



Financial Intelligence Unit -
the Netherlands

FIU-the Netherlands

Annual Report

2017 >

Preface

Dear reader,

We hereby present the annual report of FIU-the Netherlands for 2017. In the past year, FIU-the Netherlands, together with its network partners, has made an intensive contribution to the fight against money laundering and terrorism financing. For me personally, 2017 was a special year, partly because as of July 2017, I will hold the position of Chair of the Egmont Group of Financial Intelligence Units for the next two years. This acquired position shows that FIU-the Netherlands enjoys professional prestige and trust both nationally and internationally. In addition, this function offers the possibility to profile the position of FIUs in the approach to money laundering and terrorism financing on national and international platforms.

In the past year, FIU-the Netherlands has received more than 360,000 reports of unusual transactions from the reporting entities. After careful investigation and analysis, more than forty thousand transactions from the FIU database could be declared suspicious. These suspicious transactions were all made available to the investigation, intelligence and security services for further investigation and possible prosecution. The suspicious transactions represented a total value of almost 6.7 billion euros in 2017.

These numbers show that the year 2016 was a marked peak in relation to the number of reports of unusual transactions, but that these reports show a solid increase over the four-year period. The enormous value of almost 6.7 billion euros from the 40,546 suspicious transactions shows that the efforts of FIU-the Netherlands matter. These figures are, of course, partly due to the reporting entities and the supervisory authorities who provide a good quality reporting method. In the past year, useful information from the investigation services via FIU-the Netherlands found its way back to the reporting entities. This resulted in a better coordination and therefore also a better signalling in the reporting of unusual transactions.

By embedding the theme-based approach, FIU-the Netherlands was able, in 2017, to better coordinate its products with its customers. I therefore have the conviction that the coordination with the investigative services, combined with suitable partnerships within the private sector, can lead to an even better end result.

FIU-the Netherlands sees that moving along with the changes within the financial (tech) world is just as necessary as the need to improve its own ICT facilities. FIU-the Netherlands automates where possible in order to use its available analysis capacity as effectively as possible. This means that delivering usable and high-quality financial intelligence remains the top priority for FIU-the Netherlands. In 2018, the implementation of the extra formative expansion will be completed and will contribute in a targeted manner to the tasks that are legally assigned to FIU-the Netherlands. In addition, quality will go before quantity in 2018, but the one certainly does not have to exclude the other.

And finally, I hope you enjoy reading this 2017 Annual Report.



Hennie Verbeek-Kusters MA, May 2018

Head of FIU-the Netherlands

FIU-the Netherlands

the power of financial intelligence

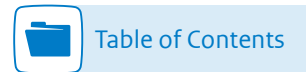
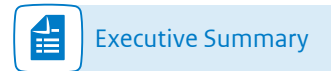


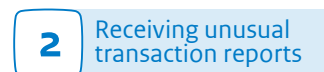
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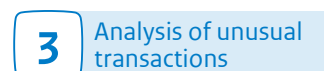
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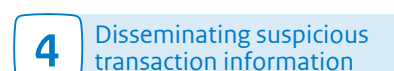
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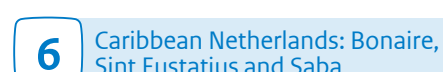
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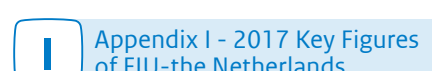
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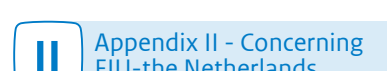
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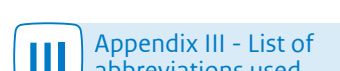
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Policy-related and organisational developments at FIU-the Netherlands

For FIU-the Netherlands, 2017 was in many ways a remarkable year. In 2017, FIU-the Netherlands started with the complete introduction of theme-led investigations. This has ensured that the internal control process has changed dramatically, leading to a higher quality of our own initiated and the demand-driven files for the benefit of ongoing investigations. In addition, quantitative arrangements with the criminal investigation services ensure a better coordination of the products that FIU-the Netherlands provides. The themes used by FIU-the Netherlands: known and unknown threats in relation to terrorism financing, money laundering, corruption, criminal assets, drugs, fraud, Caribbean Netherlands and significant changes in reporting patterns and files have, in 2017, in coordination with the investigation, intelligence and security services, led to a clear added value of FIU products. The preparations to automate the LOV requests and the further improvement of the search module, with which police investigators are more effectively and efficiently able to search for suspicious transactions, will gradually make the access to and the availability of financial intelligence easier for law enforcement authorities. One example of a characteristic

innovative application of financial intelligence was the cooperation between and with the National Police, the Public Prosecutor's Office and the city of Amsterdam, in relation to entrepreneurs in the hotel and catering industry in the Centre of Amsterdam. This cooperation has led to the refusal to issue catering permits due to improved review at the front of this process.

Unusual transaction reports received

In 2017, FIU-the Netherlands registered 361,015 reports of unusual transactions. This is a decrease of approximately 14% compared to 2016. In the longer term (2014 and 2015) there has been a stable increase in the number of received unusual transactions. The year 2016 was an exception because of the very large numbers of subsequent notifications that were done. In 2017, FIU-the Netherlands organized its supply of intelligence to the investigative agencies on the basis of the pre-established need. In 2017, this need was extended to the reporting entities because there was a focus on the targeted improvement in the quality of notifications. In 2017, there was close cooperation with the reporting entities and supervisory authorities of the Wwft [(Dutch Money Laundering and Terrorist Financing (Prevention) Act)]. Periodically, an overview was provided to the supervisory authorities

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concerning the behaviour of the reporting institutions for the supervisory capacity. New anonymous cases were placed on the website of FIU-the Netherlands for further knowledge sharing, as well as for the reporting entities.

Analysis of unusual transactions

In 2017, FIU-the Netherlands, on the basis of analysis and investigation, declared 40,546 transactions with a total value of almost 6.7 billion euros to be suspicious, the highest amount since it was established. Most of these suspicious transactions came in 2017, from money transfers, carried out by the reporting group of payment service providers. The suspicious transactions have all been made available to the investigation, intelligence, and security services. Partly due to a technical failure in the semi-automatic match, the number of suspicious transactions in 2017 was stated to be lower than in 2016 (see section 4.1). The suspicious transactions have subsequently resulted in 5,898 files. The formatted files can also be used, in addition to the use in detection, to provide the supervisory authorities and the reporting entities with specific insights and knowledge. In 2017, on the basis of the established themes, FIU-the Netherlands also conducted its own investigations.

Within the theme of money laundering, FIU-the Netherlands saw, in 2017, that the use of cryptocurrencies had increased, due to the increase in the number of unusual and suspicious transactions. The number of reports of unusual transactions related to cryptocurrencies rose from an average of 300 (for the period 2013 to 2016) to 5,000 reports per year in 2017. About ninety percent of the reports of unusual transactions were related to purchases of Bitcoins. Of these 5000 reports, there were 1400 declared suspicious in 400 compiled files. In most files, a picture emerged of the use of cryptocurrencies for various money laundering actions. Despite the fact that the sharp increase in the number of cryptocurrency notifications suggests otherwise, the increase in the number of reports of cryptocurrencies does not necessarily directly indicate general criminalization. The learning ability of reporting entities also plays a role. Reporting institutions are getting a noticeably better grip on recognizing unusual cryptocurrency-related transactions, which causes the number of reports of unusual transactions in relation to them to increase.

Use of transactions declared suspicious

In 2017, FIU-the Netherlands paid more attention to the actual use of the declared suspicious transactions. In this way they hope to bring the production in line with the recipients. The declared suspicious transactions are used by the criminal investigation services as information for the start of an investigation, as possible additional evidence at hearings, as control information in investigations and evidence during investigations. In 2017, the National Police could make use of an improvement in the search function with respect to suspicious transactions submitted by FIU-the Netherlands within their own information systems. This ensures better access and accessibility to financial intelligence for the criminal investigation services in a relatively simple way. In 2017, FIU-the Netherlands also invested in the alignment of the themes of the special investigation services. On the theme of fraud, the special investigation services are by far the largest recipient of financial intelligence coming from the Netherlands. FIU-the Netherlands hopes, by the alignment of these themes, to also improve the coordination and use of its data for the special investigation services.

Terrorism financing

In addition to combating money laundering, the other main legal task of FIU-the Netherlands is combating and preventing the financing of terrorism. In 2017, 3,139 transactions were declared suspicious on the basis of a possible relation to terrorism financing, investigations of counter-terrorism or a connection to an exit to areas where Islamic State was active. Also, when analysing transactions in the context of the financing of terrorism, there were signals that, with certain unusual transactions, there were money flows that could be traced to criminal activity. In 2017, FIU-the Netherlands took part in the Action Programme on the Comprehensive Approach to Jihadism. Within this programme, FIU-the Netherlands submitted suspicious transactions which they obtained through national or international partners. In 2017, this led to an increase in the number of products delivered to the intelligence and security services. FIU-the Netherlands constantly monitors if transactions are reported concerning persons who have been placed on the National Sanctions List.



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In 2017, FIU-the Netherlands participated in the initiative to share national sanction lists among EU FIUs to determine whether persons on this list were also active outside the national borders. Within the international cooperation between FIUs (Egmont Group), in 2017, the development continued in the sharing of multilateral financial intelligence. Hereby the available financial intelligence was shared with multiple FIUs (which have a possible interest in having access to the present intelligence which other FIUs have) within this domain. In 2017, FIU-the Netherlands received 64 requests from foreign FIUs relating to terrorism and/or the financing of terrorism. In addition, FIU-the Netherlands sent 34 requests to foreign FIUs relating to terrorism and/or the financing of terrorism. In 2017, FIU-the Netherlands worked on an international project in the field of combating terrorism financing. Here, on the basis of multilateral exchange of information among FIUs, they looked at terrorism financing. Based on suspicious transaction information, available at the participatory FIUs, the possibilities were investigated to map the facilitating networks to the support of jihadists.

The Caribbean Netherlands

In 2017, FIU-the Netherlands registered 1,038 reports of unusual transactions, submitted by the reporting service providers in the Caribbean Netherlands. In 2017, the liaison officer in the Caribbean further invested in the quality of the received messages. An information meeting for the financial service providers and a conference aimed at preventing money laundering and fraud within the real estate sector in the Caribbean Netherlands contributed to this. Based on research and analysis, FIU-the Netherlands declared 337 transactions to be suspicious and subsequently bundled them into 35 files. The suspicious transactions represent a total value of nearly 192 million euros. All transactions declared suspicious were made available to the criminal investigation services. In 2017, the number of suspicious transactions and their total value greatly increased. The total value of the suspicious transactions was influenced by a number of cases involving large sums of money. Improved analysis capabilities have also led to the increase in the number of suspicious declarations.

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1. Developments

2017 has been, in many ways, a remarkable year for FIU-the Netherlands. With 361,015 reported unusual transactions, there has been, in the long term starting in 2013, a rising trend in the number of reported unusual transactions.

In 2017, FIU-the Netherlands implemented the theme-led investigations. This has been done in order to connect as optimally as possible with the demand from the investigation services. Although, in 2017, the changed approach has led to a quantitative decrease in their own initiated files, it has also led to better quality and investigations that are based more on the need of the investigators with respect to the files in question. Also, this has, for FIU-the Netherlands, provided for binding quantitative commitments concerning the acquisition by the investigation agencies. By using the methodology laid out, a number of very complex and labour-intensive files could be prepared where comprehensive criminal partnerships were uncovered.

This way of working has, quantitatively, not brought any substantial change in the number of suspicious transactions. Apart from the year 2016, the number of suspicious transactions, is nearly identical to the high number of 40,546 of 2015. The total value of suspicious declarations of approximately 6.7 billion euros, has increased substantially each successive year (from almost two billion in 2015 to more than four billion in 2016). The semi-automated match with police files (VROS) led to fewer suspicious declarations in 2017. The reason for this is that, on the one hand, priority was given to the handling of the greatly increased number of LOVJ requests for ongoing criminal investigations. On the other hand, there was a temporary technical problem with the VROS match. FIU-the Netherlands expects that, in 2018, the number of suspicious declarations will again be higher than in the past year, partly in view of the fact that the technical problems with the automatic match with the police files have been repaired. The ambition of FIU-the Netherlands is not so much in delivering large amounts of data to the investigation services, but more in being able to meet the need for financial intelligence more qualitatively. In this way, it follows the thematic approach that was started in 2017.

1.1 Strategic control

Based on a strategic analysis, FIU-the Netherlands has worked, over the past year on the themes it has set for itself. These themes were also determined on the basis of the annual objectives of the investigation, intelligence and security services. As a result, the activities and products of FIU-the Netherlands were linked with the operational execution of the tasks of the aforementioned customers. This enabled FIU-the Netherlands

to be of specific added value for these customers. The priority themes were:

- known and unknown threats in relation to terrorist financing;
- corruption;
- money laundering in relation to criminal assets;
 - money-laundering schemes
 - financial facilitators
 - Confiscation
- drugs;
- fraud;
- The Caribbean Netherlands;
- significant changes in reporting patterns and files.

In addition to these themes, part of the capacity of researchers and analysts was reserved for research that FIU-the Netherlands can carry out because of its unique position. Examples include investigations into possible financial leads after liquidations. These have led to the reporting of suspicious transactions and investigations at the investigative services. Another example concerns investigations involving members of Outlaw Motorcycle Gangs (OMGs) whereby suspicious transactions in relation to this were also reported to the investigation services.

1.2 Management and organisation

In 2017, FIU-the Netherlands invested expeditiously in management and organization. This is in order to be able to carry out the correct and consistent execution of the statutory tasks assigned to it as optimally as possible. These investments took place in various areas and contributed, individually or together, to the further improvement of effectiveness and efficiency of the current business processes.

Automation of intake process

Preparations were made in 2017 for the digitization of incoming information requests from the National Police (the so-called LOVJ requests). To achieve this, in mid-2018 the new release of GoAML (the secure FIU application for storing notifications and requests) will be implemented. This new version of GoAML ensures that the digital intake process can be started. This digitization will result in a reduction of the capacity within demand-driven working, because this is relatively labour-intensive. The capacity released will eventually become available for investigating unusual transactions.

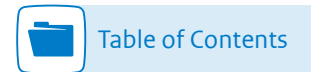


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Smarter searching and independent analysing

In 2017, FIU-the Netherlands cooperated in the testing and further development of a new search module within one of the police data systems. This enables authorised police officers to search more effectively and efficiently for (among other things) suspicious transactions. This will lead to an improvement in the application of financial intelligence within criminal investigations and, thus, also in the event of a possible prosecution. The roll-out will take place in April 2018 under the direction of the National Police.

In 2017, specifically for all police units in the country, the Business Intelligence Competence Center (BICC) of the police, together with FIU-the Netherlands realized the possibility, independently and without the intervention of FIU-the Netherlands, to draft overview and insight reports of suspicious transactions. This option is built into the report module of the application Bluespot. This allows all police regions to carry out independent analysis on all disseminated suspicious transactions. This will allow FIU-the Netherlands, in time, to presumably receive fewer area-based analysis questions. The analysis capacity thereby released can be used on other and new analyses of unusual transactions.

Innovation on data

Within the data warehouse of the police (BVI), a separate environment has been set up where various police sources are made accessible. Within this environment, the available suspicious transactions can also be accessed so that this information is accessible for use in criminal investigations. In 2017, together with the police, FIU-the Netherlands started a process to look at the relationship of these various sources in an innovative way. Preparations for this collaboration with police data scientists started in 2017, after which the actual project is planned for 2018. In 2018, FIU-the Netherlands will also have its own data scientist who will participate in the aforementioned project.

Digitizing theme tables

At the end of 2017, a pilot project looked at matches on drugs within the drugs theme. The aim of the pilot project was to be able to detect, digitally, unusual transactions in a specific theme in a smarter and faster way. Because the possibilities of this process proved to be promising, this process will be implemented in 2018 for all other themes of FIU-the Netherlands.

Virtual Community

In its last year as chairman of the International User Group GoAML, FIU-the Netherlands explicitly set itself the task, in 2017, of bringing about the implementation of the Virtual Community (VC), a virtual knowledge platform for all FIUs that use the GoAML application. This VC was officially launched at the end of October 2017 and, as this annual report was drawn up, 38 countries worldwide could communicate, discuss and exchange ideas about the GoAML application. In 2017, FIU-the Netherlands thus contributed to the further improvement of GoAML with the possibility of input from users. With this, FIU-the Netherlands hopes that GoAML will become the standard IT service for FIUs worldwide and that the user-friendliness of the application will increase further as a result of this provision. A standard use of GoAML will further improve the sharing and quality of information among FIUs.

The chair of the International User Group GoAML has meanwhile been transferred to the FIU of Germany.

GoAML upgrade

The newly planned version of GoAML suffered a considerable delay in 2017. This new version, which includes a further improvement of the reporting portal, is expected to be realized by the end of 2018/beginning of 2019.

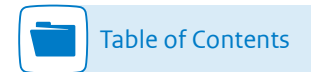


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Insight into seizures

In 2017, FIU-the Netherlands developed a new registration method within its database for improving the visibility on the use of FIU products. This lists all the registered results of seizures within criminal investigations that are directly to be linked to suspicious transactions that are provided by FIU-the Netherlands to the investigation services. Thus, this registration does not contain all seizures based on FIU information and aims to give an impression of the more or less direct results of FIU information that has been supplied. In 2017, the total value of registered repossessions, immediately following by FIU-the Netherlands supplied suspicious transactions, came to almost 153 million euros. The basis for these repossessions stems from so-called seizure cases, where there is a great chance to confiscate illegally obtained possessions of criminals. In 2017, the existing queries by FIU-the Netherlands were again reviewed and, as necessary, revised. As a result, FIU-the Netherlands could supply promising transactions to the criminal investigation services, whereby the acquisition opportunities could be increased successively.

International valuation

In 2017, FIU-the Netherlands, in a report by the United States Department of State, Bureau of international Narcotics and Law Enforcement Affairs, was praised for its international professional reputation.

“The Dutch FIU enjoys an international reputation for professionalism. The FIU is an independent, autonomous entity under the National Police Unit. It is expected that the ongoing National Police’s reorganization, scheduled for completion in 2018, will enhance the flexibility and effectiveness of law enforcement in responding to money laundering cases.”

United States Department of State Bureau for International Narcotics and Law Enforcement Affairs (2017), *International Narcotics Control Strategy Report Volume II*. Retrieved from: <https://www.state.gov/documents/organization/268024.pdf>

In this report¹ the joining of forces and expertise of parties to counter money laundering was also mentioned. The participation of FIU-the Netherlands within the AMLC and the specific public-private cooperation in the area of expertise, along with the National Police, The FIOD, knowledge institutes and private national and international institutions, provided a nice compliment regarding the Dutch approach. Also, the system that the Netherlands used to track unusual and suspicious transactions was mentioned as being very effective in the fight against money laundering. The report is available as of March 2018 for perusal and comparison at the international level.

1.3 National cooperation

FIU-the Netherlands works together intensively with network partners, both nationally and internationally. Without these partnerships, it is impossible for FIU-the Netherlands to carry out its statutory duties in a professional and effective manner. The partnerships in which FIU-the Netherlands participates range from fully public-public (National Police, the Public Prosecution Service, FIOD) to intermediate forms (educational institutions, information centres such as the various RIEC’s) to fully private-public (the large banks, payment service providers, casinos). This section shows what these partnerships looked like at the national level in 2017. Here, the value of these forms of cooperation is also mentioned and, if possible, what results were achieved in 2017. Partnerships at the national level can overlap with international forms of cooperation. International cooperation will be discussed further in this annual review in section 1.4.

Info-box Criminal and Unaccountable Assets

Right from the start of the Infobox Criminal and Unaccountable Assets (ICOV) in 2013, FIU-the Netherlands has been one of the participating partners within this partnership. ICOV brings together various sources of criminal and inexplicable assets so that more insight is gained into this phenomenon. By bringing together information from multiple network partners, more specific investigations can be carried out. FIU-the Netherlands periodically provides a selective part of the suspicious transactions to iCOV. These suspicious transactions are an important part of the products that iCOV can provide at the request of the cooperating partners. In 2017, FIU-the Netherlands

¹ <https://www.state.gov/documents/organization/268024.pdf>



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actively made use of the possibilities and data available at iCOV to augment its investigations.

Organized Crime Field Lab


Starting in March 2017, FIU-the Netherlands has participated in the Innovation Programme Organized Crime Field Lab in the Western part of the Netherlands. The design of this programme (Harvard Case Method) is to create joint innovative approaches to complex undermining criminality. Together with the National Police, the Public Prosecution Service, the Municipalities of Amsterdam and Rotterdam, the Tax Authorities, the FIOD, the ISZW (under the flag of the RIECs Amsterdam and Rotterdam), FIU-the Netherlands took part for the first time in 2017. The issues that were discussed within this programme included how government institutions can jointly tackle undermining crime and how insights known to only one government agency can be shared and applied in a good manner.


One of the most prominent results for FIU-the Netherlands was the improvement of cooperation between and with the National Police, the Public Prosecution Service and the municipality of Amsterdam in relation to hotel and restaurant entrepreneurs in the Amsterdam city centre. Usually, the permit application of hotel and catering entrepreneurs is assessed on the basis of the BiBOB regulations, but not their possible criminal financiers. Thanks to this collaboration, a far-reaching assessment beforehand was made possible, whereby non-transparent financing could lead to the refusal

of a hospitality permit at an early stage. A BiBOB procedure is no longer necessary due to this form of cooperation. This may lead, in the long term, to the substantial reduction of private financing in the Amsterdam hospitality industry, which could have an undermining effect on the city.

Anti-Money Laundering Centre (AMLC)

With the Anti-Money Laundering Centre (AMLC), the cooperation in both investigations and knowledge exploitation was continued in 2017. FIU-the Netherlands provides potential investigation files for the money laundering teams and the anti-corruption centre of the FIOD. FIU-the Netherlands participated in this expertise platform in 2017 and a multidisciplinary investigation group was focused on the impact of the introduction of the second EU payment service directive (PSD2). The collaboration between the AMLC, the Public Prosecution Service, the National Police and FIU-the Netherlands led, in 2017, to new typologies validated and published by the head of FIU-the Netherlands in the area of virtual payment instruments. The typologies were formulated on the basis of an expertise investigation by the AMLC. In this way, the number of established typologies which, among other things, help reporting entities in identifying possible signals of money laundering or terrorist financing, was further expanded. Two permanent employees of the AMLC work under the responsibility of the head of FIU-the Netherlands, within FIU-the Netherlands and contribute with their specific knowledge to the daily interpretation of reported complex unusual transactions.

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Cooperation in fighting corruption

In 2017, corruption as an investigation theme was put on the agenda of FIU-the Netherlands. Thus, a strategic analysis has been started regarding money flows that can be related to both domestic and foreign corruption. In the development of the methodology, the explicit collaboration with various network partners was sought, including the National Criminal Investigation and the Anti-Corruption Centre (ACC) of the FIOD. To develop this methodology, knowledge and insights from the literature, the data and the insights of network partners have been combined. This has led to a number of validated searches that analyse FIU-the Netherlands data for corruption-related signals. The signals are then further investigated within FIU-the Netherlands. In 2017, this led to a number of corruption-related investigations. A thought-provoking example of this, resulting from information provided to the FIOD by FIU-the Netherlands, was the corrupt financing of a racing career by a project developer. In this, the use of a secret construction between the project developer and the manager of a construction company financed the sports career of the manager's son in an illegal manner. In 2018, further investments will be made in the operational side of this partnership.

Public Prosecutor's Office (OM)

In 2017, FIU-the Netherlands invested in cooperation with various district court public prosecutors within the Public Prosecution Service. The aim was to ensure better recognition within the Public Prosecution Service of FIU-the Netherlands and its products. In this context, the Public Prosecution Service has made it possible to improve the furnishing of evidence during court hearings. An example of this is the monthly hearing lists that were delivered to FIU-the Netherlands in 2017 by the district public prosecutors in the central and southern Netherlands. As a result, among other things, the burden of proof in hearings can be further improved, criminal relationships can be demonstrated and capacity and seizure defences can be assessed. In addition, FIU-the Netherlands cooperates closely with the Public Prosecutor's Office in various fora, including consultations in the south of the Netherlands, projects on undermining and within various control teams, where the priorities for the investigation are determined. Through this participation, FIU-the Netherlands displays its possibilities and further builds on a better use of its information in proceedings.

Darkweb Team

In 2017, FIU-the Netherlands conducted an analysis in collaboration with the Darkweb team of the National Police Unit of the National Police. The transactions declared suspicious by FIU-the Netherlands were compared with the database compiled by the Darkweb Team from the online Hansa Market. The information from the Darkweb Team has been used successively by FIU-the Netherlands for conducting their own investigations in new or existing files. Through this cooperation, new, not previously visible criminal connections could be made.

In 2017, corruption as a research theme was put on the agenda of FIU-the Netherlands

Migration-related crime

In 2017, FIU-the Netherlands continued the project with regard to migration-related crime. The methodology developed in 2016 was updated in 2017 and adapted to the current situation of migration flows. Cooperation with network partners such as the National Police, the Royal Netherlands Marechaussee, the Expertise Center for Human Trafficking and Smuggling, the Immigration and Naturalization Service, the ISZW and the Public Prosecution Service is of great importance for the realization of this project. This joint venture produced various case files in 2017 that have been submitted to the investigation services.

The forms of criminality, such as human smuggling and identity fraud, which are included in this project are pre-eminently of a cross-border nature. In addition to national cooperation, great importance is also attached to international partnerships with foreign FIUs and other network partners. From the side of FIU-the Netherlands, various presentations were given in 2017 about the methodology developed within this topic.

In 2018, the migration-related crime project will have a strategic as well as operational follow-up.

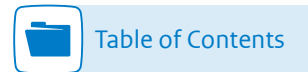


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In July 2017, during the annual meeting of the Egmont Group, the Head of FIU-the Netherlands was elected chair

Collaboration with Universities and Colleges


Also in 2017, FIU-the Netherlands set up joint ventures with educational institutions to further improve its knowledge level of relevant subjects. One example of this collaboration is with The Hague University of Applied Sciences (including international cooperation) in which FIU-the Netherlands offers selected students the opportunity to do an internship. From this cooperation with educational institutions, research was done on Open Source Intelligence use within FIU-the Netherlands, a new innovative way of collaboration with the FIOD, underground banking and money laundering on the Dark Web and, if possible, more effective organization of the cooperation within the FEC nationally. These studies may help to improve knowledge and understanding on specific topics.


1.4 International cooperation

The Egmont Group of Financial Intelligence Units

FIU-the Netherlands is a member of the international cooperation of FIUs, the Egmont Group of Financial Intelligence Units, to exchange financial intelligence in a secure way and to increase the professionalism of the affiliated FIUs. At the end of 2017, 154 FIUs were affiliated to this partnership.

In July 2017, the Head of FIU-the Netherlands was elected chair at the annual meeting of the Egmont Group. This function includes representing the interests of FIUs worldwide on various international platforms. In 2017, the Egmont Group was represented by this chair at a number of events organized by various international organizations. The term of the Egmont presidency is set at two years, the term for the Head of FIU-the Netherlands expires in July 2019.

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Financial Action Task Force (FATF)

In 2017, FIU-the Netherlands also participated in the Dutch delegation to the Financial Action Task Force (FATF). This delegation is headed by the Ministry of Finance. FIU-the Netherlands provided information for these meetings for a variety of FATF activities. FIU-the Netherlands participated in a project on 'ultimate beneficial owners,' which focuses on mapping out the structures used for disguising final beneficiaries (e.g. of funds or companies). This project has a planned run-through until the end of 2018. In 2017, FIU-the Netherlands participated in the Forum on Heads or FATF FIUs, that meet during each plenary FATF meeting. In the past year, the theme of operational independence and the autonomy of FIUs was discussed in this forum. The purpose of this is to arrive at a document that FIUs can use in their discussions about their own independent position within the jurisdiction where they are active.

EU-FIU Platform

In 2017, the EU-FIU Platform met three times. The purpose of this platform is to advise the European Commission and also to promote cooperation between the FIUs of the EU Member States. In this context, FIU-the Netherlands, together with the FIU of Italy, led a project in 2017 with the aim of jointly analysing transaction networks with one or more FIUs. In a so-called 'joint analysis,' FIUs bring together the various pieces of a puzzle that they have available in order to obtain a complete picture of a (criminal) network. This project will continue until at least the end of 2018. In addition to the operational objectives of this project, it is also intended to identify the possible obstacles that exist for cooperation between EU-FIUs in order to be able to advise the European Commission on possible proposals to be formulated with regard to regulations affecting FIUs.

Participation in UN-University

In March 2017, FIU-the Netherlands participated in a two-day workshop at the UN University in Connecticut. The workshop focused on disrupting financial flows relating to trafficking in human beings, modern slavery, labour exploitation and the forced employment of minors. During this workshop, various international public and private parties and organizations gave presentations, including identifying methods and good practices, creating opportunities for cooperation and realizing access to relevant data. FIU-the Netherlands gave a presentation on uncovering financial flows that can be related to migration related crime, which also included various forms of exploitation. During the meeting, the FIUs were also briefed on the use of FIU data with respect to this subject.



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2. Receiving unusual transaction reports

In 2017, FIU-the Netherlands received 361,015 reports of unusual transactions submitted by the reporting entities. Thus, the number of reports on unusual transactions received in 2017 decreased by 56,052 notifications (approximately 14%) compared to 2016, when 417,067 reports of unusual transactions were registered. For comparison, in 2015, there were a total of 312,160 reports received concerning unusual transactions.

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This shows that the number of received unusual transactions is a break in the trend with the previous three years (where an increase was observed in each subsequent year). But if 2016 (a somewhat deviating year in which many subsequent notifications were done) is not taken into account, there is a solid trend of an increasing number of reports of unusual transactions. This chapter describes how the figures with respect to unusual transactions are interpreted and what possible choices and shifts are the basis for this. In addition, this chapter will address the cooperation of FIU-the Netherlands with the reporting institutions and the supervisory bodies of the Wwft.

2.1 Operational cooperation

In 2017, FIU-the Netherlands organized its intelligence offer according to the needs as determined by the law enforcement authorities. This requires close cooperation with the investigative services and follows the reporting entities in this. An example of this is the specific cooperation with respect to cryptocurrencies. On the basis of cooperation with and the input from the investigative services (team High Tech Crime Unit of the National Police), FIU-the Netherlands has adjusted its indicators in the field of cryptocurrencies. In this way, the recognition of an unusual transaction in relation to cryptocurrency is now easier for the reporting entities. FIU-the Netherlands did this on the basis of the modus operandi supplied by team HTC that is prevalent in criminal investigations with respect to cryptocurrencies.

Supervisory authorities

In 2017, FIU-the Netherlands worked closely with the organizations responsible for overseeing compliance with the Wwft, specifically:

- Netherlands Authority for the Financial Markets (AFM)
- Bureau Financieel Toezicht (Financial Supervision Office) (BFT)
- Wwft Supervision Office of the Dutch Tax and Customs Administration
- The Dutch Central Bank (DNB);
- Games of Chance Authority (KSA);
- The eleven deans of the orders of lawyers in the arrondissementen

FIU-the Netherlands has, as one of its statutory duties (article 13 (g) Wwft), the obligation to provide information to supervisory authorities on the behaviour of reporting entities. In 2017, an overview was periodically provided to the supervisory authorities of institutions under their supervision. In this way, the supervisory authorities have a strong instrument to be able to carry out their supervisory tasks in a more targeted manner. FIU-the Netherlands saw that institutions focused on monitoring receive more or better quality reports of unusual transactions.

FIU-the Netherlands received in 2017 361.015 unusual transactions from the reporting entities

FIU-the Netherlands attaches great importance to the quality of the reports. For these reasons, in many cases an investment is made in improving this quality together with the supervisory authorities. In 2017, within the various reporting entities, presentations and information sessions were given by FIU-the Netherlands, together with the supervisory authority, on identifying unusual transactions and correctly reporting them. Examples are the National Dutch Association of Money Transaction Offices NVGTK-day, presentations to the payment service providers on compliance and explanations concerning the fourth Anti-money laundering directive to various reporting entities. In addition, on the basis of the existing typology with regard to the export of large amounts of cash (this is because the export of large amounts of cash usually indicates money laundering), the Customs Administration would like to expand the typologies on cases of great value. In 2017, FIU-the Netherlands spoke with the National Police and the Customs Administration in order to determine new typologies in the near future.



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Access to case histories

In 2017, FIU-the Netherlands provided a public and accessible way of sharing knowledge via its website and social media. In 2017, a total of 24 new anonymized case histories were placed on the public website. There were already 160 cases on this website that had been placed there in previous years. As a result, reporting institutions, network partners and other interested parties have access to compelling examples in the approach to money laundering and terrorism financing. With the placement of these case histories, FIU-the Netherlands also partially complies with the statutory task of providing information to reporting entities. For each type of institution, specific case studies can be searched for, so that these practical examples can contribute to improving the quality of reports.

Special project

A contractor would very much like to have the new construction project of a project developer in his portfolio. He personally negotiated with the developer with the result that the contractor was awarded the tender. However, it did depend on an additional condition that could not be found in the formal agreement. In addition to the actual contract price, the project developer stipulated that the contractor would put half a million euros into the motor-sport team of the developer's son. Over a period of three years, the construction company then acted as a sponsor and the foundation where the son's racing stable was housed received more than 6,000,000 euros in their bank account. The sponsorship amounts were processed in the contractor's accounting. The sponsorship would never have taken place if the construction project had not been awarded to the construction company. The sponsoring was therefore a form of a kick-back. The dossier was handed over to the Anti-Corruption Centre. A criminal investigation followed and led to prosecution of those involved.

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3. Analysis of unusual transactions

Declaring unusual transaction reports suspicious and making these transactions available for investigation services is a core task of FIU-the Netherlands. These suspicious transactions can be used by the investigation services as the initiator of a criminal investigation, as additional evidence or as management information in existing investigations or files. In addition to these named options, the suspicious transactions can also serve as a source for analysis and strategic research and for the preparation of regional and national crime images.

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3.1 From unusual to suspicious

In 2017, FIU-the Netherlands received 361,015 unusual transaction reports. To analyse these transactions in an effective way, transactions with a certain relationship are bundled into a file. This correlation can consist of various factors, such as geographical factors, criminal network factors, transaction-related factors, as well as economic factors. It happens that transactions have different characteristics, such as transactions with a specific repetitive pattern, transactions carried out by one person, or transactions carried out by persons within a (possibly criminal) network. In addition to these regular analyses, FIU-the Netherlands also conducts analyses to identify phenomena and trends. An overview of the unusual and suspicious transactions can be found in Appendix 1.

In 2017, a total of 5,898 files were completed by FIU-the Netherlands, containing 40,546 suspicious transactions. These transactions were all made available to the investigation, intelligence and security services. Of course, suspicious transactions, in addition to their regular detection value, can also serve anonymously as knowledge and information for reporters and supervisory authorities. For this reason, FIU-the Netherlands shares information emanating from these transactions in a targeted manner. The total value of suspicious transactions in 2017 amounted to almost


6.7 billion euros. This is the highest amount that FIU-the Netherlands has observed in its existence. In doing so, FIU-the Netherlands notes that the number of suspicious transactions is lower than in 2016 (53,533 suspicious transactions) but that the total value of the suspicious transactions compared to 2016 (4.6 billion) in 2017, showed a considerable increase of more than two billion euros.

LOvJ requests

Via the National Public Prosecutor for Money Laundering (LOvJ), investigative services at FIU-the Netherlands can submit an information request, the so-called LOvJ request. With this request, FIU-the Netherlands can determine whether suspicious subjects involved in criminal investigations possibly appear in the database of unusual transactions. For the National Public Prosecutor, there are several times when a request of this nature can be submitted to FIU-the Netherlands, depending on when additional financial information turns out to be necessary in an investigation. An LOvJ request can be done at the start of an investigation, during, or in the prosecution stage of an investigation.



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Table 1: LOV requests submitted in 2017, sorted by investigative service.

National Police		Other investigative services	
The National Police of the Netherlands (NPN) - CENTRAL UNIT	122	FIOD [Fiscale Inlichtingen- en Opsporingsdienst (Fiscal Intelligence and Investigation Service)]	201
The National Police of the Netherlands (NPN) - ZEELAND WEST	100	KMar	115
BRABANT	100	KMar [Royal Netherlands Marechaussee]	115
The National Police of the Netherlands (NPN) Eastern Netherlands	85	Inspectorate SZW	31
The National Police of the Netherlands (NPN) The Hague Unit	79	District court public prosecutor's office	28
The National Police of the Netherlands (NPN) Central Unit	76	KMar [Royal Netherlands Marechaussee] Schiphol	26
Police Unit - Amsterdam	69	National Public Prosecutor's Office for Financial, Economic and Environmental Offences	25
The National Police of the Netherlands (NPN) Rotterdam Unit	61	National Police Internal Investigations Department	19
The National Police of the Netherlands (NPN) North Holland unit	51	EMM - Expertisecentrum Mensenhandel en Mensensmokkel (Expertise Centre for Human Trafficking and Human Smuggling)	17
The National Police of the Netherlands (NPN) North Netherlands	49	SOCIAL INVESTIGATION SERVICES	14
The National Police of the Netherlands (NPN) Brabant East	49	Netherlands food and consumer product safety authority OID	12
The National Police of the Netherlands (NPN) Limburg Unit	10	RST - Recherche Samenwerkingsteam (Criminal Investigation Cooperation Team)	4
		Ministry of Infrastructure and the Environment	2
		The National Police Corps of the Caribbean Netherlands - KPCN	1
		Tax and Customs Administration	0
		BOOM	0
		National Public Prosecutor's Office	0
Subtotal National Police	751	Subtotal other services	495

Table 1 shows how the division was in 2017, as regards the origin of the LOV requests received by FIU-the Netherlands.

The total value of the suspicious transactions amounted to almost 6.7 billion euro's in 2017

In 2017, FIU-the Netherlands received 1,246 LOV requests. These LOV requests can also give rise to requests from another FIU. FIU-the Netherlands is thus able to supply the investigation services with very valuable information to which they would not otherwise have access. This allows investigative services to better clarify the size and interconnections of criminal networks and assets, even if they go outside the borders of the country. The number of LOV requests in 2017 is almost the same as in 2016, during which FIU-the Netherlands received 1,277 requests. In comparison with previous years, foreign inquiries based on LOV requests have significantly increased.

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Jackpot

A man came into a gambling establishment and bought 10,000 euros in gambling chips. He paid them by placing 20 banknotes of 500 euros on the counter. These are banknotes that are rarely seen in Dutch payment transactions but are highly sought after for settlements or storage in the criminal circuit. The purchase was, due to the unusual character, reported to FIU-the Netherlands, after which further investigation took place. The man turned out to have a hefty criminal record. In addition to violent crimes, he also appeared in the police systems for dealing drugs. His legitimate income justified neither the level nor the method of payment. It also appears that he had to again appear before a judge to explain his conduct. The information was made available to the public prosecutor and FIU-the Netherlands drafted, at their request, an official report. The Public Prosecution Office started, on the basis of this report, a follow-up study on the man focused on money laundering.

VROS matching


Also in 2017, FIU-the Netherlands made use of the so-called VROS matching. With this VROS matching (a Reference Index of Investigations and Subjects, a file managed by the National Police) unusual transactions can be declared suspicious by FIU-the Netherlands in a semi-automated manner. In 2017, this method was out of commission for a few months because of a technical limitation, which, therefore, led to a temporary reduction of reports based on this match. After this malfunction was repaired, the VROS match was again able to be used in late 2017 and many unusual transaction reports were received that were, as yet, matched. In 2017, a total of 17,578 transactions were declared suspicious through the use of the VROS matching system. This resulted in a total of 3,314 files that were generated in 2017.


3.2 Our own investigations

In 2017, FIU-the Netherlands, using its unique position, also carried out its own investigations and analyses. This has led to 14,875 suspicious statements in 1,522 files. These numbers nearly match the numbers over 2016. This section outlines some phenomena and trends that FIU-the Netherlands has observed in 2017 and which have thus been of influence.

Investigations on cryptocurrencies

One of the themes on which FIU-the Netherlands carried out further investigation in 2017 was cryptocurrencies. In 2017, a striking increase was observed in the number of notifications with respect to this phenomenon, which was caused by the increased popularity of cryptocurrencies. The number of reports related to cryptocurrencies increased from 300 per year on average (in the period 2013 to 2016) to 5,000 reports in 2017. In addition, thanks to reporting institutions, such as payment service providers and banks that have noticeably more grip on recognizing unusual cryptocurrency-related transactions, the number of reports of unusual transactions increased within this subject. About ninety percent of these reports of unusual transactions were related to purchases of Bitcoins. The reports were investigated by FIU-the Netherlands, whereby 1400 reports were declared suspicious in 400 combined files. Of the total number of unusual transactions, some are still under investigation or have been given a status of “not suspicious.” In most files, a picture emerged of the use of cryptocurrencies for various money laundering actions. In addition, FIU-the Netherlands saw links with various basic offences, such as fraud and drug trafficking. In about one quarter of the cryptocurrency notifications, there was a noticeable link to foreign countries. This link consisted of involvement of a foreign subject to a transaction and/or to funds that were received from abroad or sent abroad, respectively.

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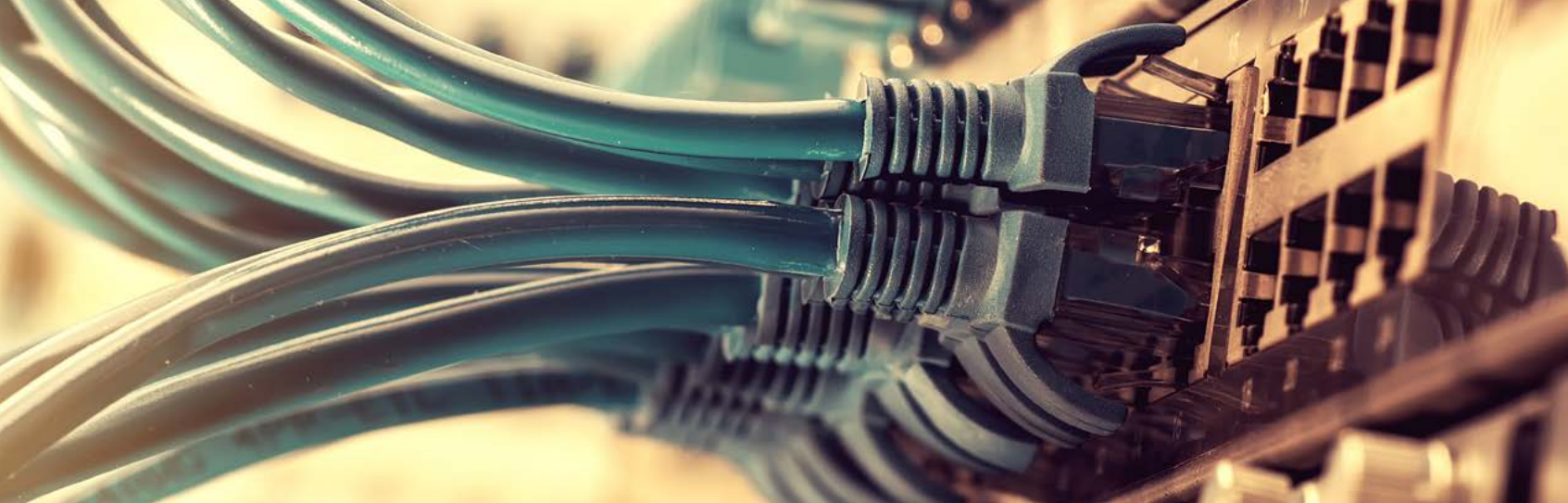
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Assessment of cryptocurrency-related transactions

In the last few years, FIU-the Netherlands has identified a strong growth in the number of reports of cryptocurrency-related transactions. Despite the fact that the sharp increase in the number of cryptocurrency notifications suggests otherwise, the increase in the number of reports of cryptocurrencies does not necessarily directly indicate general criminalization. The learning ability of reporting entities plays an important role here; reporting entities, such as payment service providers and banks, are gaining noticeably more grip on recognizing unusual, cryptocurrency-related, transactions, thereby increasing the number of reports of unusual transactions in relation to the past. The intensification of investigations in recent years that FIU-the Netherlands has done concerning these notifications, may also have a stimulating effect on the number of reports. If FIU-the Netherlands declares a transaction to be suspicious it will, in principle, tell the informant of this. In response to this, informants will submit more reports of unusual transactions. This is without prejudice to developments and the fact that use of cryptocurrencies continues to require the necessary attention, as this method of payment is, as yet, outside the regulated sector and thus potentially at risk for abuse.


Money transfers within the Netherlands


In 2017, in various analyses of FIU-the Netherlands, the so-called domestic money-transfer came to be identified and with it, specifically, the so-called person-to-account money transfer. With this type of transaction, money is transferred to a beneficiary's bank account by means of a money transfer, for

example, when paying giro collection forms. It was already previously noted by among others, De Nederlandsche Bank, that there are considerable risks of money laundering in this product. FIU-the Netherlands also identified these risks in its analyses in 2017. When domestic money transfers were used in criminal investigations, it became apparent that the proportion of suspicious domestic money transfers showed an increase of 32 percent. FIU-the Netherlands started an investigation in 2017 on the basis of these signals. The results of this investigation will be shared with the partners involved in 2018.

Lucrative business

Under the cover of a car company and a grow shop, two brothers were operating a large hemp plantation. The harvests were lucrative. In order to launder net profits from the sale of the soft drugs, this cash was deposited into the business account of the regular companies, as if it were income from regular trade. This involved 529,000 euros which, however, largely originated from the hemp nursery built under the shed of the car company. In the course of six months, the turnover of accounts showed more than a doubling of so-called income from the regular business activities. The hemp nursery was dismantled and the suspects were arrested for the identified facts.

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3.3 International operational cooperation

FIU-the Netherlands cooperates internationally with other FIUs on an operational basis. In this way, it fulfils its legal duties on the one hand and, on the other, it can meet the needs of investigative services in the area of financial intelligence. In order to exchange information in a secure manner, FIU-the Netherlands uses the FIU.NET application in a European context and, worldwide, the Egmont Secure Web (ESW). In 2017, FIU-the Netherlands received 692 information requests from 83 different FIUs worldwide. These requests were aimed at further investigating financial transactions of subjects who had a connection with the Netherlands. This is an increase of 177 requests received, compared to 2016 in which 515 requests were received. The improvement of the international position of FIU-the Netherlands may be related to this. In particular, the number of requests from the FIU of the United States showed a considerable increase. In 2017, FIU-the Netherlands itself sent 824 information requests to 86 FIUs. This also significantly increased the number of foreign searches with 108 requests, compared to 2016 in which 716 requests for information were made. In tables 2 and 3, it can be seen which FIUs placed most of the information requests to FIU-the Netherlands and to which FIUs the most information requests were sent in 2016. In most cases, FIU-the Netherlands fulfilled the predetermined term of the information requests. In order to qualitatively improve the handling of incoming and forwarding requests for information, FIU-the Netherlands looked into the possibility of forming an International Affairs team in 2017. This will actually start in 2018.

Table 2: Top 5 in the number of information requests received from FIUs in 2017


Top 5	Requests received from	Number
1	FIU Belgium	161
2	FIU United States	71
3	FIU United Kingdom	41
4	FIU Germany	38
5	FIU Malta	29

Strong drugs

In the summer, there was a raid at the home of a man who was supposedly occupied with the illegal trade in anabolic steroids and other muscle-strengthening drugs. The suspect in question attracted the attention among investigators of FIU-the Netherlands because no appropriate economic reasons for its financial operations were to be found. An analysis of his actions showed that he deposited cash with a financial service provider to then transfer the amount to his own business bank accounts. In this way, 150,000 euros was transferred to his accounts. In addition, he sent eighteen money transfers to recipients in China and India. He also traded in bitcoins. Finally, he received a wire transfer of almost 200,000 euros from abroad, which he transferred to a notary two days later. This payment corresponds to the registration of purchase of a private residence of the suspect. In addition to the strange financial actions, the amounts concerned were not at all in relationship to his specified legitimate income and the turnover of his business. FIU-the Netherlands drafted an official report of all of the findings which ultimately resulted in prosecution and a raid. In the raid, they confiscated cars, the home of the suspect, balances of multiple bank accounts, ninety thousand euros cash and a stock of anabolic steroids.

Table 3: Top 5 in the number of information requests sent to FIUs in 2017

Top 5	Requests submitted to	Number
1	FIU Belgium	105
2	FIU Germany	85
3	FIU Spain	81
4	FIU United Kingdom	47
5	FIU Turkey	38

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4. Disseminating suspicious transaction information

Declaring unusual transactions to be suspicious and the provision of that information is a core task of FIU-the Netherlands. In 2017, all of the 40,546 suspicious declared transactions were made available to the investigation, intelligence, and security services. These services can use the transactions as an initiator for an investigation, as additional evidence or as control information in existing investigations or files. In addition to these named options, transactions can serve as a source for analysis and strategic investigation and for the drawing up of regional and national criminality images. Thus, the transactions declared suspicious serve multiple adjoining objectives.

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4.1 Overview of suspicious transactions and formation of files

Of the 5,898 files created in 2017, a total of 5,581 were transferred to the criminal investigation services. The remaining 317 files continue to be investigated or contain no transactions after investigation that, on the basis of analysis, could be declared suspicious. A comparative overview of the suspicious transactions per group of reporting entities for the period 2015 to 2017 is given in Appendix 1. The distribution of the exact numbers and the percentage distribution in 2017 are shown in table 4.

Table 4: Number of suspicious transactions and files in 2017, by reason for dissemination

Reason for dissemination on the basis of	Number of transactions	Percentage (%)	Number of files	Percentage (%)
VROS (Index of Criminal Investigations and Subjects)	17,578	43%	3,314	59%
FIU investigations	14,875	37%	1,522	27%
LOVJ	7,169	18%	681	12%
Match CJIB Centraal Justitiele Incasso Bureau (Central Fine Collection Authority)	924	2%	64	1%
Total	40,546	100%	5,581	100%

If specific attention is paid to developments in the number of suspicious declarations per notification reason, then various components play a role. The VROS reporting reason showed a temporary technical failure for a part of 2017, which temporarily halted the match with this file. As a result, the number of suspicious transactions based on the VROS match for 2017 is lower (for comparison with previous years, see Appendix 1). In addition, the cause of the quantitative decrease of their own initiated investigations lies in the fact that, in 2017, the investigations were of better quality and more

related to the needs of the investigative services, which requires relatively more capacity from the FIU investigators. In this way, FIU-the Netherlands focuses more on quality than on quantity in the service of detection.

The number of LOVJ requests shows a limited decrease because the investigative services have been able to view all suspicious transactions originating from FIU-the Netherlands within their own systems since 2016. In the CJIB match, a very strong decline could be observed in 2017 (from 2,618 in 2016 to 924 suspicious transactions in 2017). This can be explained by the fact that 2016 was an exceptional year for the CJIB match, because more transactions could be declared suspicious.

If the distribution of the number of suspicious transactions per group of reporting entities is examined, it can be seen that the vast majority of transactions declared suspicious in 2017 consisted of money transfers reported by the reporting entity of payment service providers. This observation is the same for the years 2014 up to and including 2016 (see Appendix 1). Looking at the differences compared to previous years, it can be seen that the suspicious transactions of payment service providers showed a significant decrease in 2017 compared to 2016 (in which 47,847 transactions were declared suspicious). As mentioned earlier, in 2016 many post-reports of unusual transactions were done by the payment service providers. The decrease in the number of reports of unusual transactions within this reporting group and, in relation to this, the decrease in the number of transactions declared suspicious, is related to this.

The number of suspicious declared transactions from the banks shows a considerable increase compared to 2016 (see Appendix 1). This is partly due to the further improvement of the KYC (Know Your Customer) principle and the improved operation of established compliance procedures within the banking sector. The reporting of unusual transactions by banks is showing a positive impulse. The suspicious statements within the other sectors do not show any appreciable deviations, on a proportional and numerical level, compared to previous years. The exact numbers over 2017 are shown in tables 5 and 6.



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Table 5: Number of transactions declared suspicious in 2017 per reporting entity sector

Sector of reporting institutions	Number of suspicious transactions	Of which Money Transfers
Payment service providers	33,533	30,747
Banks	4,163	201
Dealers	1,547	
Independent professionals	414	
Casinos	419	
Government	313	
Credit card companies	90	
Other sectors	67	
Grand total	40,546	30,948

Table 6: Number of transactions declared suspicious in 2017, per type of transaction

Type of transaction	Number
Money transfers	30,948
Cash transactions	6,555
Wire transfers	2,230
Other	813
Grand total	40,546

Looking at the overview in types of suspicious transactions in 2017, then the number of money transfers here forms by far the largest group. The number of suspicious cash transactions is here, with 6,555, far below this, as are the number of wire transactions with 2,230.

Table 7: Number* and amount** of (completed) transactions declared suspicious in 2017

Amounts involved in suspicious transactions	Number	Share	Amount in €	Share
< €10,000	33,538	86%	28,366,719	0%
€10,000 to €100,000	3,734	10%	156,274,861	2%
€100,000 to €1,000,000	1,429	4%	399,993,776	6%
€1,000,000 to €5,000,000	267	1%	546,944,794	8%
€5,000,000 to €10,000,000	39	0%	256,330,212	4%
>= € 10,000,000	58	0%	5,284,507,988	79%
Grand total	39,065	100%	6,672,418,349	100%

* Intended transactions (1,481) are not included

** Due to rounding differences, the total of the percentages in the table is not precisely 100%

Table 7 shows that most of the suspicious transactions, as in previous years, consist of amounts that are less than ten thousand euros. The total value of the suspicious transactions amounted to nearly 6.7 billion Euros in 2017. This is the largest amount that FIU-the Netherlands has registered in its existence. Table 7 shows that the number of suspicious transactions larger than ten million euros has significantly increased from 38 in 2016 to 58 in 2017. Thus, these suspicious transactions make up most of the total value. These transactions are, for the most part, reported by the banking sector and have, partly because of their size, the special attention of FIU-the Netherlands.

Proposed transactions

The number of reported proposed transactions increased sharply from 841 in 2016 to 1,481 in 2017. This can be seen as the improved effectiveness in the fight against money laundering. In 2016, there was already an increase of about 400 reports of proposed transactions. These are transactions which had already been refused by the reporting authorities or had intentionally not been executed because, prior to this, there was already suspicion of a criminal and/or unusual activity. The increase in these type of transactions can mainly be seen with the payment service providers. FIU-the Netherlands sees this increase as a positive development because it means that transactions can be regarded as suspicious even before processing. This means that the investigative services can intervene earlier within a criminal process.

Types of crime

FIU-the Netherlands registers the type of crime in each file that it draws up as a result of its own investigation or a LOvJ request. The type of crime registered is, in many cases, the starting point for an investigation. For example, if FIU-the Netherlands starts its investigation in response to a LOvJ request with regard to human trafficking, then the FIU file that is drawn up on the basis of this will be assigned the crime of the same name. In total, in 2017, types of crimes were registered in 2,203 of the 5,581 files². An overview of the files per type of crime can be seen in table 8.

2 Only reported files that have been drafted in response to LOvJ requests and their own investigations contain a description of the possible related crime forms. A file may relate to several types of crime. In case of two or more types of crime, this file will be included just as often in the above table. For this reason, the total is higher than the number of unique files in which a crime form is filled in (in 2017, FIU-the Netherlands produced 2,203 of their own investigations and LOvJ files).

In the case of the VROS match (by which FIU-the Netherlands accounts for the majority of the unusual transactions) it is not possible, in principle, to assign a form of crime. This is because the reason for suspicion is caused because the subject in question appears in the VROS. In those cases, it is not clear to FIU-the Netherlands which type of crime the relevant subject is registered for. Table 8 shows that the majority of the files are generated because of money laundering. The number of files dealing with terrorism follows after money laundering, because this is given a high priority. When there is a question of terrorism, a dossier is always drawn up, which does not necessarily lead to a possible prosecution. When the type of crime is fraud, a dossier is only drawn up if the chance of prosecution is plausible. This prioritization is also the reason that the number of fraud files is lower than the number of files on terrorism.

Table 8: Number of files per type of crime in 2017

type of crime	number of files	share
money laundering	1,431	51%
terrorism	460	16%
fraud	313	11%
hard drugs	160	6%
other	111	4%
soft drugs	105	4%
human smuggling	63	2%
human trafficking	53	2%
murder/manslaughter	44	2%
corruption	29	1%
arms trafficking	27	1%
synthetic drugs	18	1%
robberies	7	0%
burglaries	3	0%
cyber crime	2	0%
violence	2	0%
child pornography	2	0%
environment	1	0%
mugging	1	0%
Total	2,832	100%

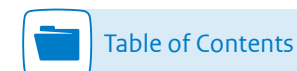


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4.2 Operational cooperation with investigation and enforcement partners

National Police

FIU-the Netherlands maintains an intensive relationship with the investigative services of the National Police. In this way, FIU-the Netherlands can ensure that its products are actually used within criminal investigations. FIU-the Netherlands submits suspicious transactions (whether or not in dossier form) that, in certain cases, which can be the beginning of a criminal investigation or can often serve as additional evidence in existing investigations. Every year, in good consultation, FIU-the Netherlands makes acquisition agreements with a part of the investigative agencies of the National Police.

If, during large investigations and enforcement actions, specific financial expertise is required, employees of FIU-the Netherlands contribute to this. Also, international financial requests for assistance are tested for feasibility by FIU-the Netherlands.

Through the improvement to the search module within the information systems of the National Police, in 2017 all suspicious transactions from FIU-the Netherlands could be found and accessed by police staff faster than before. For FIU-the Netherlands, having all suspicious transactions available within the data warehouse of the National Police is an important step. A next step in this process will be providing insight into the figures on the use of this data in investigations. This can be a useful instrument for FIU-the Netherlands to, on the one hand, coordinate its products even better to the needs of the investigation services. On the other hand, it offers FIU-the Netherlands the possibility of more effective feedback to the reporting entities.

FIOD (Fiscal Intelligence and Investigation Service)


In 2017, a total of 302 files were made available to the FIOD by FIU-the Netherlands. These 302 files, in turn, led to 164 operational investigations and/or project preparations. This led to 29 investigations, including those focused on money laundering and fraud. 141 files were still pending at the time of the preparation of this annual report.

In total, FIU-the Netherlands received 201 LOvJ requests from the FIOD. 124 of these requests led, in 2017, to the detection of unusual transaction information. These transactions were, after investigation, declared to be suspicious and made available to the criminal investigation services.

Special investigative services (NVWA, ILT IOD, SZW W& I, SZW Zorg, RR and KMAR)

In 2017, FIU-the Netherlands invested in joining the investigation themes of special investigation services. In this context, FIU-the Netherlands invested in knowledge of fraud investigations. In 2017, FIU-the Netherlands drafted 313 files having to do with the theme of fraud (see table 8). Usually, the criminal offence in the area of fraud is combined with other offences. With respect to the theme of fraud, the special investigation services are, by far, the largest recipients of suspicious transaction information.

With the special investigation services, the extent to which suspicious transaction information can contribute to specific fraud investigations was also investigated. This survey has shown that the special investigative services can further improve the use of financial intelligence, in general. In 2018, this survey should lead to a greater use of and access to financial intelligence by the special investigative services. The technical access of the intelligence of FIU-the Netherlands to the special investigative services also still deserves further improvement.

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5. Financing of terrorism

In addition to the fight against money laundering, the prevention and detection of terrorism financing is the other legal primary task of FIU-the Netherlands. FIU-the Netherlands can make a significant contribution to the identification of possible terrorist threats. FIU-the Netherlands thereby contributes both nationally and internationally to the fight against terrorism and the dissemination of knowledge in the field of the prevention of terrorism financing. FIU-the Netherlands has a high level of knowledge and its expertise in the field of terrorism financing is widely used and endorsed by international partners.

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5.1 National Developments

Action programme Integrated Approach to Tackling Jihadism

Also in 2017, FIU-the Netherlands contributed to the tackling of jihadism. Within this Action Programme for the Integrated Approach to Tackling Jihadism, FIU-the Netherlands submitted suspicious transactions which they obtained through national or international partners. In 2017, this led to an increase in the number of products delivered to the intelligence and security services. The delivered products were also brought to the attention of the Commission which places those persons deemed to be a national risk on the National Sanctions List. As a result, the assets of these people can be frozen.

International Sanctions Legislation


Since the Dutch sanctions list, as well as those of the other EU Member States, are not always both traceable and accessible outside national borders, the initiative was taken by EU FIUs in 2017 to actively share the national lists. In this way, it can be determined if sanctioned persons are active outside the national borders. In 2017, these activities generated a number of reports of persons who crossed national borders in order to carry out financial operations, outside the Netherlands, which may be linked with terrorism and terrorism financing.

Operational collaboration

In 2017, FIU-the Netherlands worked in close cooperation with the national police and the FIOD in the area of the fight against terrorism. In the vast majority of cases, this involved the preparation or the operational phase of terrorism-based investigations. This involved the supply of police reports and intelligence reports. Also, during possible terrorist threats, FIU-the Netherlands was available in 2017 to contribute to the clarification of the threats through financial intelligence. With regularity and as needed, in 2017 consultations were carried out with the National Public Prosecutor's Office for Financial, Economic and Environmental Offences, the National Police, the FIOD and the security and intelligence services. Here, FIU-the Netherlands, spontaneously or on request, supplied relevant financial intelligence. A criminal investigation that was started on the basis of suspicious transactions reported by FIU-the Netherlands led, in 2017, to a successful conviction. This was based on the criminalization of the financing of terrorism in article 421 of the Criminal Code.



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Multidisciplinary collaborations

FIU-the Netherlands is, in the area of combatting terrorism financing, an active participant in various multidisciplinary collaborations. In 2017, as an FEC partner, FIU-the Netherlands was a leading provider of information for a thematic project in the area of terrorism financing. In addition, FIU-the Netherlands actively participated in the CT Infobox.

Collaboration with reporting organizations

For the general interest and in the interest of sharing knowledge, FIU-the Netherlands also worked closely in 2017 with the reporting entities. FIU-the Netherlands does this by providing Guidance and Newsletters. FIU-the Netherlands saw that the information mentioned in the Guidance was incorporated into the improvement of the reporting. These partnerships led, in 2017, to a visible improvement in the quality of the reports of unusual transactions in the area of terrorism financing.

Taskforce on terrorism financing

In 2017, FIU-the Netherlands, together with the large banks, an insurer, the National Police and the Public Prosecutor's Office, participated in the Taskforce on terrorism financing. This is a pilot project which aims to facilitate cooperation between these partners for the prevention and detection of terrorism financing. This is in the interest of protecting the integrity of the financial sector.

Within this Taskforce, FIU-the Netherlands has an advisory role. Experiences and good practices arising from this partnership are also shared with other reporting groups, such as NVGTK. The TF Taskforce has led to an improvement in the quality of the reports of unusual transactions in the context of terrorism financing. In addition, FIU-the Netherlands is investigating the unusual transactions that are reported by the participating reporting entities as a result of the cooperation in the Taskforce on terrorism financing. As a result, FIU-the Netherlands has transferred about forty files to the investigative services with suspicious transactions that have been compiled, in part due to the cooperation within the Taskforce on terrorism financing. The files containing the suspicious transactions and the intelligence products led to a number of concrete interventions in 2017.

5.2 International developments

The Egmont Group of Financial Intelligence Units

In 2017, FIU-the Netherlands worked together with FinCen (the FIU of the United States) on a project in the field of combating terrorism financing based on information exchange. A total of forty FIUs participated in this project. Based on suspicious transaction information, investigations were done into the possibility of mapping out facilitating networks around the support of jihadists. This was done on the basis of information that was present at the participating FIUs. During one of the Egmont Group meetings in 2017, this collaboration was broadly endorsed because this was the first time, worldwide, that information sharing with regard to terrorism financing had taken place multilaterally among different jurisdictions. In 2018, FIU-the Netherlands will continue to build on this form of international information sharing. It is important to book visible results so that as many FIUs as possible will join the group.

Financial Action Task Force (FATF)

In 2017, FIU-the Netherlands contributed to the RTMG working group (Risks, Trends and Methods Group) within the FATF. Within this working group, work continued in 2017 on the validation and extension of typologies in the field of terrorism financing. A number of typologies have been tightened up in this respect and further expansion may take place in 2018.

EU Supra-National Risk Assessment (SNRA)

In 2017, FIU-the Netherlands contributed expertise in the field of combating terrorism financing for the benefit of SNRA. This took place in the expert meeting organized by the EU committee within the framework of the SNRA. FIU-the Netherlands aims to contribute, at European level, to raising the level of knowledge and thereby contributing to the further improvement of the fight against terrorism financing.



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5.3 Operational results

Suspicious transactions

In 2017, FIU-the Netherlands declared 3,139 transactions suspicious on the basis of a relationship with the financing of terrorism, investigations into counter-terrorism or a connection with an exit to areas where Islamic State was active (see table 9). Thus, a decrease has been observed in the number of suspicious transactions compared to 2016. Looking at the long term, including the years 2014 and 2015, there is an on-going increase in the number of suspicious transactions related to terrorism. A possible explanation for the decline in suspicious transactions in 2017 may be the reduced activities of IS due to military intervention and the subsequent reduction of travellers to this area of conflict.

FIU-the Netherlands constantly monitors whether transactions are reported of subjects who are posted on the National Sanction list

In 2017, FIU-the Netherlands had compiled 520 files on the basis of the 3,139 suspected transactions (see table 9). This, too, is a decrease compared to 2016, but here also, there is a significant increase compared to the years 2014 and 2015. Suspicious transactions with a certain consistency are bundled into dossier form by FIU-the Netherlands. The transactions that are declared suspicious by FIU-the Netherlands are made available in dossier form to the investigation and/or information and security services. Thanks to the intensive cooperation of FIU-the Netherlands with the FIOD, this led to the prosecution of thirty suspects in 2017. The defendants will, in part on the basis of the information provided by FIU-the Netherlands, be prosecuted by the Public Prosecution Office.

FIU-the Netherlands constantly monitors whether transactions are reported concerning persons who have been placed on the National Sanctions List.

Table 9: Total terrorism-related suspicious transactions and files (likewise in relation to the Sanctions Act)

Development of suspicious transactions related tot terrorism financing 2014-2017				
Year	2014	2015	2016	2017
Initial terrorisms related files ³	251	286	623	520
Terrorism related files in relation to the sanctions legislation (from the initial amount)	17	12	54	57
Total amount of terrorism related suspicious transactions	1.916	2.014	4.494	3.139
Terrorism related suspicious transactions (from the grand total) in relation to the sanctions legislation	63	26	205	199

Relationship of terrorism and crime

Through the analysis of transactions in the context of the financing of terrorism, it appears that, in some unusual transactions, financial flows can be tied to criminal activity. Money with a criminal origin is thus possibly in the hands of people who are also known to the authorities in relation to involvement in terrorism or the financing of terrorism. If there is relevant information available, FIU-the Netherlands determines with which crime forms the transactions in the file display a possible link. In 2017, 102 of the 520 files related to terrorism were also related to one or more other crime forms outside of terrorism. In most cases, that was money laundering, fraud, human trafficking, firearms and/or drugs. In addition, in 2017, FIU-the Netherlands saw that sometimes foundations are used to conceal criminal activities that focus on terrorism financing. FIU-the Netherlands is, in many cases, able to use a transaction analysis to determine how the financial flows of the Foundation are ultimately designed to finance terrorism. The suspicious transactions that display a link to terrorism are then transferred to the investigation, intelligence and security services.

³ This number differs from the number of files listed in table 8, because terrorism files (section 4.1) include all the files that have been started in response to signals that a transaction may be related to terrorism. An investigation does not find, in all cases, that a VT is really related to terrorism. Not every completed file is thereby labelled with the possible classification of "terrorism offense".

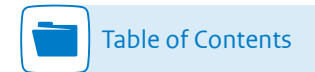


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Illegal familial support

A man who, a few years ago, left the country to take part in the armed battle of IS in Syria, was placed on the Sanctions List by the Dutch Government (the Al Qaeda sanctions regulations). From that moment on, no one is allowed to support such a person, financially or in any other way. If someone does that anyway, then this person commits a crime according to article 421 of the Dutch Penal Code. The sanctions list is public and anyone can therefore consult this list. The brother of the person who left the country knew that the man was on the list. Nonetheless, he transferred, over the course of more than a year, a total of 17,000 euros to him for living expenses. FIU-the Netherlands continuously monitors all registered and new transactions of the persons who are on the list. In this way, the transactions of the brother were discovered. The police started an investigation, the brother was detained and sentenced by the Court of Appeals in 2017 to prison for 24 months, of which 14 months suspended, and probation for a period of 3 years with special conditions. The investigation was started based on a report by FIU-the Netherlands which included the findings of the financial analysis.

Information exchange by FIUs

In 2017, FIU-the Netherlands received a total of 64 requests from foreign FIUs relating to terrorism and/or the financing of terrorism. In addition, FIU-the Netherlands sent 34 requests to foreign FIUs relating to terrorism and/or the financing of terrorism. International cooperation between FIUs within the Egmont Group of FIUs, as mentioned earlier in this chapter, was developed further by the multilateral sharing of financial intelligence. Here, the available financial intelligence was shared with multiple FIUs (which have a possible interest in having access to the present intelligence which other FIUs have) within this domain. FIUs that share this financial intelligence, give permission in advance to the FIUs to share this intelligence with law enforcement authorities in the relevant jurisdictions. This increases the speed of information sharing, the availability and the use of financial intelligence in relation to terrorism financing. This new form of information sharing contributes, on an international level, to combating and preventing terrorism financing and thus to the prevention of terrorism.

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6. Caribbean Netherlands: Bonaire, Sint Eustatius and Saba

The legally established reporting service providers who are active in the public sector bodies of Bonaire, Sint Eustatius and Saba, (being Caribbean Netherlands) are required to report all unusual transactions on this territory to FIU-the Netherlands. This is done based on the Money Laundering and Terrorism Financing (Prevention) Act) Bonaire, Sint Eustatius and Saba (Wwft BES).

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Because of the geographical location of the islands, FIU-the Netherlands has employed a permanent relationship manager here in a liaison function. This enables a direct connection and provides, in addition, more understanding of the local situation, structures and culture at FIU-the Netherlands. The liaison officer informs the reporting service providers and stimulates them to be compliant with the reporting of unusual transactions. Outside these tasks, this FIU-Netherlands liaison officer is a connecting factor in the direction of the other FIUs in the region. In this way, regional and local knowledge can be shared in a simple way and this is good for the understanding among the various FIUs.

6.1 Receiving and analysing unusual transaction reports from the Caribbean Netherlands

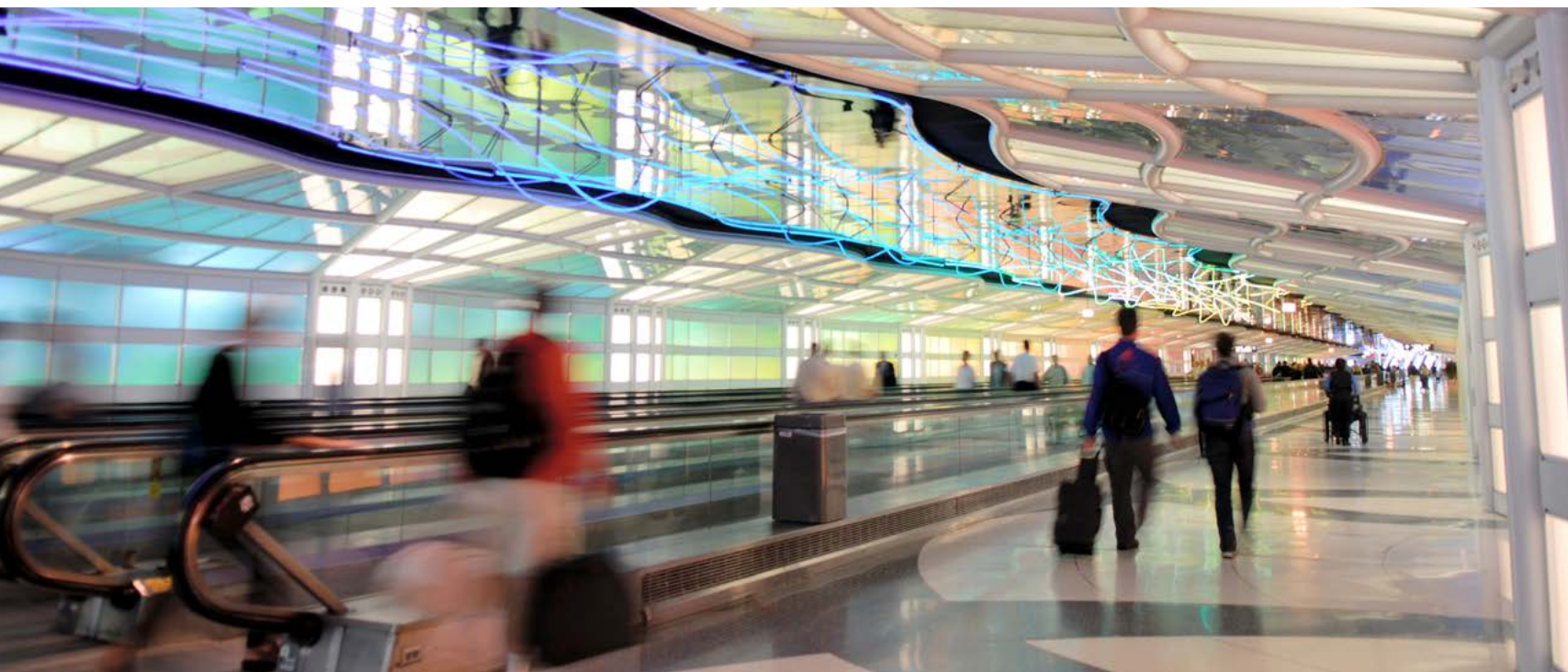
Continuous investment in the quality of reports


FIU-the Netherlands has, in previous years, found that the quality of the received notifications from the Caribbean Netherlands needs to be improved. In 2016, a start was made in the targeted improvement of this quality and,


in 2017, the targeted activities on this were continued. FIU-the Netherlands instructs reporting entities in the use of GoAML and how the objective and subjective indicators are to be used correctly. In July 2017, an information day for all financial service providers was organized in Curaçao, in cooperation with the other FIUs in the region. The attendance at this conference was high. Partly because of this information day, the quality and the results of received unusual transactions in 2017 increased further.

Improvement of information exchange

In 2017, FIU-the Netherlands received a comprehensive registration of companies registered with the Chamber of Commerce of the Caribbean Netherlands. This information set from the companies' registers is used for analysis and investigations. This gives FIU-the Netherlands an improved insight into business-oriented information relating to the Caribbean Netherlands, which can improve the analysis of unusual transactions. The covenants for the exchange of information with the Tax and Customs Administration BES and the Caribbean Netherlands Police Corps were drawn up in 2017 and made ready for signature with the parties mentioned. Hopefully this will, in 2018, actually allow access to the data of these organizations. Without access to this local data, it is very complicated for FIU-the Netherlands to carry out effective analyses.



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At the end of 2017, FIU-the Netherlands started to periodically compile a Regional Transaction Image (RTB) for the Caribbean Netherlands. This report can provide FIU-the Netherlands with a strategic picture of the unusual and suspicious money flows. These RTBs are intended to support analysts and external policy makers in drafting advice and proposals in the area of financial investigations. In 2018, FIU-the Netherlands expects to record the first visible results here.

Conference on combatting money laundering in the real estate sector

In December 2017, a conference on money laundering was organized by the Public Prosecution Service of the Caribbean Netherlands in collaboration with FIU-the Netherlands. This conference was specifically aimed at preventing money laundering and fraud within the real estate sector in the Caribbean Netherlands. Around seventy participants from the private and public sector attended the conference, indicating that there is a wide interest in this topic in the Caribbean Netherlands. Partly through the organization of this conference, FIU-the Netherlands, together with the Public Prosecution Service, aims to raise awareness of the existing risks in the area of money laundering and fraud within this sector.

In 2017 FIU-the Netherlands declared 337 transactions suspicious in relation to the Caribbean Netherlands. These transactions represent a value of almost 192 million euro's

Received reports

In 2017, a total of 1,038 reports of unusual transactions were filed with FIU-the Netherlands by reporting service providers in the Caribbean Netherlands. Most of the unusual transactions in 2017 were reported by banking institutions. The Tax and Customs Administration of Caribbean

Netherlands is in second place, with 41 reports, when it comes to the number of unusual transactions that were reported. In table 13, there is an overview of the numbers in 2017.

Table 10: Number Of Unusual Transactions per type of informant in 2016 in The Caribbean Netherlands

Informant	Number of unusual transactions 2017
Accountancy	2
Banks	974
Payment Service Provider	1
Customs Administration Caribbean Netherlands	41
Trader - Gems	4
Trader- Vehicles	7
Real estate agents	1
Notary Public	8
Grand total	1038

Border Management System (BMS)

In 2017, FIU-the Netherlands, gained access to the Border Management System (BMS) that is used in the Caribbean Netherlands by the Tax and Customs Administration. Because of this there is, in terms of analysing unusual transactions, more insight into individuals who may travel in and out of the Caribbean Netherlands with large amounts of cash.

6.2 Dissemination of suspicious transaction information in the Caribbean Netherlands

Declaring to be suspicious

In 2017, FIU-the Netherlands declared 337 transactions that had a relationship to the Caribbean Netherlands to be suspicious. These suspicious transactions were bundled into 35 files and represent a value of nearly 192 million euros. Among the reported transactions were two proposed transactions. Most of the suspicious transactions were declared



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suspicious due to the investigations by FIU-the Netherlands itself (see table 14).

Compiling files

In 2017, FIU-the Netherlands compiled 35 files. Of these, there were fifteen that were provisionally declared not suspicious or remain under further investigation at FIU-the Netherlands. Nine files were processed into four intelligence reports. An official report was drafted for thirteen files. These police reports and intelligence reports were offered to the investigative agencies and the Public Prosecution Office of the Caribbean Netherlands.

Increase in total value of suspicious transactions

In spite of the fact that the number of unusual transactions in 2017 (1,038) is slightly lower than in 2016 (1,281), the number of suspicious declared transactions in 2017 (337) is, by 106, higher than in 2016 (231). Also, the number of files increased in 2017 by 22, compared to 2016, in which 13 files were compiled. In connection with the increase in the numbers of files, the total value of the suspicious transactions in these files rose from eight million euros in 2016 to nearly 192 million in 2017. Some of the files in 2017 contained suspicious transactions of great value, which has resulted in a higher end result.

Attention to quality and analysis capabilities

The increase in the numbers of suspicious transactions, files and the total value of these in 2017 is partly due to the improvement of the analysis capabilities. The objective of FIU-the Netherlands in the years to come is to further increase both the quality and the number of suspected transactions in the Caribbean Netherlands. In table 14, the number of files and suspicious transactions can be seen in relation to the specific reasons for dissemination in 2017.

Table 11: Number of suspicious transactions and files in 2017, by reason for dissemination Caribbean Netherlands

Reason for dissemination	Number of transactions	Share	Number of files	Share
FIU investigations	329	98%	29	83%
LOvJ	6	2%	4	11%
VROS (Index of Criminal Investigations and Subjects)	2	1%	2	6%
Total	337	100%	35	100%

Suspicious companies

A businessman on Bonaire was, with its many companies, already subject of a criminal investigation into tax irregularities and criminal activity. At FIU-the Netherlands, as well, the unusual transactions carried out by him and his companies were on the radar. A Christmas tree of companies was financially active under his leadership. Multiple reporting institutions had received reports of unusual transactions. These ranged from holding accounts for more than fifteen companies, with large amounts being transferred from one account to another without adequate or valid documentation being provided, or there were lending agreements where underlying collateral was missing. In other cases, there was financing of projects that were incorrectly accounted for in the bookkeeping or partly carried out in cash, where monetary irregularities were observed. The entire analysis was made available to the investigation team, in addition to the investigation findings.



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Table 12: Number of unusual transactions* per sector and group of reporting institutions, in the period 2015-2017

Sector	Group of reporting institutions	2015		2016		2017	
		Number	of which Money Transfers	Aantal	Waarvan MT	Aantal	Waarvan MT
Independent professionals	Accountants	1.042		1.260		1.155	
Independent professionals	Lawyers	10		12		10	
Banks	Banks	11.051	3.464	13.599	4.763	22.789	3.908
Independent professionals	Taks consultants	118		138		342	
Independent professionals	Investments institutions and firms	2		4		6	
Other sectors	Life insurers	1		0		0	
Payment Service Provider	Payment service providers	275.338	270.067	360.234	338.528	279.950	251.972
Payment Service Provider	Payment service providers	7.040		12.315	1.152	29.669	2.122
Other sectors	Registrated office Payment Service Providers	New reporting entity	New reporting entity	1		64	57
Other sectors	Domicile provider	22		10		20	
Other sectors	Electronic money provider	New reporting entity	New reporting entity	1		1	
Traders	Trader - Gemstones	512		396		471	
Traders	Trader - Art and antiques	2		4		8	
Traders	Trader - Vessels and boats	41		49		60	
Traders	Trader - Vehicles	3.969		5.041		4.711	
Traders	Trader - Other goods	90		62		70	
Credit card compagnies	Non-Bank Credit cards	3.968		14.694		11.596	
Other sectors	Non-Bank loan providers	30		51		110	
Other sectors	Non-Bank leasing	New reporting entity	New reporting entity	2		0	
Other sectors	Life insurers	6		2		3	
Independent professionals	Real-Estate agent	81		140		159	
Government	Government	5.939					
Government	- Tax authorities - Right of notification			1		1	
Government	- Customs - Declaration of duty			5.492		5.775	
Government	Not obliged to report			0		1	
Government	- Supervisor			3		7	
Independent professionals	Notary	322		529		486	
Other sectors	Pawnshop	61		74		74	
Casino's	Casino's	2.364		2.666		3.228	
Other sectors	Taxateur	3		7		6	
Independent professionals	Trustoffice	148		280		240	
Other sectors	Exchange office					3	
	Total	312.160	273.531	417.067	344.443	361.015	258.059

* Unusual transactions are retrieved on the basis of registration date, i.e. the date on which an unusual transaction is registered in the database of FIU-the Netherlands.

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Table 13: number of informants per type of informant in the period 2015-2017

Sector	Type of informant	2015	2016	2017
Independent professionals	Accountant	227	237	219
Independent professionals	Lawyer	8	9	9
Banks	Bank	47	47	49
Independent professionals	Tax consultant	43	58	73
Other sectors	Investment institution/company	2	3	5
Other sectors	Mediator in life insurance	1	0	0
Payment service providers	Payment service providers	21	21	22
Payment service providers	Payment service providers - PSP	10	13	14
Other sectors	Branch office of financial institution	New informant	1	1
Other sectors	Address for service provider	7	5	7
Other sectors	Electronic money institution	New informant	1	1
Dealers	Dealer in gemstones	28	30	33
Dealers	Dealer - art and antiques	2	3	4
Dealers	Dealer in vessels	22	28	35
Dealers	Dealer in Vehicles	493	506	522
Dealers	Dealer - Other Goods	13	20	26
Credit card companies	Non-bank - Credit cards	7	6	6
Other sectors	Non-bank - Loan companies	3	4	5
Other sectors	Not Bank - Leasing	New informant	1	0
Other sectors	Life insurers	2	2	3
Independent professionals	Real estate broker	49	83	84
Government	Government	3		
Government	- Tax Administration Office - Right to report		1	1
Government	- Customs		1	2
Government	- No duty to report/entitled to report			1
Government	Supervisory authorities		1	1
Independent professionals	Notary Public	119	181	172
Other sectors	Hock shop	3	2	2
Casinos	Game casinos	1	1	2
Other sectors	Valuer	3	6	5
Independent professionals	Trust offices	30	50	47
Other sectors	Exchange institution			1
	Total	1,144	1,321	1,352

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Table 14: Number of suspicious transactions* per sector and group of reporting institutions, in the period 2015-2017

Number Of Suspicious Transactions		2015		2016		2017	
Sector	Type of informant	Number	of which MT	number	of which MT	Number	of which MT
Payment service providers	Payment service providers	36,896	35,979	47,775	42,828	33,280	30,747
Payment service providers	Payment service providers - PSP	71		72		253	
Other sectors	Address for service provider	16				3	
Banks	Bank	2,121	484	2,261	294	4,163	201
Dealers	Dealer in gemstones	71		39		38	
Dealers	Dealer - Other Goods	9		17		13.	
Dealers	Dealer in vessels	3		2		3	
Dealers	Dealer in Vehicles	174		2,029		1,493	
Dealers	Dealer - art and antiques	1				0	
Other sectors	Life insurers	3				0	
Independent professionals	Accountant	445		277		238	
Independent professionals	Lawyer	6		5		5	
Independent professionals	Tax consultants	23		20		18	
Independent professionals	Real estate broker	6		16		4	
Independent professionals	Notary Public	173		181		100	
Independent professionals	Trust offices	77		60		49	
Casinos	Game casinos	275		360		419	
Government	Government	382				0	
Government	- Tax Administration Office - Right to report	-		17		11	
Government	- Customs	-		255		296	
Government	Supervisory authorities	-		3		6	
Credit card companies	Non-bank - Credit cards	183		124		90	
Other sectors	Investment institution/company	1		1			
Other sectors	Non-bank - Loan companies	7		5		38	
Other sectors	Valuer					1	
	Branch office Fin. Institution					2	
Other sectors	Hock shop	16		14		23	
Grand total		40,959		53,533		40,546	30,948

*Suspicious transactions are retrieved on the basis of dissemination date, i.e. the date on which an unusual transaction was declared suspicious. This way, suspicious transactions in a certain year cannot be compared with the unusual transactions (retrieved on the basis of registration date) in a certain year.

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Under the Dutch Money Laundering and Terrorist Financing (Prevention) Act (Wet ter voorkoming van witwassen en financieren van terrorisme, Wwft), the Financial Intelligence Unit of the Netherlands is the designated authority to which various reporting institutions must report unusual transactions. FIU-the Netherlands analyses these reports, exposing transactions and money flows that can be related to money laundering, terrorist financing or related crimes. Unusual transactions that have been declared suspicious by the head of FIU-the Netherlands are made available to the investigation, intelligence, and security services.

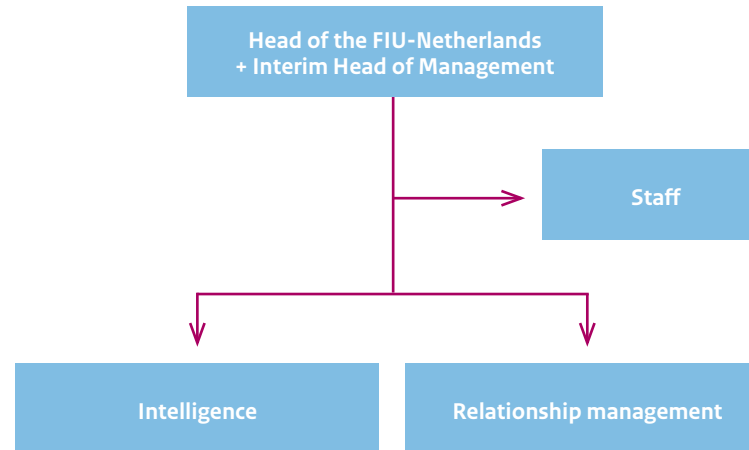
This appendix constitutes a general introduction to what FIU-the Netherlands is. The mission, the legal task and the (inter) national playing field within which FIU-the Netherlands operates are discussed. Also, an explanation is given of the statutory reporting obligation and how FIU-the Netherlands implements these statutory duties.

A II.1 Positioning, statutory function and mission

Positioning of FIU-the Netherlands

FIU-the Netherlands is formally part of the legal entity, State of the Netherlands. Organisationally, it was placed under the national police as an independent entity that operates in a recognisable manner. By means of (sub)mandates, the head of FIU-the Netherlands has the authority required with respect to staff and resources, which guarantees the organisation's operational independence. The policy line runs directly from the Minister of Security and Justice to the head of FIU-the Netherlands. The management line runs from the Chief Officer of the National Police to the head of FIU-the Netherlands.

Figure 1. Organizational design FIU-Netherlands



Statutory tasks

The statutory tasks of FIU-the Netherlands are defined in Section 13 of the Wwft. Its core task is to receive, record, process, and analyse unusual transaction data in order to determine whether these data may be of importance for the prevention and detection of crime, for declaring transactions suspicious and then for the provision of this transaction data.

In addition to this core task, FIU-the Netherlands also focuses on tasks derived from its core task, including the provision of information to public and private partners and the detection of trends and developments regarding money laundering and terrorist financing.

Money laundering usually involves a sequence of actions, financial or otherwise, by which someone attempts to make the source of the proceeds of crime appear legitimate. In case of terrorist financing, the money does not

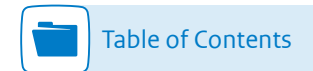


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necessarily originate from an illegal source. It is precisely, in this case, the destination of the money, namely, the terrorist activities or, for example, the support of terrorists, that could make a particular transaction illegal.

FIU-the Netherlands has, in order to implement the tasks described, a workforce of 57 FTEs and has an annual budget of 5.3 million Euros. Starting from 1 January 2017, FIU-the Netherlands has a temporarily increased budget of 0.6 million euros for the five-year period. From this temporary budget, 6 additional FTEs will be brought into FIU-the Netherlands. This creates, for the 5-year period, a total of 5.9 million euros of disposable budget and a formation of 63 FTEs. In Figure 1, the structure of the organization is shown schematically.

Mission

The mission of FIU-the Netherlands is to prevent and combat crime – in particular money laundering and terrorist financing – by means of the financial intelligence it gathers, with a view to ensuring the integrity of the financial system in the Netherlands and in other countries.

FIU-the Netherlands is the designated authority in the Netherlands that has exclusive data on reported unusual transactions, which may be declared suspicious after further investigation. It is a unique liaison between the institutions reporting unusual transactions and government partners that play a role in combating national and international crime. FIU-the Netherlands does this by offering timely financial intelligence and expertise within relevant networks.

A II.2 The Act on the Prevention of Money Laundering and Financing of Terrorism (Wwft)


The objective of the Wwft is to prevent money laundering and terrorist financing in order to guarantee the integrity of the financial and economic system.


Duty to report unusual transactions

The Wwft is aimed at various categories of business service providers, which are referred to in the act as “institutions” and imposes two duties on them. Firstly, the duty to conduct (risk-oriented) customer due diligence and secondly, the duty to report unusual transactions. Customer due diligence contributes to identifying and controlling risks associated with specific clients or specific types of services. FIU-the Netherlands plays a crucial role in the duty to report; institutions must report any unusual transactions that are (possibly) related to money laundering or terrorist financing to the “Financial intelligence unit”, the name of FIU-the Netherlands that is used in the Wwft.

Reporting institutions include not only financial institutions; casinos, trust offices, various types of dealers and independent professionals, for example, also have a duty to report. A transaction, either completed or intended, is unusual if it meets one or more reporting indicators. These indicators differ by group of reporting institutions and are defined in the Wwft Implementation Decree. In this context, a distinction can thus be made between objective and subjective indicators. Objective indicators result in a duty to report if a transaction exceeds a specific threshold amount. Money transfer offices, for example, have a duty to report all money transfers exceeding an amount of € 2,000 to FIU-the Netherlands. A subjective indicator means that an institution has a duty to report a transaction if it has “reason to suspect” that the transaction is connected with money laundering or terrorist financing.

The Wwft stipulates which information must at least be included in an unusual transaction report. Expedious and effective investigations into any involvement of individuals in money laundering or terrorist financing are possible only if the reports are of high quality. Various supervisory authorities shall monitor the compliance with the Wwft. The failure to report unusual transactions, or the failure to do so in time, correctly or completely, is a punishable offence.

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FIU-the Netherlands as a buffer

All unusual transaction reports are recorded in the secure database of FIU-the Netherlands, also referred to as “the buffer.” The reports are carefully protected. Only employees authorized by the head of FIU-the Netherlands have access to this protected database. Maintaining confidentiality regarding unusual transaction information is a precondition for being able to cooperate with reporting institutions and foreign FIUs. Only when reported transactions have been investigated further and an interest for the prevention of money laundering, terrorist financing or any underlying crime has been confirmed, will the head of FIU-the Netherlands declare the transaction “suspicious” and will the suspicious transaction be disseminated to various detection, intelligence, and security services.

A II.3 Policy and multi-annual objectives

Long-term objectives

For the period 2014-2017, FIU-the Netherlands set itself four multi-annual targets. The policy objectives are based on the tasks of FIU-the Netherlands, as defined in Section 13 of the Wwft, and in international regulations. The long-term objectives are:

- The optimizing of the primary FIU processes so that high-quality information and intelligence can be efficiently produced;
- The encouragement of widespread use of FIU information; and visible profiling of the organisation;
- The development of a better insight into trends and phenomena and;
- The continued development of international and interregional exchange of information.

FIU-the Netherlands strives for a broad and effective use of FIU information and the gaining of more insight into the use of FIU products. It focuses on an optimal connection to the information needs of its customers and to the structural use of FIU information. Various developments, such as the formation of the National Police, national programmes and the establishment of multidisciplinary cooperation have provided FIU-the Netherlands with new possibilities to improve the effectiveness of its information and the feedback on the use thereof. In particular, the position of FIU-the Netherlands at the National Police, an important investigative partner, contributes to this.

Due to its unique information position, FIU-the Netherlands has a large amount of data on possible cases of money laundering and terrorist financing, providing insight into trends and phenomena. International cooperation and data exchange provide FIU-the Netherlands – and subsequently also the national investigative partners – with valuable financial intelligence for combating money laundering and terrorist financing.

A II.4 The national and international playing field

FIU-the Netherlands is at the interface between the public and private sector. It cooperates with (representatives of) reporting entities, supervisory authorities, foreign FIUs, and various investigative services and other partners (or their representatives) that play a role in the prevention and investigation of crimes. FIU-the Netherlands aims to bring its working processes (receiving, analysing, and declaring suspicious) in line with the priorities of its partners. Conversely, it wishes to draw the attention of its partners to relevant data, trends and phenomena, which may be translated into both reporting policy and investigation procedures.

The national playing field

FIU-the Netherlands maintains good contacts and works with a network of organizations involved in the prevention and combating of crime, such as investigation agencies and supervisory authorities. In order to intensify the approach within the areas of money laundering and the confiscation of unlawfully acquired assets, some new partnerships have been set up in recent years with the help of special funds. For the sake of effective anti-crime measures, FIU-the Netherlands is a partner in the Infobox Criminal and Unaccountable Assets (iCOV), which was set up in 2013, and cooperates closely with the AMLC of the FIOD.

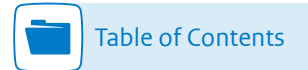


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For the past three years, FIU-the Netherlands has been a full partner within the Financial Expertise Centre (FEC). The joint objective of the FEC partners is to promote the integrity of the financial sector through mutual cooperation and exchange of information. Due to its FEC membership, FIU-the Netherlands holds a seat in the FEC Council, the contact consultations and the information platform. Furthermore, it also takes part in a number of (sub) working groups of the FEC.

International cooperation

Financial transactions often have an international character. Also, crime in general and money laundering and terrorism financing, in particular, are often associated with cross-border money flows. To combat this, international cooperation is, therefore, indispensable. Through the relevant international forums, FIU-the Netherlands seeks operational and policy-based cooperation.

The Egmont Group of Financial Intelligence Units

FIU-the Netherlands is part of the Egmont Group of Financial Intelligence Units, an international cooperation of 154 FIUs that forms the basis for international data exchanges among FIUs. A new strategic policy plan, “The Egmont Strategic Plan 2014-2017”, was formulated in 2014. The plan focuses on intensifying regional cooperation between FIUs and organising an effective and future-proof infrastructure within the Egmont Group. FIU-the Netherlands actively participates in two working groups, which focus on operational cooperation on the one hand (Information Exchange Working Group) and, on the other hand, on policy and procedural development (Policy and Procedures Working Group).

The head of FIU-the Netherlands is, as of July 2017, President of the Egmont Group for a period of 2 years.

EU FIU Platform

Since 2006, the FIUs within the European Union (EU) have met at the EU Financial Intelligence Units’ Platform (EU FIU Platform) to intensify and streamline information exchanges between them. This initially informal platform of FIUs received, in 2014, the formal status of expert group. In the fourth European anti-money laundering directive – which entered into force in June 2015 and will be implemented in the Netherlands 2018 – this status has once again been made explicit. In doing so, the EU recognises the importance of cooperation between the European FIUs and their specific expertise in the area of the prevention of money laundering and terrorism financing.

The expert group will fulfil a formal role in advising the European Commission (EC).

FIU.NET

The FIUs of the EU countries make use of FIU.NET for the purpose of operational cooperation. FIU.NET is a decentralised computer network that facilitates a safe and efficient exchange of data between EU FIUs. The decentralised infrastructure of the system guarantees the autonomy of the individual FIUs; The FIUs themselves determine what is shared and with whom and when, without a central storage of their data. All 28 FIUs of the EU Member States are now connected to the network and, jointly an average of around 1,000 FIU.NET requests are made per month. In the fourth European anti-money laundering directive, the EU FIUs are encouraged to make use of FIU.NET in their mutual communications.

FIU.NET has developed a cross-border reporting module which makes it easier for European FIUs to share transaction reports among themselves. Through a so-called ‘joint case’ in the FIU.NET application, EU FIU’s experiences can be shared and operationally collaborated with, which allows for, for example, infringement of EU sanctions to be rapidly detected.

FATF

The Financial Action Task Force is an intergovernmental organisation which is mainly known from the 40 recommendations for the prevention and combating of money laundering and the financing of terrorism. The FATF has granted the FIUs an important role and has, in its recommendations, also established rules on the powers and degree of independence that FIUs must have. The participating countries have committed themselves to follow these recommendations and, periodically, the countries evaluate each other to see to what extent they actually adhere to them. FIU-the Netherlands participates in the Dutch delegation to the FATF, when FIU issues are concerned.

GoAML user community

Since 2011, FIU-the Netherlands has used the GoAML business process system, an application developed by the United Nations Office on Drugs and Crime (UNODC) and created for FIUs. FIU-the Netherlands is part of the group of first users, playing an active role in optimising the application. In 2014, it was re-elected chairman of the GoAML international ‘user community’ for the period 2014-2017. This makes FIU-the Netherlands



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the point of contact for the countries working with GoAML. The aim is to intensify cooperation with the UNODC and to bring the application more in line with the wishes of the users/user groups.

A II.5 Activities of FIU (Financial Intelligence Unit-The Netherlands)

FIU-the Netherlands uses the following work processes to interpret and implement to its statutory duties.

Received

FIU-the Netherlands is the designated authority to which the designated organizations in the Wwft should report unusual (intended) transactions. There are more than 30 different types of reporting institutions, ranging from banks and notaries to art and car dealers. In total, there are more than 1,000 informants who annually report more than 350,000 unusual transactions. FIU-the Netherlands promotes the reporting behaviour of the reporting entities through active communication. Client managers maintain direct contact with the reporting entities and work with industry associations and supervisory authorities to promote reporting obligations and provide information. Via a service desk, reporting entities are supported when submitting notifications. Not only is the reporting itself encouraged, but also the quality of the reports are improved in this way. It goes without saying that high-quality and complete reports are the most valuable for FIU-the Netherlands.

Analysing

FIU-the Netherlands analyses all received reports and the Head of FIU-the Netherlands declares the transactions suspicious when there is reason to do so. FIU-the Netherlands uses various types of investigations that could lead to declaring a transaction to be suspicious. Roughly speaking, a distinction can be made among;

- Matches with external data files;
- LOvJ requests;
- Requests from foreign FIUs; and
- Strategically steered FIU investigations.

Matches with external data files

FIU-the Netherlands has access to a number of data files from network partners that -- with a certain frequency -- make a semi-automatic comparison (a so-called match). Important data files are the police's VROS (Reference Index Criminal Investigations and Subjects) file which is matched weekly. Unusual transactions of persons appearing in criminal investigations can then be declared suspicious and reported to the investigative services without much further investigation.

In addition to the VROS file, FIU-the Netherlands also matches, with more or less regularity, with other strategically interesting sources, such as those of the CJIB and of various DWIs.

LOvJ requests

When an investigating authority investigates a particular suspect, it often pays to make an LOvJ request to FIU-the Netherlands. FIU-the Netherlands may, on the basis of the request, declare unusual transactions to be suspicious as relating to this investigated subject and supply this information to the investigation service. The financial traces left by the suspect are, contrary to what is generally the case with intelligence, hard information that can and may be used as evidence in a criminal case.

An LOvJ request can be done at any time during an on-going investigation and can also be repeated during the investigation. An LOvJ request may also, during a confiscation procedure, provide valuable information on the financial conduct of a subject being investigated. Every year, FIU-the Netherlands receives and processes between 1000 and 1500 LOvJ requests which can vary widely in size.

Requests from foreign FIUs

FIU-the Netherlands is part of a global network of (currently) 154 FIUs that are united in the Egmont Group. This provides a basis for operational cooperation using a secure digital environment, the Egmont Secure Web. In addition, FIU-the Netherlands has concluded MoUs with some FIUs from other countries, on the basis of which they can exchange information with these FIUs.

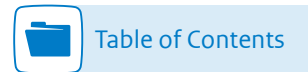
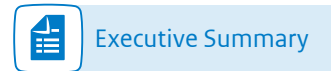


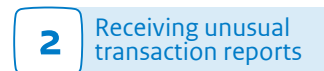
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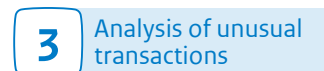
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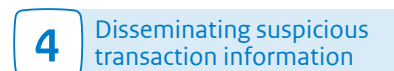
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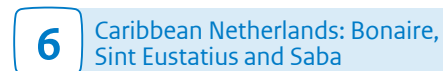
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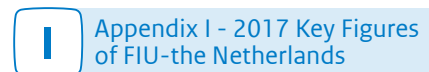
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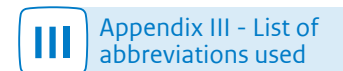
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Within the EU, the cooperation is even closer. This is reflected in the EU FIU-Platform in which all FIUs of the EU are united. At the operational level, thanks to the technological capabilities offered by FIU.NET, it is easy and effective to collaborate and safely exchange information. In addition to targeted requests, FIU-NET can, using the Ma3tch technology of FIU.NET, match the databases of the EU FIUs in an anonymous, encrypted and decentralized manner. In this way, FIU-the Netherlands can evaluate in a very efficient and safe manner whether or not a particular subject under investigation has left financial traces elsewhere in Europe. The structures for the exchange of FIU information offer great advantages over regular police and criminal justice channels.

FIU-the Netherlands receives requests from foreign FIUs and makes requests itself to foreign FIUs. Both cases can lead to declaring transactions suspicious. Foreign requests are often part of FIU-the Netherlands own investigations and, increasingly, also of LOV requests.

Strategically steered FIU-Netherlands investigations

In addition to handling LOV requests and matching, FIU-the Netherlands also often conducts its own investigations. When doing its own investigation, FIU-the Netherlands develops a file with transactions into a high-quality product that often allows investigation partners to immediately declare a case to be suspicious and can then take the next steps. When doing its own investigations, FIU-the Netherlands not only uses its own database, but also uses information from open sources, consults police systems and may request tax information.

FIU-the Netherlands database with unusual transactions is full of interesting transactions that may indicate money laundering or other forms of crime. It is, with the current capacity of FIU-the Netherlands, but also with that of investigation authorities, not possible and also not desirable to subject all transactions to an equally in-depth investigation. FIU-the Netherlands has developed a model of strategic control and tactical selection enabling, as much as possible, the right issues to be examined which reflect the priorities of the administering investigation partners.

Dissemination

Transactions declared suspicious are transferred by FIU-the Netherlands to investigation authorities and/or the Public Prosecutor. The information is used as control information and insight into criminal activities and criminal collaboration, as initial information for a criminal investigation or as an immediate part of the evidence in a criminal case. Client managers at FIU-the Netherlands actively encourage the use of FIU information and make the connection between the information position of FIU-the Netherlands and the priorities of the criminal investigation services and the Public Prosecutor.

The biggest users of the FIU information are the criminal investigation services of the National Police and the FIOD. FIU-the Netherlands focuses on both wide and targeted dissemination of FIU information. Wide dissemination takes place through the police-wide application, 'Blueview,' which nearly the entire police force has access to. FIU-the Netherlands carries out targeted distribution by making agreements with the recipients of the information.

In addition to the investigation partners, FIU-the Netherlands provides information – at an aggregated level – to the Wwft supervisory authority for the benefit of their supervisory tasks. There is also feedback to the informants when a report they have provided is declared suspicious. This allows the informant to assess transactions for their usability in an even more focused manner.

Sometimes, FIU-the Netherlands, by having a good relationship with informants on the one hand and with investigation services on the other, can ensure that a transaction can be intercepted before the money gets beyond the reach of the Dutch investigation services. Catching such cases in the act requires a perfect alignment and cooperation with all parties.

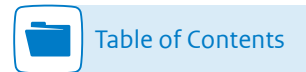


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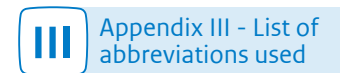
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Trends and phenomena

The unique information position of FIU-the Netherlands offers the ability to detect new trends and phenomena. With a high-quality reporting and analysis tool, FIU-the Netherlands can draft focused reports and analyses from the available data. FIU-the Netherlands seeks, by means of qualitative investigation, to identify so-called red flags by which those transactions can be filtered from the database, linking them to a particular form of crime. Because of capacity constraints, FIU-the Netherlands must be innovative and constantly balance interests in order to be able to carry out these qualitative investigations. Nevertheless, visible results are achieved by which FIU-the Netherlands shapes its monitoring function.

Strategic control

The extensive database of FIU-the Netherlands can be consulted by intelligence staff of FIU-the Netherlands on its own initiative in order to upgrade unusual transactions to direct opportunities for the investigation services, to provide insight for the supervisory authorities, or for the benefit of information material for the informant groups. There are various reasons for FIU-the Netherlands to start its own investigation. These 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. Also, questions from foreign FIUs and signals from partners can give rise to them initiating their own investigation.

The investigation capacity of FIU-the Netherlands is limited, so that conscious choices have to be made for starting self-initiated investigations. FIU-the Netherlands has developed a strategic control model with which their own investigations are managed at the strategic, tactical and operational levels. Two important 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 from informant groups and supervisory authorities, trends in the reported transactions and international agreements in the field combating crime. Current events and incidents of interest can cause an adjustment of this framework.

On the basis of the priority themes selected by the SSO, and taking into account the available capacity, FIU-the Netherlands' own investigations are managed, on a tactical level, by the tactical selection consultation (TSO). Proposals for specific investigations can be submitted from the organization to the TSO, which shall assess and weigh those proposals and, if necessary, request added information and then provide them with capacity and a deadline. Operational management is done by a team leader.



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ACC	Anti-Corruption Centre	iRR	Intelligence Relation Reporting
AFM	Autoriteit Financiële Markten (Netherlands Authority for the Financial Markets)	iRT	thematic scan
AMLC	Anti-Money Laundering Centre, part of FIOD	iRVI	Intelligence Reporting Wealth and Income
BES	public sector bodies Bonaire, Sint Eustatius and Saba (The Caribbean Netherlands)	KMar	Koninklijke Marechaussee (Royal Netherlands Marechaussee)
BFT	Bureau Financieel Toezicht (Financial Supervision Office)	KPCN	Korps Politie Caribisch Nederland (The Caribbean Netherlands Police Force)
BIBOB	Public Administration (Probity Screening) Act (Wet bevordering integriteitsbeoordeling door het openbaar bestuur)	KYC	Know Your Customer
BICC	Business Intelligence Competence Centre	LOvJ	Landelijk Officier van Justitie (National Public Prosecutor / National Public Prosecutor's Office)
BVI	Basisvoorziening Informatie (Information Database), a National Police application	MT	Money transfer
CJIB	Centraal Justitieel Incasso Bureau (Central Fine Collection Authority)	NCTV	Nationaal Coördinator Terrorismedebijding en Veiligheid (National Coordinator for Security and Counterterrorism)
CT Infobox	Counterterrorism Infobox	NP	National Police
DfID	Department of International Development	NVB	Nederlandse Vereniging van Banken (Dutch Banking Association)
DIKLR Finec	Service Information Hub National Investigation Service,	NVGTK	Nederlandse Vereniging van Geldtransactiekantoren (Dutch Association of Money Transfer Offices)
DNB	De Nederlandsche Bank (Dutch Central Bank)	NVIK	Nationaal Vreemdelingen Informatieknoppunt (National Aliens Information Hub)
DWI	Department for Work and Income	OECD	Organization for Economic Co-operation and Development
EC	European Commission, executive body of the EU	OM	Openbaar Ministerie (Public Prosecution Service)
ESW	Egmont Secure Web	OVSE	Organization for Security and Co-operation in Europe
EU	European Union	PSD2	second EU payment service directive
FATF	Financial Action Task Force	RIEC	Regionaal Informatie en Expertise Centrum (Regional Information and Expertise Centre)
FEC	Financieel Expertise Centrum (Financial Expertise Centre)	RTB	Regional Transaction Image
FinCEN	Financial Crimes Enforcement Network	SNRA	Supra National Risk Assessment
FinEC	Financial and Economic Crime Programme	UNODC	United Nations Office on Drugs and Crime
FIU	Financial Intelligence Unit	VC	Virtual Community
FIOD	Fiscale Inlichtingen- en Opsporingsdienst (Fiscal Intelligence and Investigation Service)	VN	United Nations
GAFILAT	Financial Action Task Force of Latin America	VROS	Verwijzingsindex Recherche Onderzoeken en Subjecten (Index of Criminal Investigations and Subjects)
GoAML	Government Anti-Money Laundering, ICT application built by UNODC	Wwft	Wet ter voorkoming van witwassen en financieren van terrorisme (Dutch Money Laundering and Terrorist Financing (Prevention) Act)
iCOV	Infobox Crimineel en Onverklaarbaar Vermogen (Infobox Criminal and Unaccountable Assets)	Wwft BES	Money Laundering and Terrorist Financing (Prevention) Act for the Caribbean Netherlands
SZW	Inspectie van het Ministerie van Sociale Zaken en Werkgelegenheid (Inspectorate of the Ministry of Social Affairs an Employment (Inspectorate SZW))	XBD	Cross Border Dissemination

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