



Guidance Document

Indicators update and their reporting through goAML



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MARKING INDICATORS ON SUSPICIOUS REPORTS SUBMITTED – WHY IS IT IMPORTANT?

The Financial Intelligence Analysis Unit (FIAU) encourages reporting entities (RE) to mark as many relevant indicators as possible on the suspicious reports they submit, whether they are activity or transactional reports.

The indicators chosen should be those which are considered the most appropriate to reflect the suspicious situation being reported: the reason for suspicion, the suspected predicate offence(s) - including if it is not known, the product or service offered and other products involved, amounts suspected to be laundered through the product or service being provided by the reporting entity (RE) and any other relevant red flags available in the indicators list.

Including all the relevant indicators allows for a better analysis of the data, as well as for a more complete and accurate picture of the money laundering and terrorism financing trends, typologies and emerging threats. Correct and complete reporting facilitates the carrying out of quality strategic analyses, resulting in more meaningful insights, to be used for internal decision-making and/or shared with the subject persons in guidance documents and training events.

In addition, marking indicators accordingly helps the FIAU answer questionnaires and queries from international transnational bodies and evaluators, and enables the Unit and Malta as a jurisdiction, to support their position and better prove their compliance with international standards and requirements.

PRODUCTS

Subject persons should be in a position to mark at least the product/ service offered directly by them, which led to the suspicion being raised. In cases where the business relation was not established, or the occasional transaction ended up not taking place, the product or service the natural or legal person approached the subject person for, needs to be selected. Moreover, marking other products the RE has visibility on (e.g.: bank accounts in EU/EEA, e-money accounts non-EU/EEA etc.) is highly encouraged and appreciated.

XML REPORTING – WHY IS IT IMPORTANT?

The FIAU requires subject persons to implement XML reporting as soon as possible. Not only does XML reporting enable bulk reporting, but also allows for faster, more accurate reporting of suspicious reports and ensures easier input of transactional data for the subject person. This type of reporting is also used by numerous subject persons internationally, the benefit of

which is evident in the quality and timeliness of the analytical process, which is in turn carried out by their jurisdiction's respective FIU.

UPDATES FROM 1 JANUARY 2022

Since 1 January 2021, several changes have been made to the list of indicators as published in the technical documentation. Several indicators have been renamed or removed, whilst others have been added to better capture and monitor the ML/FT typologies encountered.

This final list will be in force and utilized from 1 January 2022.

In addition, the full list has been updated and published as part of the technical documentation on the FIAU's website

<https://fiaumalta.org/report-a-suspicion/>

Rejection rules for transactions-based reports

For transactional suspicious reports, two rejection rules have been implemented to not allow 0 value amount transactions to be included, and to reject any transaction that are postdate of submission of the report.



Other observations:

Amounts range indicators

These should be marked based on the total amount suspected to have been laundered in connection to Malta as a jurisdiction (only).

As an example, for a client who is being offered an e-money account, in which the person receives different kinds of transfers and makes different types of credit card payments (including for groceries), a review by the subject person is being triggered following negative news tying the person to an international multi-million fraud. In this instance, the amount range to be indicated should not capture the value mentioned in the media, but the sum of the total transactions that the subject person has visibility over and considers suspicious (without inter-account transfers, salary payments which do not raise concern, grocery shopping etc.)

Reason for Suspicion Field

- **This field is to be completed with a brief overview of the suspicion being reported.**
The field "Reason for suspicion" is meant to capture the "executive summary" of the suspicious report to an appropriate level of detail, irrespective of natural or legal persons involved. Having such information completed in a meaningful manner permits better analysis at database level, as well as enhanced data extraction. **With effect from 1 January 2022, reports which do not contain the executive summary in this field or which contain generic references such as "Please refer to attached report" will be rejected.** Considering the limitation regarding the number of characters accepted in this text box, additional details are welcomed in the attached documentation.
- **Where possible, files/attachments need to be provided, in editable format. PDF files need to be searchable and allow copying of relevant text from the document.**

- **Transactional activity for involved persons/ entities for the last 5 years should be included upon initial submission of the suspicious reports**, together with onboarding documentation, including application forms for the services provided, customer business and risk profile documentation. The provision of this information upon submission of the suspicious report would reduce the need for further requests for information, therefore saving time for both the reporting entity as well as the Unit and ensuring a more seamless analytical process.

I. Indicators which have been removed

PREDICATE OFFENCES

- **PO – 15:** Participation in an organised criminal group and racketeering
(Please refer to PO – 151 and PO – 152 below)
- **Prod – 1:** Cash&ATMs - Domestic
(Please refer to Prod – 111 to Prod- 114 below)

II. Indicators which have been renamed

PREDICATE OFFENCES

- **PO – 19:** Traffic of Human Beings - Sexual exploitation
- **PO – 191:** Traffic of Human Beings - Sexual exploitation of children
- **PO – 232:** Traffic of Human Beings - Forced Labour
- **PO – 233:** Traffic of Human Beings - Organ Removal
- **PO – 25:** Counterfeiting Currency
(Please note PO – 3: Counterfeiting Currency)
- **PO – 26:** Illicit arms trafficking
- **PO – 35:** Embezzlement of funds

REASON FOR SUSPICION

- **RS – 15:** Proposed UBO/s changes after requesting identification details
- **RS – 33:** UBO disguise by involvement of third parties

PREDICATE OFFENCES

- **PO – 19:** Trafficking in Human Beings - Sexual exploitation (excluding minors)
- **PO – 191:** Trafficking in Human Beings - Child Sexual Exploitation
- **PO – 232:** Trafficking in Human Beings - Forced Labour
- **PO – 233:** Trafficking in Human Beings - Organ Removal
- **PO – 25:** Living off the earnings of prostitution and/or running a brothel
- **PO – 26:** Illicit arms trade
- **PO – 35:** Embezzlement/ Misappropriation of funds of funds

REASON FOR SUSPICION

- **RS – 15:** BO Concealment - Proposed UBO/s changes after requesting identification details (initial BO does not want to be disclosed, persons change when CDD initiated etc.)
- **RS – 33:** BO Concealment - UBO disguise by involvement of third parties (strawmen, nominee shareholding not disclosed, signatory rights/power of attorney providing full rights to unrelated persons etc.)

II. Indicators which have been renamed (cont.)

REASON FOR SUSPICION (cont.)

- **RS – 37:** Concealing Ownership

REPORT TAG

- **RT– 38:** Monitoring Order
(Please note **RT- 9:** The subject person has been directed to monitor transactions or banking operations)
- **RT–211:** Current PEP Domestic: Involvement of a domestic PEP in the situation reported
- **RT–212:** Former PEP Domestic: Involvement of a former domestic PEP in the situation reported
- **RT –213:** Current PEP Foreign: Involvement of a foreign PEP in the situation reported
- **RT – 214:** Former PEP Foreign: Involvement of a former foreign PEP in the situation reported

REASON FOR SUSPICION (cont.)

- **RS – 37:** BO Concealment - Concealing Ownership (decision-making, instructions, correspondence etc.)

REPORT TAG

- **RT–38:** IIP - Refused Investor Programs applicants (irrespective of the application year)
(Please note **RT- 9:** Monitoring Order: The subject person has been directed to monitor transactions or banking operations)
- **RT–211:** Current PEP National: Involvement of a national PEP in the situation reported
- **RT–212:** Former PEP National: Involvement of a former national PEP in the situation reported
- **RT – 213:** Current PEP International (non-EU): Involvement of an international PEP in the situation reported
- **RT – 214:** Former PEP International (non-EU): Involvement of a former international PEP in the situation reported



III. Indicators which have been added since 1 January 2021

AMOUNTS

- **Amount – 01:** EUR 0 - 10,000
- **Amount – 02:** EUR 10,001 - 50,000
- **Amount – 03:** EUR 50,001 - 100,000
- **Amount – 04:** EUR 100,001 - 500,000
- **Amount – 05:** EUR 500,001 - 1,000,000
- **Amount – 06:** EUR 1,000,001 - 5,000,000
- **Amount – 07:** EUR 5,000,001 - 10,000,000
- **Amount – 08:** EUR 10,000,001 - 50,000,000
- **Amount – 09:** EUR 50,000,001 and over
- **Amount – 10:** Amount not specified/ not available

INTERNAL

- **Internal – 09:** Cash restriction – EUR 10k breach
- **Internal – 10:** Subject person disseminated intelligence to foreign counterparts

PREDICATE OFFENCES

- **PO – 151:** Organised crime - DOMESTIC- Participation in an organised criminal group and racketeering
- **PO – 152:** Organised crime - INTERNATIONAL - Participation in an organised criminal group and racketeering
- **PO – 37:** Match-fixing

PRODUCTS

- **Prod– 69:** Nominee Shareholding
- **Prod– 70:** Unhosted/self-hosted/non-custodial Wallet
- **Prod– 71:** Fiduciary Services
- **Prod– 111:** Physical Cash
- **Prod– 112:** ATM (Domestic)- Deposit: Cash
- **Prod– 113:** ATM (Domestic)- Deposit: Cheques
- **Prod– 114:** ATM (Domestic)- Withdrawal

REASON FOR SUSPICION

- **RS– 46:** Indication of collusion via established link: same device, same IP, same card details, password etc.
- **RS– 47:** Usage of several/multiple debit/credit cards in the name of third parties
- **RS– 48:** Legal person not filing required documents with authorities (e.g.: annual return, financial statements with MBR etc.)

III. Indicators which have been added since 1 January 2021 (cont.)

REPORT INDICATOR

- **Ri- 01:** HNWI - High-Net-Worth Individuals
- **Ri- 02:** € 2,000 threshold not met
- **Ri- 03:** € 2,000 threshold met; no SOW/SOF information &/documentation obtained for the customer
- **Ri- 04:** € 2,000 threshold met, total deposits in the last 12 month > € 20,000
- **Ri- 05:** € 2,000 threshold met, total deposits in the last 12 month > € 20,000
- **Ri- 06:** Linked Accounts/Collusion ring identified, none of the players reached the € 2,000 threshold
- **Ri- 07:** Linked Accounts/Collusion ring identified, at least one of the players reached the € 2,000 threshold
- **Ri- 08:** Project Defunct I – 2020
- **Ri- 09:** Project Defunct II - 2021
- **Ri- 10:** Directive 1153
- **Ri- 11:** IIP - Malta Individual Investor Programme (before 2020)
- **Ri- 12:** IIP - Malta Citizenship by Investment - Citizenship by Naturalisation for Exceptional Services by Direct Investment (from 2020)

REPORT TAG

- **RT- 215:** Current PEP EU: Involvement of an EU PEP in the situation reported
- **RT- 216:** Former PEP EU: Involvement of a former EU PEP in the situation reported
- **RT- 33:** Call for Action: High-Risk Jurisdictions subject to a Call for Action
- **RT- 34:** Peer-to-peer transfers
- **RT- 35:** Chargebacks
- **RT- 36:** Structuring of transactions (including the usage of smurfs)
- **RT- 37:** Attachment Order
- **RT- 38:** IIP: Refused IIP applicants (irrespective of the application year)
- **RT- 39:** Investigation Order



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Questions on this document or on the application of AML/CFT measures may be sent to goamlsupport@fiaumalta.org

Financial Intelligence Analysis Unit
65C, Tower Street,
Birkirkara BKR 4012,
Malta

Telephone: (+356) 21 231 333
Fax: (+356) 21 231 090
E-mail: info@fiaumalta.org
Website: www.fiaumalta.org