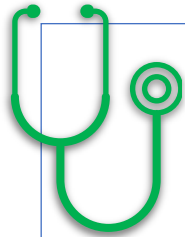


An aerial photograph of a coastal city, likely Valletta, Malta, at sunset. The city is built on a peninsula, surrounded by the sea. The sky is a mix of blue and orange, and the water reflects the colors. The city's architecture is dense and historic, with a prominent dome and spire visible.

The Risk-Based Approach - Factoring in the Results of the NRA



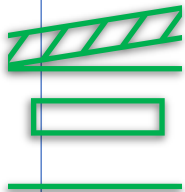
THE NRA - 5 REASONS WHY YOU SHOULD READ IT



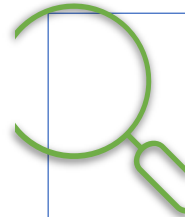
It is a health check of the country and of the sector you belong to.



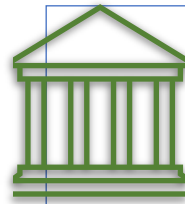
It can lead to a reconsideration of one's business model and strategy.



It can guide internal remediation exercises and implementation of new controls.



It provides a direction as to the areas that your supervisor is going to focus on.

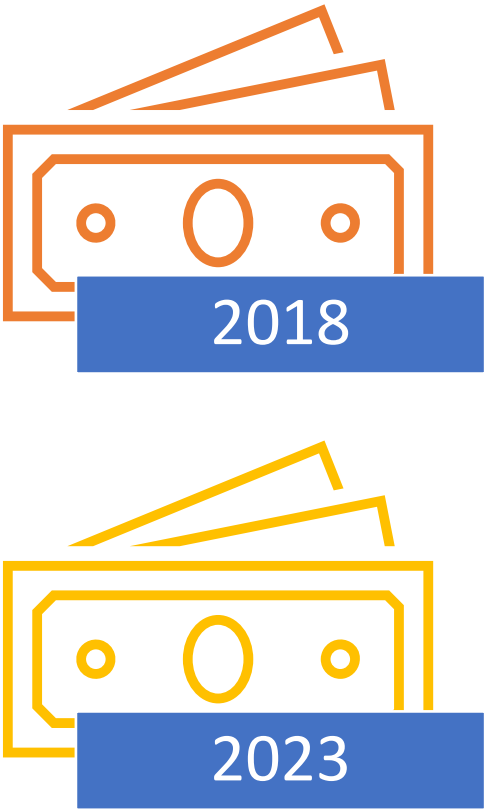


It is an obligation at law ... but be selfish and do it for your own good and safety.



A Health Check of the Country

Money Laundering

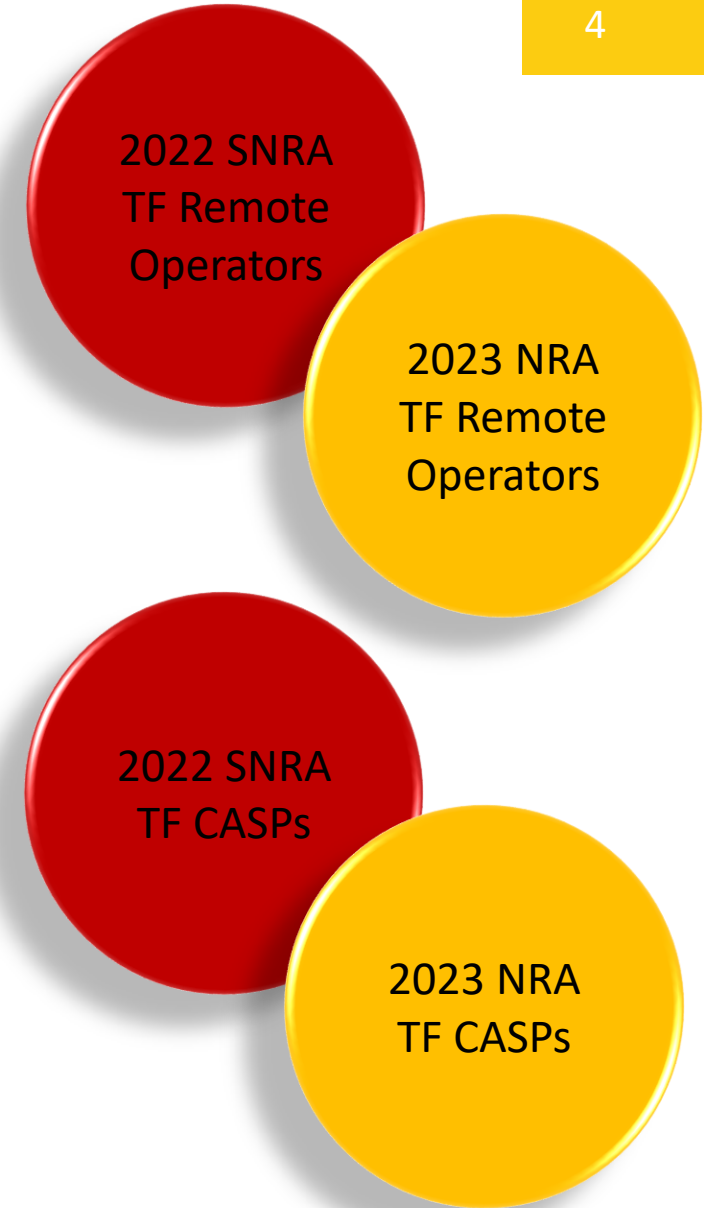


Terrorist Financing





A Health Check of the Gaming & CASP Sectors





The NRA & the Risk Based Approach

☐ **What ML/TF risks is the subject person exposed to?**

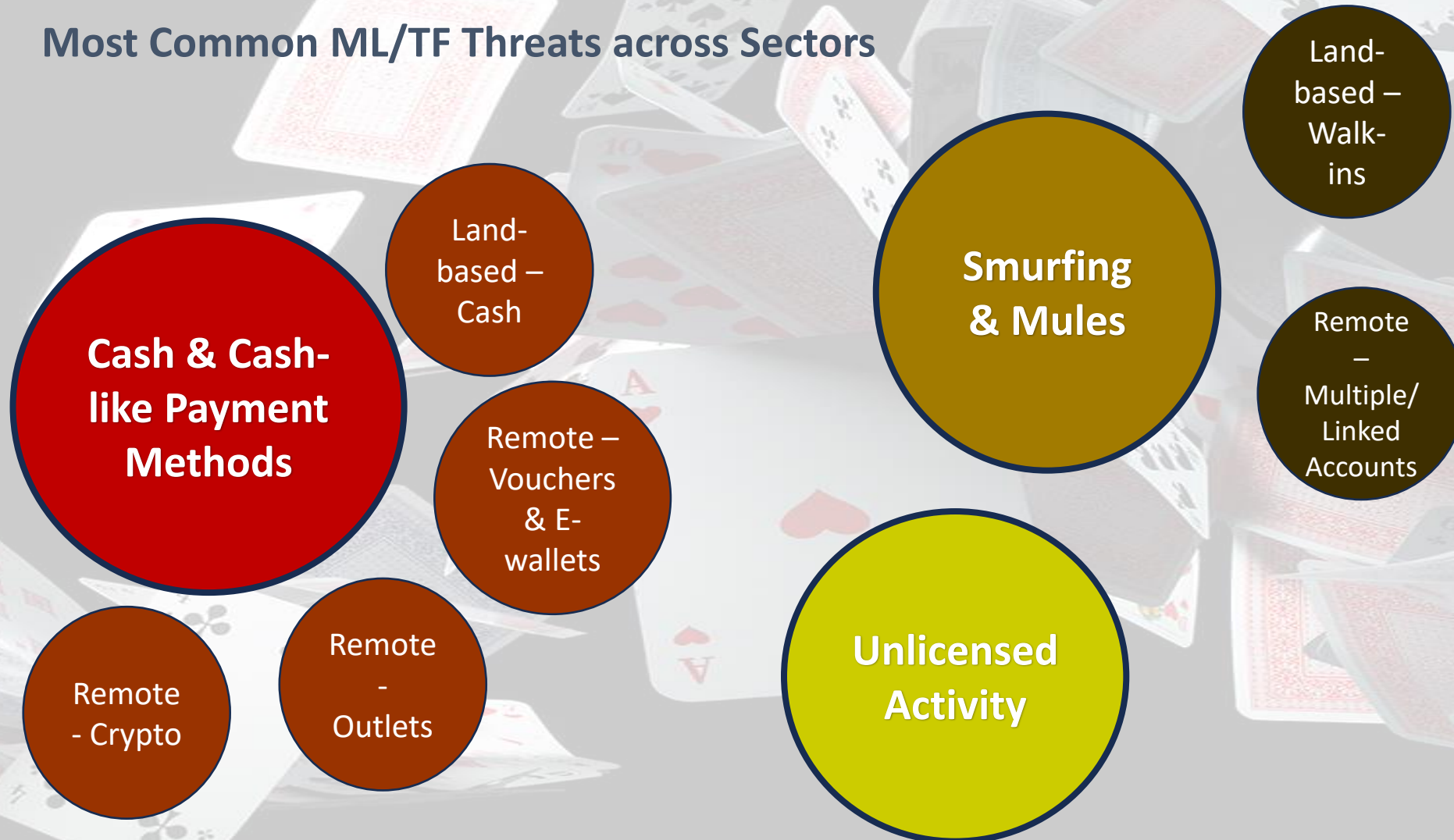
- Customer Risk**
- Product, Service & Transaction Risk**
- Geographical Risk**
- Interface Risk**
- Other Risks**

☐ **Are the mitigating measures preventing and/or detecting these risks?**

☐ **What additional mitigating measures is the subject person to implement?
What questions is it to ask its customers?**



Most Common ML/TF Threats across Sectors



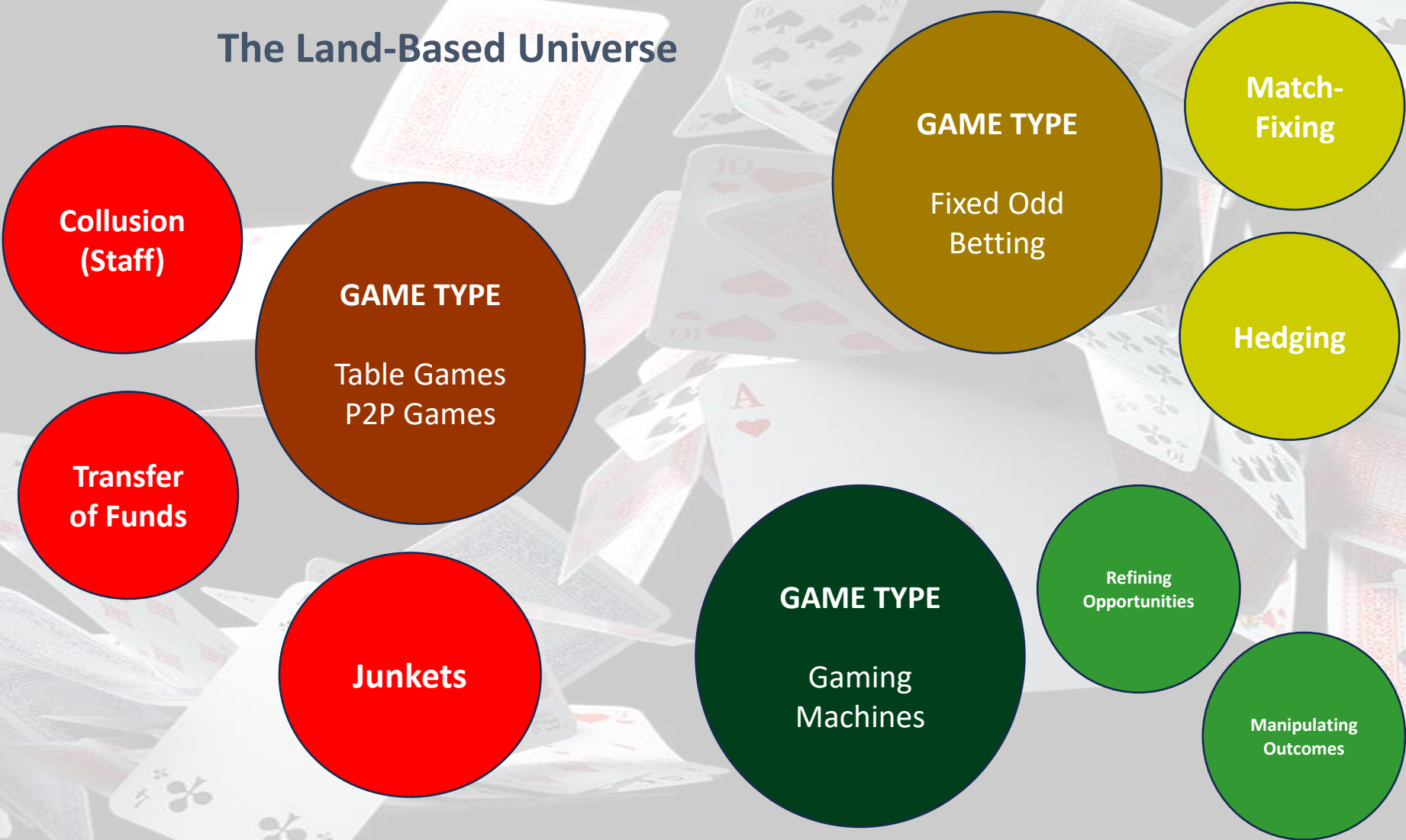


The Remote Gaming Universe



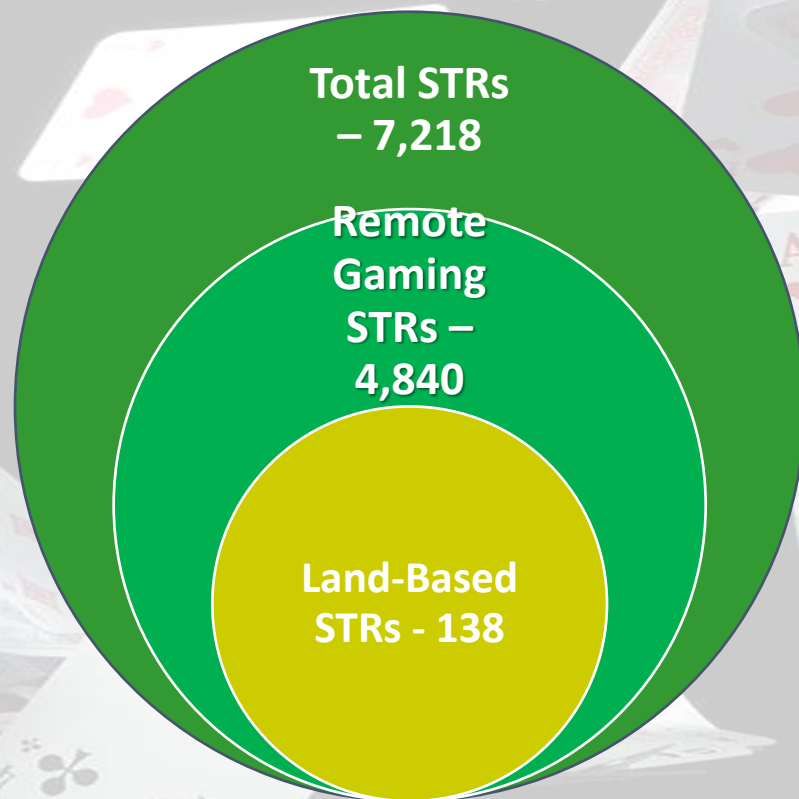


The Land-Based Universe





STR Reporting as a Gauge Risk – YE 2021



Trends from Remote Gaming Reporting



59 STRs - min 1 MLT resident



4,781 STRs - no MLT resident



Main reason for suspicion SOW/SOF issues



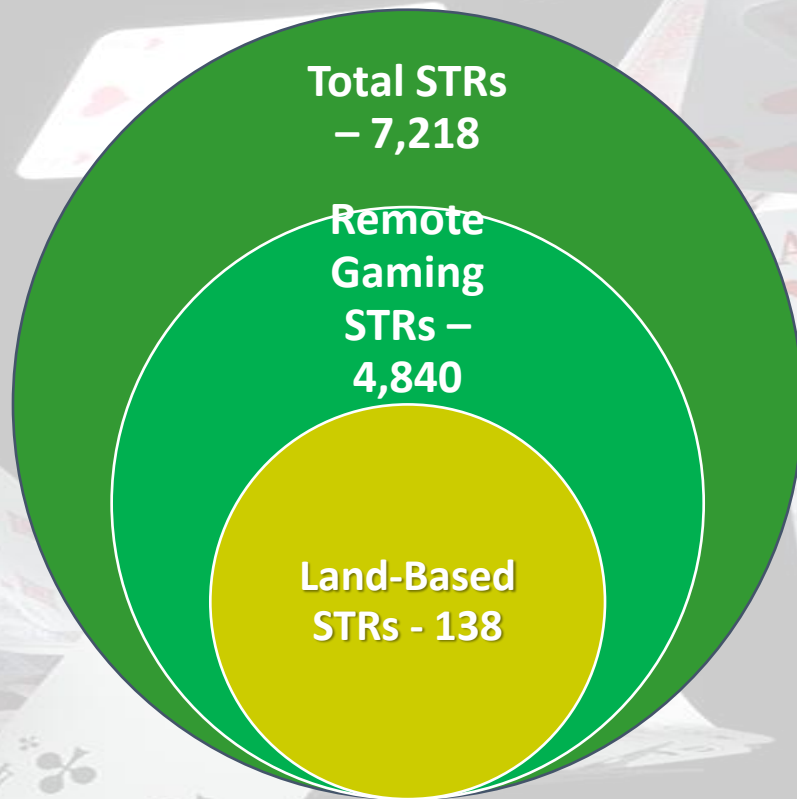
Suspected Predicate Offences
Fraud & Tax Crimes



Main reporters – Betting (44%)
& Casinos (33%)



STR Reporting as a Gauge Risk – YE 2021



Trends from Land-Based Gaming Reporting



88 STRs - min 1 MLT resident



50 STRs - no MLT resident



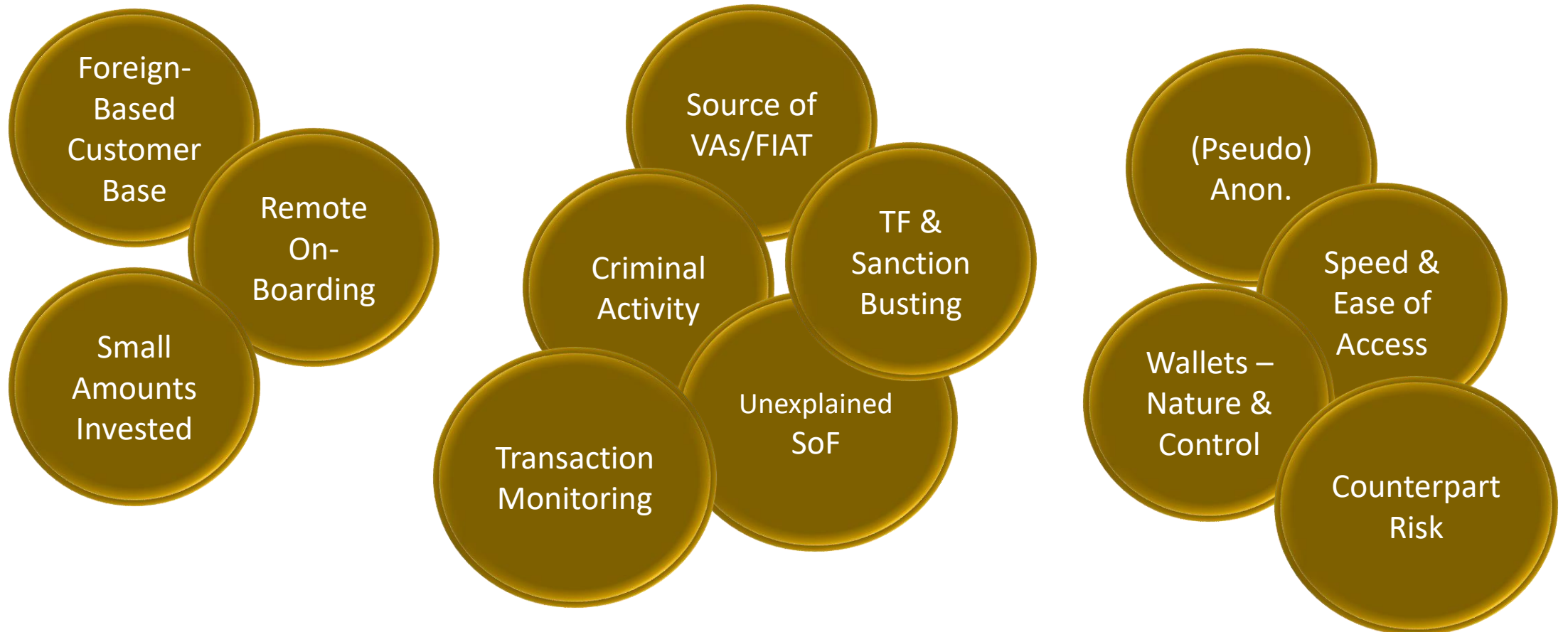
Main reason for suspicion SOW/SOF issues



Suspected Predicate Offences Unidentifiable



The Virtual Asset Service Providers





What are the FIAU Expectations?

- **The publication of the NRA is a trigger event - do undertake a review of your own BRA and related mitigating measures.**
- **No expectations that the BRA and any changes to the mitigating measures will be carried out in a few days.**
- **If you are subject to a supervisory engagement show us that you are working on the review.**
- **If you want to diverge from the assessment in the NRA, document your reasons and make sure they are valid ones.**
- **Hold information/training sessions for your directors, top management and interested officers and employees.**
- **Don't generalise – make use of sub-categories and avoid de-risking ...**
and treat TF separately from ML.



Join at
slido.com
#1149 116



Thank you!

jonathan.phyall@fiaumalta.org

legal@fiaumalta.org

queries@fiaumalta.org

If you need us, we're here to help you!