reduced flow of Syria volunteers due to a decrease in the activities of the Islamic State. In 2018 the number of suspicious transactions and files in relation to the Sanctions Act was considerably higher than in the years prior to 2016.

All suspicious transactions with a terrorist characteristic are bundled in a file and made available to the investigation and/or intelligence and security services.

In 2018, FIU-the Netherlands declared 3,338 transactions suspicious that were possibly related to terrorism financing

FIU-the Netherlands runs systematic checks whether transactions are reported of subjects that are placed on the National Sanctions list. As a result, suspicious transactions carried out by high-risk subjects are directly passed on to the investigation, intelligence and security services. FIU-the Netherlands thereby contributes towards the active monitoring of money flows with a terrorist intent to reduce the possibility of this money being used for terrorism.

-  Contents
-  Management summary
- 1** Developments in 2018
- 2** Receiving unusual transaction reports
- 3** Analysing unusual transactions
- 4** The use of transactions declared suspicious
- 5** **Terrorism financing**
- 6** The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba
- I** Appendix I - Key indicators of FIU-the Netherlands 2018
- II** Appendix II - About FIU-the Netherlands
- III** Appendix III - List of abbreviations

In 2018 FIU-the Netherlands also found that criminal money may sometimes be used to finance terrorism (NEXUS). This NEXUS causes societal unsafety which is twofold.

For this reason this was also empathised by FIU-the Netherlands in 2018. Suspicious transactions with a NEXUS-characteristic are always passed on to the investigation and/or intelligence and security services with extra attention. In 2018 FIU-the Netherlands conducted further investigations into the financing of resources that can be used to carry out terrorist attacks. Examples may concern guns and chemical substances that are largely used as precursors for building improvised explosives.

Suspicious purchases

Information was received from a foreign FIU on payments made for remarkable purchases made by a man residing in the Netherlands. The purchases made by the man concerned substances that could possible serve to manufacture explosive material. On investigating the matter further the FIU-investigator ascertained that on several occasions, the man had been found by the police in a confused state of mind. When the investigator subsequently established that several days before a payment had been made to an arms dealer in the Netherlands from the man's account it was clear that the finding should be urgently declared suspicious. The man's dwelling was raided on the same day. In the dwelling the police found a deactivated gun and raw materials which could indeed be used to manufacture explosives.

In 2018, FIU-the Netherlands conducted further investigations into the financing of resources that can be used to carry out terrorist attacks

International information-sharing by FIUs

Because the fight against terrorism financing extends across borders, FIU-the Netherlands regularly sends and receives requests for information from foreign FIUs. In 2018 a total of 76 requests related to terrorism and/or terrorism financing were received from foreign FIUs. In 2018 FIU-the Netherlands sent 29 requests for information related to terrorism financing to foreign FIUs. In addition to this bilateral method, FIU-the Netherlands also employs a multilateral method of information-sharing, as mentioned earlier on in this chapter. All available financial intelligence in the field of terrorism financing is hereby spontaneously shared with various FIUs. Before sharing the relevant information based on this methodology, FIUs grant other FIUs permission to share the relevant financial intelligence with national criminal investigation services in the jurisdictions concerned. This multilateral methodology can improve the speed of information-sharing. This increases the availability and the use of financial intelligence in relation to terrorism financing. In 2018 FIU-the Netherlands received 488 spontaneous notifications relating to terrorism financing. A total of 128 spontaneous notifications were by FIU-the Netherlands to other FIUs or organisations engaged in implementing the Dutch Sanctions Act (Sanctiewet).



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations





6. The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

As special municipalities of the Netherlands, Bonaire, Sint Eustatius and Saba (Caribbean Netherlands) fall under the Dutch Money Laundering and Terrorist Financing (BES islands) Act for the Caribbean Netherlands (Wwft BES). For this reason, reporting service providers in the Caribbean Netherlands must report all unusual transactions to FIU-the Netherlands.

-  Contents
-  Management summary
- 1** Developments in 2018
- 2** Receiving unusual transaction reports
- 3** Analysing unusual transactions
- 4** The use of transactions declared suspicious
- 5** Terrorism financing
- 6** **The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba**
 - I** Appendix I - Key indicators of FIU-the Netherlands 2018
 - II** Appendix II - About FIU-the Netherlands
 - III** Appendix III - List of abbreviations

Based on the unusual transactions reported, FIU-the Netherlands can expose money flows related to money laundering, terrorism financing or underlying crime in the BES islands or adjacent areas. Due to the geographical location of the BES islands, these money flows largely have an international character. Among other things following from their geographical location, FIU-the Netherlands has a relations manager in a liaison position available in the islands on a permanent basis. The liaison is familiar with the local culture and speaks the language of the islands both literally and figuratively, which may ensure greater mutual trust and a local network. Therefore, this helps FIU-the Netherlands to make a connection with reporting service providers, where mutual insights can be of importance. The local liaison provides information and encourages reporting service providers to be compliant in reporting unusual transactions. Because the BES islands largely do business with the other surrounding islands and countries in the region, the liaison provides an interface and connection with the other FIUs in the Caribbean area. Besides having a knowledge and signalling function, the liaison also has a satellite function, enabling local and regional knowledge to be shared with reporting service providers and FIU-the Netherlands.

6.1 Receiving and analysing unusual transactions from the Caribbean Netherlands

Improving the quality of reports

In previous years FIU-the Netherlands established that the quality of the reports from the reporting service providers in the BES islands was not at a sufficient level for effective analyses. A study conducted in 2018 into the quality of reports in the BES islands also showed that the level was not yet adequate. To ensure that the quality of the reports can improve, together with the reporting service providers, possible causes were looked at. Based on this analysis, in 2018 FIU-the Netherlands started improving the quality of the reports using targeted activities. One of these activities in 2018 was a seminar held in Bonaire for all large banks in cooperation with the Dutch Central Bank (DNB). During this seminar, amongst other subjects, the reporting obligation, reporting behaviour, red flags, money laundering scenarios and, of course, the importance of good-quality reports were key. The seminar was attended by a large number of banks which were active in the BES islands.

In 2018, FIU-the Netherlands started focused activities, to improve the quality of reports

The seminar finished with a content-based workshop which aimed to increase the level of knowledge and the capacity to comprehend complicated money laundering constructions. In addition to this seminar, individual conversations were also conducted with the large banks present with a view to achieving the desired quality improvement together. Furthermore, in 2018 the harmonisation integrity supervision working group came together, including the supervisory body, the Dutch Central Bank, the Central Banks of the Kingdom and the FIUs of Aruba, Curacao, the Netherlands and Sint Maarten. In 2018 this working group convened several times to discuss various themes, red flags and money laundering and integrity scenarios related to the Caribbean area.

Information exchange

In order to analyse the unusual transactions effectively and if necessary declare the unusual transactions suspicious, a good information position is essential.

For the providing of information by network partners in a correct manner, FIU-the Netherlands uses covenants with these network partners. In 2017 the covenants on providing agreements with the Tax and Customs Administration BES and the Caribbean Netherlands Police Force were prepared to be signed, and the covenant with the Tax and Customs Administration BES was signed in 2018. For the time being, the information of the Tax and Customs Administration BES that FIU-the Netherlands has at its disposal since the covenant was signed can be used to identify unusual transactions more easily. The covenant for providing information by the Caribbean Netherlands Police Force has not yet been signed, but is still on the agenda for FIU-the Netherlands. The local data of the Caribbean Netherlands Police Force may ensure that FIU-the Netherlands can carry out more effective analyses and can subsequently easily declare unusual transactions suspicious.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



Table 13: Unusual transactions per type of reporting entity in 2018 on the BES islands

Type of reporting entity	Number of unusual transactions in 2018
Accountant	1
Lawyer	2
Bank	905
Tax consultant	7
The Caribbean Netherlands	46
Trader - Gemstones	4
Trader - Vehicles	3
Estate agent	2
Civil-law notary	21
Gambling Casino	2
End total	993

Reports of unusual transactions received

In 2018 FIU-the Netherlands received 993 reports of unusual transactions from the Caribbean Netherlands. Almost all these reports (905) were reported by banking institutions, followed by unusual transactions from the Caribbean Netherlands Customs (46) and reports from notaries (21). Table 13 shows the breakdown of the total number of reports of unusual transactions received in 2018. The total number of reports of unusual transactions is thereby ten percent under the figure of 2017, when 1,038 unusual transactions were received. It can be said that over time, a slight decrease can be seen in the number of unusual transactions received in the Caribbean Netherlands. As previously stated, FIU-the Netherlands focuses on improving the quality of reports of unusual transactions.

In 2018, FIU-the Netherlands declared 174 transactions suspicious related to the Caribbean Netherlands

Once the quality has risen to the desired level, in due course, the quantity of the reports of unusual transactions from the BES islands will also be focussed on. Als de kwaliteit binnen het gewenste bereik gekomen is, zal op termijn de aandacht eveneens komen te liggen op de kwantiteit van de ongebruikelijke transacties vanuit de BES-eilanden.

6.2 Dissemination of suspicious transactions in the Caribbean Netherlands

Declaring transactions suspicious

In 2018 FIU-the Netherlands declared 174 transactions from the Caribbean Netherlands suspicious (see table 14). These suspicious transactions have been collected in 30 files with a total value of more than eight million euros. This amount is considerably less than the total value of suspicious transactions in 2017, when almost 192 million euros in total value was recorded. The value of the suspicious transactions in 2017 deviated, and was caused by a number of suspicious transactions involving exceptionally high amounts. The transactions reported in 2018 include three intended transactions. The majority of the suspicious transactions in 2018 came from banks. The majority of the files were declared suspicious following from FIU-the Netherlands' own investigations. Table 13 shows the further figures pertaining to the BES islands.

Table 14: Number of Suspicious Transactions and Files in 2018 on the BES islands per reporting reason

Reporting reason	Number of transactions	Share	Number of files	Share
Own investigation	105	60%	16	53%
National Public Prosecutor	4	2%	2	7%
Index of Criminal Investigations and Subjects (VROS)	65	37%	12	40%
End total		100%*		100%

* due to rounding the separate percentages are not exactly 100%

-  Contents
-  Management summary
- 1** Developments in 2018
- 2** Receiving unusual transaction reports
- 3** Analysing unusual transactions
- 4** The use of transactions declared suspicious
- 5** Terrorism financing
- 6** **The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba**
 - I** Appendix I - Key indicators of FIU-the Netherlands 2018
 - II** Appendix II - About FIU-the Netherlands
 - III** Appendix III - List of abbreviations



Documentation

In 2018 FIU-the Netherlands compiled 30 files (see table 14). At the end of 2018, a large number of files containing unusual transactions were still under investigation. These files require a broader analysis because access to information is still too limited to declare the transactions suspicious. In 2018 the number of files produced was under the figure of 2017 (35), but considerably above that of 2016 (13). The annual differences in file numbers are generally limited, and the absorption capacity of the investigation services in the BES islands also needs to be taken into account. All files with transactions declared to be suspicious are passed on to the investigation services in the BES islands, to enable their use in criminal investigations.

Improving quality by increasing the possibilities for analysis

In the coming years, FIU-the Netherlands aims to increase the analysis possibilities regarding unusual transactions in the Caribbean Netherlands by extending its current access to locally used databases. Due to this desired extension, in due course, FIU-the Netherlands will not just be able to provide the investigation services with transactions faster, but also in a more user-friendly manner. In previous years, various steps have been taken to expand the fundamental tools for performing analyses on the reports of unusual transactions. A good example is the access previously acquired by FIU-the Netherlands to the entries in the Chamber of Commerce of the Caribbean Netherlands. This access made it easier for FIU-the Netherlands to conduct investigations in 2018 into reported unusual transactions regarding companies registered in the BES islands. Where possible, FIU-the Netherlands strives to create links to investigations carried out by Special Task Force (RST) in the BES islands.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands:
Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



Appendix I - Key indicators of FIU-the Netherlands 2018


Table 15: Number of unusual transactions* per sector and group of reporting entities in the period 2016-2018

Sector	Type of reporting entity	2016		2017		2018		Of which Objectively 02
		Number	Of which Money Transfers	Number	Of which Money Transfers	Number	Of which Money Transfers	
Free professions	Accountant	1,260		1,155		1,987	0	108
Free professions	Lawyer	12		10		22	0	1
Banks	Bank	13,599	4,763	22,789	3,908	68,217	2,183	693
Free professions	Tax consultant	138		342		298	0	3
Other sectors	Investment institution/company	4		6		77	0	18
Other sectors	Life insurance broker	0		0		1	0	0
Payment service provider	Payment service provider	360,234	338,528	279,950	251,972	254,554	231,912	5,924
Payment service provider	Payment service provider - PSP	12,315	1,152	29,669	2,122	332,081	4,321	289,122
Other sectors	Financial company branch office	1		64	57	23	23	0
Other sectors	Domicile provider	10		20		25	0	0
Other sectors	Electronic money institution	1		1		7	0	3
Traders	Trader - Gemstones	396		471		502	0	0
Traders	Trader - Art and antiques	4		8		10	0	0
Traders	Trader - Vessels	49		60		60	0	0
Traders	Trader - Vehicles	5,041		4,711		4,386	0	10
Traders	Trader - Other goods	62		70		167	0	0
Free professions	Legal aid provider					13	0	0
Other sectors	Non-Bank - Securities management					1	0	0
Credit card companies	Non-Bank - Creditcards	14,694		11,596		77,758	0	62,654
Other sectors	Non-Bank - Granting loans	51		110		93	0	1
Other sectors	Non-Bank - Leasing	2		0		0	0	0
Other sectors	Life insurer	2		3		1	0	0
Free professions	Estate agent	140		159		173	0	4
Government	Government							
Government	- Tax and Customs Administration	1		1		6	0	0
Government	- Customs ⁷	5,492		5,775		7,263	0	0
Government	- Not under a reporting obligation	0		1		0	0	0
Government	- Under a reporting obligation pursuant to a Regulation					3	0	0
Government	- Supervisory body	3		7		3	0	0
Free professions	Civil-law notary	529		486		800	0	16
Other sectors	Pawnshop	74		74		89	0	0
Casinos	Gambling casino	2,666		3,228		4,110	0	0
Other sectors	Valuer	7		6		4	0	0
Free professions	Trust office	280		240		258	0	52
Other sectors	Exchange institution			3		360	0	0
Totals		417,067	344,443	361,015	258,059	753,352	238,439	358,609

* Queries have been made about unusual transactions regarding their registration date, meaning the date on which an unusual transaction was recorded in the FIU-the Netherlands database.

7 The figures shown for customs transactions include both the right to report and the obligation to report pursuant to the European regulation. These figures do not exactly comply with the annual numbers of reports of transactions received from customs. In some cases, transactions reported by customs consist of various sorts of different currencies. For technical reasons, FIU-the Netherlands divides these reports up into various separate transactions.

 Contents

 Management summary

1 Developments in 2018

2 Receiving unusual transaction reports

3 Analysing unusual transactions

4 The use of transactions declared suspicious

5 Terrorism financing

6 The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I Appendix I - Key indicators of FIU-the Netherlands 2018

II Appendix II - About FIU-the Netherlands

III Appendix III - List of abbreviations

Table 16: Number of unusual transactions* per sector and group of reporting entities in the period 2016-2018

Number of suspicious transactions		2016		2017		2018	
Sector	Type of reporting entity	Number	of which Money Transfers	Number	of which Money Transfers	Number	of which Money Transfers
Payment service provider	Payment service provider	47,775	42,828	33,280	30,747	37,963	35,576
Payment service provider	Payment service provider - PSP	72		253		1,276	28
Other sectors	Domicile provider	0		3		5	
Banks	Bank	2,261	294	4,163	201	15,437	185
Traders	Trader - Gemstones	39		38		272	
Traders	Trader - Other goods	17		13		16	
Traders	Trader - Vessels	2		3		5	
Traders	Trader - Vehicles	2,029		1,493		1,475	
Traders	Trader - Art and antiques	0		0		0	
Other sectors	Life insurer	0		0		1	
Free professions	Accountant	277		238		306	
Free professions	Lawyer	5		5		2	
Free professions	Tax consultant	20		18		21	
Free professions	Legal aid provider	nvt		nvt		12	0
Free professions	Estate agent	16		4		9	
Free professions	Civil-law notary	181		100		170	
Free professions	Trust office	60		49		19	
Casinos	Gambling casino	360		419		519	
Government	Government						
Government	- Tax and Customs Administration	17		11		15	
Government	- Customs ⁸	255		296		261	
Government	- Supervisory body	3		6		0	
Credit card companies	Non-bank - Credit cards	124		90		95	
Other sectors	Investment institution/company	1				1	
Other sectors	Non-bank- granting loans	5		38		16	
Other sectors	Valuer	0		1		0	
Other sectors	Financial branch office Company	0		2		5	4
Other sectors	Pawnshop	14		23		20	
	Non-bank - Leasing	0		0		2	
	Electronic money institution	0		0		1	
Other sectors	Exchange institution	0		0		26	
End total		53,533		40,546	30,948	57,950	35,793

* Suspicious transactions were requested by their reporting date, meaning the date on which an unusual transaction was declared to be suspicious. Suspicious transactions in a specific year cannot thus be compared to unusual transactions (requested on their registration date) in a specific year.

⁸ The numbers of suspicious transactions shown which have come from reports from customs may deviate in relative terms. In some cases, transactions reported by customs consist of various sorts of different currencies. As a result, in some cases, FIU-the Netherlands records more than one unusual transaction based on a single customs report, and various suspicious transactions may successively arise. FIU-the Netherlands applies this method for analysis purposes.

-  Contents
-  Management summary
- 1** Developments in 2018
- 2** Receiving unusual transaction reports
- 3** Analysing unusual transactions
- 4** The use of transactions declared suspicious
- 5** Terrorism financing
- 6** The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba
- I** **Appendix I - Key indicators of FIU-the Netherlands 2018**
- II** Appendix II - About FIU-the Netherlands
- III** Appendix III - List of abbreviations

Table 17: Number of institutions from which reports were received per group in the period 2016 – 2018

Sector	Type of reporting entity	2016	2017	2018
Free professions	Accountant	237	219	281
Free professions	Lawyer	9	9	12
Banks	Bank	47	49	54
Free professions	Tax consultant	58	73	81
Other sectors	Investment institution/company	3	5	12
Other sectors	Life insurance broker	0	0	1
Payment service provider	Payment service provider	21	22	20
Payment service provider	Payment service provider - PSP	13	14	15
Other sectors	Financial company branch office	1	1	1
Other sectors	Domicile provider	5	7	8
Other sectors	Electronic money institution	1	1	2
Traders	Trader - Gemstones	30	33	33
Traders	Trader - Art and antiques	3	4	2
Traders	Trader - Vessels	28	35	28
Traders	Trader - Vehicles	506	522	533
Traders	Trader - Other goods	20	26	21
Free professions	Legal aid provider	0	0	1
Credit card companies	Non-bank - Credit cards	6	6	6
Other sectors	Non-bank - granting loans	4	5	4
Other sectors	Non-bank - Leasing	1	0	0
Other sectors	Non-bank - Securities management	0	0	1
Other sectors	Life insurer	2	3	1
Free professions	Estate agent	83	84	80
Government	Government			
Government	- Tax and Customs Administration	1	1	1
Government	- Customs	1	2	2
Government	- Not under a reporting obligation	0	1	0
Government	- Supervisory body	1	1	1
Government	- Under a reporting obligation pursuant to a Regulation	0	0	1
Free professions	Civil-law notary	181	172	211
Other sectors	Pawnshop	2	2	3
Casinos	Gambling casino	1	2	1
Other sectors	Valuer	6	5	3
Free professions	Trust office	50	47	36
Other sectors	Exchange institution	0	1	2
Total		1,321	1,352	1,458



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



Appendix II - About FIU-the Netherlands

Financial Intelligence Unit-the Netherlands is designated in the Netherlands Money Laundering and Terrorist Financing (Prevention) Act as the authority that unusual transactions should be reported to by various reporting entities. FIU-the Netherlands analyses these reports and hereby exposes transactions and money flows which can be related to money laundering, terrorism financing or related crime. Unusual transactions declared suspicious by the head of FIU-the Netherlands are passed on to the investigation, intelligence and security services.

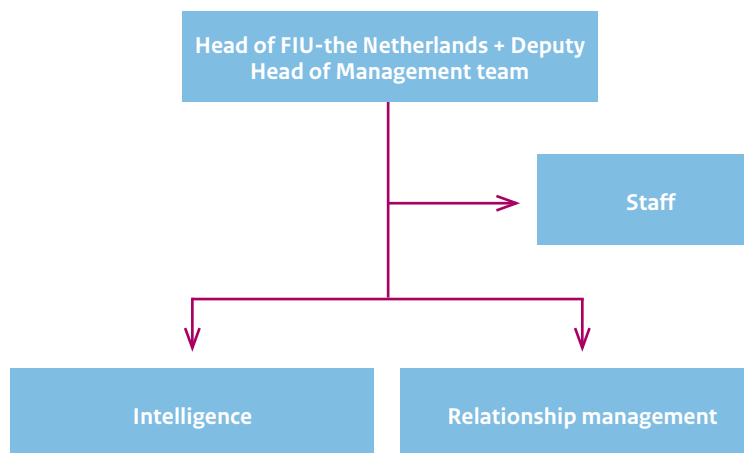
This appendix forms a general introduction of what FIU-the Netherlands is. It discusses the mission, the statutory task and the national and international playing field in which FIU-the Netherlands operates. It furthermore clarifies the statutory reporting obligation and the way in which FIU-the Netherlands implements these statutory tasks.

BII. 1 Positioning, statutory task and mission

Position FIU-the Netherlands

Formally, FIU-the Netherlands forms part of the legal person the State of the Netherlands. It is operating administratively under the National Police as a self-supporting, operationally independent, recognisably operating entity. Due to (sub) mandating, the Head of FIU-the Netherlands has the required powers at her disposal in respect of personnel and resources, guaranteeing the organisation's independence and operational independence. The policy line runs directly from the Dutch Minister for Security and Justice to the Head of FIU-the Netherlands. The management line runs from the chef of the National Police to the Head of FIU-the Netherlands.

Figure 1: Organisational structure of FIU-the Netherlands



Statutory task

The statutory task of FIU-the Netherlands is laid down in Section 13 of the Dutch Money Laundering and Terrorist Financing (Prevention) Act (Wwft). Its key task is the receipt, recording, processing and analysis of unusual transaction data with a view to determining whether these data can be of importance to preventing and investigating crime, declaring transactions suspicious, and the subsequent provision of these transaction data.

In addition to this key task, FIU-the Netherlands focuses on derivative tasks, including the provision of information to public and private partners and conducting studies into trends and developments in the field of money laundering and terrorism financing. In order to implement the described task FIU-the Netherlands has a workforce of 57 FTEs and an annual budget of 5.3 million euros. Since the 1st of January 2017 FIU-the Netherlands has had a temporarily increased budget of 0.6 million euros at its disposal.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



Of this temporary budget, 6 FTEs have been awarded to FIU-the Netherlands. This gives rise to a total disposable budget of 5.9 million euros and a workforce of 63 FTEs for a 5-year period. Figure 1 is a diagrammatical representation of the structure of the organisation.

Money laundering largely concerns consecutive (financial) acts carried out to attempt to give the criminally acquired assets an apparent legal source. Where terrorism financing is concerned, the origin of the money does not have to be illegal. Rather, it is the intended purpose of the money, namely the terrorist activities or the support of terrorists, for instance, which may render a specific transaction illegal.

Mission/vision

FIU-the Netherlands' mission is:

"The strength of FIU-the Netherlands is its financial intelligence. It uses this to prevent and fight crime as effectively as possible. It thereby promotes the societal safety and integrity of the financial system, both nationally and internationally, now and in the future".

FIU-the Netherlands is the designated organisation in the Netherlands that has exclusive disposal over details of reported unusual transactions that can be declared suspicious following further investigations. FIU-the Netherlands thereby forms a unique link between the entities that report unusual transactions and government partners that play a role in combatting national and/or international crime. FIU-the Netherlands does this by offering the relevant networks financial intelligence and expertise.

BII. 2 The Dutch Money Laundering and Terrorist Financing (Prevention) Act (Wwft)

The objective of the Money Laundering and Terrorist Financing (Prevention) Act is to combat money laundering and the financing of terrorism to guarantee the integrity of the financial and economic system.

Obligation to report unusual transactions

The Wwft focuses on different categories of business service providers, referred to in the law as "institutions", and imposes two obligations on them. Firstly, the obligation to carry out (risk-oriented) client studies and secondly, reporting unusual transactions. A client study contributes towards recognizing and controlling risks that certain clients or providing certain sorts of services entail. FIU-the Netherlands plays a crucial role in connection with the reporting obligation; institutions must report unusual e transactions which (may) be related to money laundering of the financing of terrorism to the "Financial Intelligence Unit", the specification employed by the Wwft for FIU-the Netherlands.

Reporting entities do not just concern financial institutions, but include casinos, trust offices, different types of traders and free professionals. An (intended) transaction is unusual if it complies with one or more reporting indicators. These indicators differ per group of reporting entities and are laid down in the Wwft Implementation Decree. A distinction can thereby be made between objective and subjective indicators. A reporting obligation arises in connection with objective indicators if a transaction exceeds a specific limit. Money transaction offices are obliged, for instance, to report all money transfers from € 2,000 to FIU-the Netherlands. A subjective indicator means that an institution is obliged to report a transaction if there is "a reason to presume" that the transaction is related to money laundering or the financing of terrorism.

The Dutch Money Laundering and Terrorist Financing (Prevention) Act (Wwft) determines the information that a report of an usual transaction should contain at the minimum. Fast and effective research can only be conducted into the potential involvement of persons in money laundering or terrorism financing based on high-quality reporting.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



Various supervisory bodies monitor the fulfilment of the Money Laundering and Terrorist Financing (Prevention) Act (Wwft). Failure to report or reporting an unusual transaction too late, incorrectly or incompletely is punishable.

FIU-the Netherlands as a buffer

All reports of unusual transactions are included in a secured database of FIU-the Netherlands, also referred to as “the buffer”. The reports are carefully protected. Only FIU-personnel have access to this secured database. The confidential handling of unusual transactions is essential to be able to work with reporting entities and foreign FIUs.

Only when reported transactions have been further investigated and an interest in preventing money laundering, terrorism financing or a related crime has been confirmed does the head of FIU-the Netherlands declare a transaction to be “suspicious” and is the suspicious transaction passed on to various enforcement and investigation services.

BII. 3 Policy and long-term objectives

Long-term objectives

For the period 2018-2021, FIU-the Netherlands has three strategic long-term objectives. These policy objectives are based on the tasks of FIU-the Netherlands, as described in Section 13 of the Wwft, and international regulations. These strategic long-term objectives are:

- Realizing excellent and applicable financial intelligence and promoting their broad-based use;
- Strengthening and broadening national and international alliances and the information exchange;
- The early identification of trends and phenomena and enabling these to be shared, both internally and externally.

FIU-the Netherlands strives to realise the broad-based and effective use of FIU-information and to obtain more insight into the use of FIU-products. In this way it aims to meet the need for information of its recipients as optimally as possible and to realise the structural use of FIU-information.

Various developments such as national programmes and setting up multidisciplinary alliances offer FIU-the Netherlands new possibilities to improve both the effectiveness of its information and the provision of feedback concerning its use.

Based on its unique information position FIU-the Netherlands has a large amount of data on possible cases of money laundering and terrorism financing that provide it with insight into trends and phenomena. International cooperation and data exchange offer FIU-the Netherlands and thereby the national investigation partners with valuable financial intelligence for tackling money laundering and terrorism financing.

BII. 4 The national and international playing field

FIU-the Netherlands operates at the interface between the public and the private sector. It works together with (representatives of) reporting entities, supervisory authorities, foreign FIUs and various investigative bodies and other partners which fill a role in preventing and investigating crime. FIU-the Netherlands strives to realise optimal coordination between its work processes (the receipt, analysing and declaring suspicious) of its partners’ priorities. It also aims to alert its partners to relevant data, trends and phenomena that can be put to use both within reporting policy and investigation practices.

The national playing field

FIU-the Netherlands maintains good contact and cooperates with a network of organisations engaged in preventing and combating crime, such as investigation services and supervisory bodies. To intensify the approach in the domains of money laundering and the confiscation of illegally acquired assets, in the last years, special funds have been used to set up several new alliances. Based on its objective of effectively combatting crime, FIU-the Netherlands is a partner in the Infobox Criminal and Unaccountable Assets (iCOV) set up in 2013, and cooperates intensively with the Anti-Money Laundering Centre and the Fiscal Intelligence and Investigation Service.

For the last three years FIU-the Netherlands has been a fully-fledged partner in the Financial Expertise Centre (FEC). The collective objective of the FEC-



Contents



Management summary



1 Developments in 2018



2 Receiving unusual transaction reports



3 Analysing unusual transactions



4 The use of transactions declared suspicious



5 Terrorism financing



6 The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba



1 Appendix I - Key indicators of FIU-the Netherlands 2018



II Appendix II - About FIU-the Netherlands



III Appendix III - List of abbreviations



partners is to strengthen the integrity of the financial sector by a mutual exchange of information and cooperation (see the framework). As a partner, FIU-the Netherlands has a seat on the FEC-Council, the contact person consultation and the information platform. It furthermore takes part in a number of (sub) workgroups of the FEC.

International cooperation

Financial transactions often have an international character. Crime in general and money laundering and terrorism financing in particular moreover often involve cross-border money flows. To combat these, international cooperation is therefore indispensable. Via the relevant international forums FIU-the Netherlands seeks to cooperate in policy-related areas.

Egmont Group

FIU-the Netherlands is a member of the Egmont Group, a worldwide alliance consisting of 159 FIUs which forms the basis for the international exchange of information between FIUs. In 2018 a new strategic policy plan was formulated, “Egmont Strategic Plan 2018-2021”. The policy focuses on the strengthening of regional cooperation between FIUs and the organisation of an effective and future-proof infrastructure within the Egmont Group. In terms of content the Egmont Group thereby focuses on the bilateral and multilateral sharing of financial intelligence, strengthening the possibilities of FIUs (by ECOFEL), the development of new alliances and expanding knowledge of the financial landscape. FIU-the Netherlands makes an active contribution towards various Egmont-workgroups. In July 2017 the Head of FIU-the Netherlands became chair of the Egmont Group for a two-year period. In addition, FIU-the Netherlands is a member of and takes part in two workgroups, which focus on one hand on operational cooperation (Information Exchange Working Group) and on the other on policy-related and procedural developments (Policy and Procedures Working Group).

EU FIU Platform

Since 2006 the FIUs in the European Union (EU) have been convening in the EU Financial Intelligence Units’ Platform (EU FIU-Platform) in order to intensify and streamline the mutual exchange of information. In 2014 this initially informal platform of FIUs was granted the formal status of expert group. In the fourth European money-laundering directive – which entered into force in June 2015 and was implemented in 2018 – this status was made even more explicit.

The EU hereby acknowledges the importance of cooperation between European FIUs and their specific expertise in the area of combatting money laundering and terrorism financing. The expert group fills a formal role in advising the European Commission.

FIU.net

The FIUs of the EU-countries make use of FIU.net for operational cooperation. This is a decentralised computer network that facilitates an efficient data-exchange between EU FIUs. The system’s decentral infrastructure guarantees the autonomy of the individual FIUs; FIUs themselves determine what is shared, with whom and when, without the central storage of their data. All 28 FIUs of the EU-member states are connected to the network and together, an average of 1,000 FIU.NET-requests are made per month. The fourth European anti-money laundering directive encourages FIUs to make use of FIU.net to communicate with each other.

FIU.NET has developed a module for ‘cross border reporting’ which makes it simpler for European FIUs to share reports of transactions with each other. Through a so-called ‘joint case’ in the FIU.NET-application the EU FIUs can share experiences and cooperate operationally, as a result of which the violation of EU-sanctions, for instance, can be quickly signalled.

Financial Action Task Force (FATF)

The Financial Action Task Force (FATF) is an intergovernmental organisation that is primarily known for the 40 recommendations made to the countries which participate in the FATF for the prevention and combatting of money laundering and terrorism financing. The FATF attributes an important role to FIUs and has also drawn up rules in its recommendations regarding the powers and the degree of independence that FIUs should have. The participating countries have committed to following these recommendations, and periodically evaluate each other to assess the extent to which they do so. FIU-the Netherlands takes part in the Netherlands delegation to the FATF where FIU-matters are concerned.

-  Contents
-  Management summary
- 1** Developments in 2018
- 2** Receiving unusual transaction reports
- 3** Analysing unusual transactions
- 4** The use of transactions declared suspicious
- 5** Terrorism financing
- 6** The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba
- I** Appendix I - Key indicators of FIU-the Netherlands 2018
- II** Appendix II - About FIU-the Netherlands
- III** Appendix III - List of abbreviations

BII. 5 Work of FIU-the Netherlands

Based on the following work processes FIU-the Netherlands shapes and implements its statutory tasks.

Reports received

FIU-the Netherlands is the designated authority to which the institutions designated in the Wwft must report unusual (intended) transactions.

There are over 30 different sorts of reporting entities, varying from banks and notaries to art and car dealers. Each year a total of more than 1000 reporting entities report more than 350,000 unusual transactions. FIU-the Netherlands promotes the reporting behaviour of reporting entities by means of active communication. Relation managers maintain direct contact with the reporting entities and cooperate with trade associations and supervisory bodies to promote the reporting obligation and provide information. Reporting entities are supported by a service point when making reports. Besides promoting the importance of reporting unusual transactions, there is also a focus on improving the quality of the reports made. Logically, high-quality and complete reports are the most valuable for FIU-the Netherlands.

Analysing

FIU-the Netherlands analyses all reports it receives and the Head of FIU-the Netherlands declares transactions suspicious if there is a reason for doing so. FIU-the Netherlands employs different sorts of investigations that may lead to a transaction being declared suspicious. A distinction can be roughly made between;

- Matches with external databases;
- LOvJ-requests;
- Requests from foreign FIUs and;
- Strategically guided own investigations.

Matches with external databases;

FIU-the Netherlands has a number of databases of network partners at its disposal based on which, with a certain frequency, a semi-automatic comparison is made (a so-called 'match'). The VROS (Index of Criminal Investigations and Subjects)-file of the police, which periodic matches are made with, is a major database. Unusual transactions of persons found in criminal investigations can be declared suspicious without lots of further investigations being conducted, and reported to investigators.

Besides matching with the VROS-file, FIU-the Netherlands also regularly matches its database with other strategically interesting sources, such as that of the Central Fine Collection Authority (CJIB) and various Departments for Work and Income (DWI).

LOvJ-requests

An investigation authority conducting an investigation into a specific suspect may benefit from filing an LOvJ-request with FIU-the Netherlands. Based on the request, in connection with this investigation subject, FIU-the Netherlands can declare unusual transactions suspicious and submit them to the investigation service. Otherwise than often the case in connection with intelligence, the financial tracks left by the suspect constitute hard information which can and is permitted to be used as evidence in a criminal case.

An LOvJ-request can be submitted at any stage of an ongoing investigation, and may be repeated during the investigation. An LOvJ-request can also provide valuable information about the conduct of an investigated subject during confiscation proceedings. Each year FIU-the Netherlands receives and handles between 1,000 and 1,500 LOvJ-requests, potentially varying in size to a high degree.

Requests from foreign FIUs

FIU-the Netherlands forms part of a worldwide network of (currently) 159 FIUs united in the Egmont Group. This forms the basis for operational cooperation whereby use is made of a secure digital environment, the Egmont Secure Web. Furthermore, FIU-the Netherlands has concluded MoUs with several FIUs in other countries.

Within the EU, cooperation is even closer. This is expressed in the EU FIU-Platform in which all FIUs of the EU are united. At an operational level, thanks to the technological possibilities offered by FIU.NET, simple and effective cooperation can take place and information can be exchanged in a safe manner. Besides targeted requests, using FIU.NET's Ma3tch-technology, the databases of the EU FIUs can be matched in an anonymous, encrypted and decentral manner. In this way FIU-the Netherlands can verify, in a highly efficient and safe manner, whether certain investigation subjects may possibly have left financial tracks at another location in Europe. The structures for the exchange of FIU-information offer big advantages in respect of regular police and criminal law legal aid channels.



Contents



Management summary



1 Developments in 2018



2 Receiving unusual transaction reports



3 Analysing unusual transactions



4 The use of transactions declared suspicious



5 Terrorism financing



6 The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba



I Appendix I - Key indicators of FIU-the Netherlands 2018



II Appendix II - About FIU-the Netherlands



III Appendix III - List of abbreviations



FIU-the Netherlands receives requests from foreign FIUs and submits its own requests to foreign FIUs. Both cases may lead to transactions being declared suspicious. Foreign inquiries often form part of own investigations and, to an increasing extent, of LOVJ-requests.

Strategically-guided own investigations

In addition to handling LOVJ-requests and carry out matches, FIU-the Netherlands also initiates and conducts its own investigations. When conducting its own investigation FIU-the Netherlands upgrades a file with transactions to a high-quality product which not infrequently directly helps the investigation partners to formulate a suspicion and to subsequently take follow-up steps. In case of an own investigation, besides its own database FIU-the Netherlands makes use of information from open sources, police systems are consulted and tax data can be requested.

The database with unusual transactions of FIU-the Netherlands is full of transactions which may indicate money laundering or other forms of crime. Given the current capacity of FIU-the Netherlands and the investigation authorities it is not possible and furthermore not desirable to subject all transactions to the same kind of far-reaching investigation. FIU-the Netherlands has developed a model of strategic guidance and tactical selection following from which, as far as possible, the right cases can be investigated which furthermore comply with the priorities of the receiving criminal investigation partners.

Dissemination

FIU-the Netherlands passes transactions that have been declared suspicious on to investigation authorities and/or the Public Prosecution Service. The information is used as guidance and to obtain insight into criminal activities and criminal cooperation, as start information for a criminal investigation or as a direct part of evidence in a criminal case. Relation managers of FIU-the Netherlands actively stimulate the use of FIU-information and create a link between the information position of FIU-the Netherlands and the priorities of the investigation services and the Public Prosecution Services.

The biggest recipient of FIU-information are the investigation services of the National Police and the FIOD. FIU-the Netherlands seeks to disseminate FIU-information both broadly and specifically via a police-wide application which virtually the entire police force has access to. FIU-the Netherlands uses

targeted dissemination by making agreements with the recipients of the information. This is part of the previously described model of strategic and tactical guidance employed by FIU-the Netherlands. Besides investigation partners, FIU-the Netherlands also provides information, at an aggregated level, to the Wwft-supervisory bodies in connection with their supervisory tasks. Reporting entities are also notified if a report they submitted is declared to be suspicious.

This enables the reporting entity to assess the usualness and unusualness of transactions in an even more specific and targeted manner.

Based on a good relationship with reporting entities on one hand and with investigating authorities on the other, FIU-the Netherlands can sometimes even intercept a transaction before the money moves out of the range of the Dutch investigating authorities. These kinds of cases where criminals can be caught in the act require perfect coordination and cooperation between all parties.

Phenomena and trends

The unique position of FIU-the Netherlands offers the possibility of detecting phenomena new trends. Using a high-quality reporting and analysis tool, FIU-the Netherlands can make targeted reports and analyses of the available data. Based on high-quality investigations, FIU-the Netherlands strives to identify so-called red flags by which transactions can be filtered from the database that can be linked to specific forms of crime. Due to capacity constraints, FIU-the Netherlands must be innovative and constantly balance interests in order to carry out these qualitative investigations. Nevertheless, visible results are achieved which FIU-the Netherlands uses to shape its monitoring function.

Strategic control

FIU-the Netherlands' extensive database can be inspected by FIU-the Netherlands intelligence staff at their own initiative in order to upgrade unusual transactions to direct opportunities for investigation services, to provide insight for supervisory bodies or to provide information to reporting groups. The reasons for starting our own investigation are wide-ranging. They include, for example, the monitoring of current risks and threats, sectors providing services with an increased risk of money laundering or services provided by new reporting entities. Other reasons may be queries from foreign FIUs and signals from partners.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



The investigation capacity of FIU-the Netherlands is limited, and conscious choices therefore have to be made for starting self-initiated investigations. FIU-the Netherlands has developed a strategic control model to manage its own investigations at strategic, tactical and operational levels. Two major bodies within this model are the strategic management consultation (SSO) and the tactical selection consultation (TSO).

The SSO determines the strategic framework of FIU-the Netherlands, based on policy priorities with investigation partners, signals received from reporting entities and supervisory bodies, trends in the reported transactions and international agreements in the area of the fight against crime. Current events and important incidents may lead to an adjustment of this framework.

Based on the prioritised themes selected by the SSO, and taking the available capacity into account, FIU-the Netherlands' own investigations are managed, at a tactical level, by the tactical selection consultation (TSO). Proposals for specific investigations can be submitted by the organisation to the TSO, which assesses and considers these proposals and, if necessary, requests additional information and links this to capacity and a deadline. Operational guidance is subsequently provided by a team leader.



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands

III

Appendix III - List of abbreviations



Appendix III - List of abbreviations

ACC	Anti-Corruption Centre	IRR	Intelligence Relation Reporting
AFM	Netherlands Authority for the Financial Markets	iRT	Thematic scan
AI	Artificial Intelligence	iRVI	Intelligence Reporting Wealth and Income
AMLC	Anti-Money Laundering Centre of the FIOD	KMar	Royal Netherlands Marechaussee
BES	The public bodies Bonaire, Sint Eustatius and Saba (Caribbean Netherlands)	KPCN	Caribbean Netherlands Police Force
BFT	Financial Supervision Office	KYC	Know Your Customer
BiBOB	Public Administration (Probity Screening) Act	LOvJ	National Public Prosecutor
BICC	Business Intelligence Competence Centre	MT	Money transfer
BVI	Information Database, a National Police Application	NCTV	National Coordinator for Security and Counterterrorism
CJIB	Central Fine Collection Authority	NP	National Police
CT-Infobox	Counterterrorism Infobox	NVB	Dutch Banking Association
DfID	Department of International Development	NVB	Dutch Association of Money Transfer Offices
DIKLR Finec	Service Information Hub National Investigation Service	NVIK	National Aliens Information Hub
DNB	Dutch Central Bank	OECD	Organisation for Economic Co-operation and Development
DWI	Department for Work and Income	OM	Public Prosecution Service
EC	European Commission, EU executive body	OVSE	Organisation for Security and Co-operation in Europe
ESW	Egmont Secure Web	PSD2	Second EU payment service directive
EU	European Union	RIEC	Regional Information and Expertise Centre
FATF	Financial Action Task Force	RTB	Regional Transaction Image
FEC	Financial Expertise Centre	SNRA	Supra National Risk Assessment
FinCEN	Financial Crimes Enforcement Network	UNODC	United Nations Office on Drugs and Crime
FinEC	Financial and Economic Crime Programme	UN	United Nations
FIU	Financial Intelligence Unit	VROS	Index of Criminal Investigations and Subjects
FIOD	Fiscal Intelligence and Investigation Service	Wwft	Netherlands Money Laundering and Terrorist Financing (Prevention) Act
GAFILAT	Financial Action Task Force of Latin America	Wwft BES	Netherlands Money Laundering and Terrorist Financing (BES islands) Act for the Caribbean Netherlands
GoAML	Government Anti-Money Laundering, ICT application built by UNODC	XBD	Cross Border Dissemination
iCOV	Infobox Criminal and Unaccountable Assets		
ISZW	Inspectorate of the Ministry of Social Affairs and Employment		



Contents



Management summary

1

Developments in 2018

2

Receiving unusual transaction reports

3

Analysing unusual transactions

4

The use of transactions declared suspicious

5

Terrorism financing

6

The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

I

Appendix I - Key indicators of FIU-the Netherlands 2018

II

Appendix II - About FIU-the Netherlands



Appendix III - List of abbreviations



52



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	Contents
	Management summary
1	Developments in 2018
2	Receiving unusual transaction reports
3	Analysing unusual transactions
4	The use of transactions declared suspicious
5	Terrorism financing
6	The Caribbean Netherlands: Bonaire, Sint Eustatius and Saba
I	Appendix I - Key indicators of FIU-the Netherlands 2018
II	Appendix II - About FIU-the Netherlands
III	Appendix III - List of abbreviations

