

During the June 2020 quarter, the FIU noted an increase in the number of reports filed in this quarter compared to the previous quarter. In collaboration with the Non-Banks supervision team, the FIU also conducted the quarterly compliance spot checks for foreign exchange dealers.

1. Table1: Number of reports received

<i>Type of reports filed</i>	<i>Apr-20</i>	<i>May-20</i>	<i>Jun-20</i>	<i>Total Jun-20 QTR</i>	<i>Mar-20 QTR</i>	<i>Jun-19 QTR</i>
<i>Suspicious Transaction Reports (STRs)</i>	5	2	4	11	6	3
<i>Currency Transaction Reports (CTRs)¹</i>	840	860	1,233	2,933	2,745	3,628
<i>Border Currency Reports (BCRs)²</i>	1	0	0	1	19	23

More reports were submitted by the reporting financial institutions over this quarter compared to the previous quarter except BCRs. The number of CTRs increased from previous month although a decline compared to the same quarter last year. STRs increased over the month as well as from the previous quarter. The FIU continues to retain information obtained in these reports to assist in its data analysis function.

¹ CTRs reporting is for transaction equal to and above T\$10,000. Transactions include deposits and withdrawals in all types i.e. deposit, withdrawal, exchange of currency or other payment or transfer with the exemptions of government agencies and financial institutions transactions. Customers with established relationship with the reporting entity conducting transactions of that amount are also exempted if their background or business activities support the amount of the transaction.

² BCR reporting requires declaration at the border by any person entering or leaving the Kingdom with cash amounting to more than T\$10,000 or its equivalent in foreign currencies.

2. Table 2: Types of STR

The numbers of STRs rise by 5 reports from the previous quarter. Of the 11 reports, 3 reports were related to unusual signification transaction, 6 reports related to large & rapid movements of funds, 1 report reported in relation to scam and the remaining was concerning PEPs.

<i>STR by type</i>	<i>Apr-20</i>	<i>May-20</i>	<i>Jun-20</i>	<i>Total Jun-20 QTR</i>	<i>Mar-20 QTR</i>	<i>Jun-19 QTR</i>
<i>Unusual significant transaction</i>	3	-	-	3	3	1
<i>Large & rapid movement of funds</i>	1	1	4	6	2	0
<i>Usual personal accounts for business purpose</i>	-	-	-	-	-	0
<i>Possible avoidance of regulatory reporting requirements</i>	-	-	-	-	-	1
<i>Scam</i>	1	-	-	1	-	-
<i>Others</i>	-	1	-	1	1	1
Total	5	2	4	11	6	3

3. Table 3: STR disseminated

<i>Law Enforcement Agencies</i>	<i>Apr-20</i>	<i>May-20</i>	<i>Jun-20</i>	<i>Total Jun-20 QTR</i>	<i>Mar-20 QTR</i>	<i>Jun-19 QTR</i>
<i>Ministry of Police</i>	1	-	-	1	3	-
<i>Ministry of Revenue & Customs</i>	4	1	-	5	3	1
<i>Foreign Affairs (Immigration)</i>	-	-	-	-	-	-
<i>Other (Reporting Entity & Other NRBT departments)</i>	-	1	4	5	-	2
Total	5	2	4	11	6	3

Following the analysis of the 11 STRs, 6 reports were disseminated to law enforcement agencies for investigations of possible tax and criminal offences. 4 of the remaining reports were retained for future references and 1 report was referred

to the reporting entity for further due diligence.

4. Table 4: CTR data

The FIU received 2,933 reports in this quarter increasing from the previous quarter of 2,745 reports. Inward

	<i>Apr-20 (TOP\$M)</i>	<i>May-20 (TOP\$M)</i>	<i>Jun-20 (TOP\$M)</i>	<i>Total Jun-20 QTR (TOP\$M)</i>	<i>Mar-20 QTR (TOP\$M)</i>	<i>Jun-19 QTR (TOP\$M)</i>
<i>Inwards</i>	14.94	16.98	24.76	56.68	49.58	65.60

transaction increased by 14% and outbound transaction also increased by 28% comparing with the previous quarter. The major reason which is seen in increasing of business related transactions which were mostly noted in the other deposits followed by the use of cheques.

<i>Outwards</i>	7.64	11.01	11.40	30.05	23.36	35.76
Transaction Purpose						
<i>Business</i>	14.47	20.21	26.76	61.44	44.96	71.96
<i>Personal</i>	8.09	7.78	9.41	25.28	27.98	29.40
Transaction Type						
<i>TT</i>	1.53	1.91	1.10	4.54	5.92	3.13
<i>Cash</i>	7.19	7.86	15.8	30.85	30.85	41.59
<i>Cheque</i>	5.97	10.32	12.76	29.05	24.52	34.18
<i>Cash/Cheque</i>	3.12	1.64	3.24	8.0	4.68	9.38
<i>Other</i>	4.77	6.26	3.25	14.28	6.99	13.08

5. Table 5: BCR data

	<i>Apr-20 (TOP\$M)</i>	<i>May-20 (TOP\$M)</i>	<i>Jun-20 (TOP\$M)</i>	<i>Total Jun-20 QTR (TOP\$M)</i>	<i>Mar-20 QTR (TOP\$M)</i>	<i>Jun-19 QTR (TOP\$M)</i>
<i>Inbound</i>	-	-	-	-	0.29	0.19
<i>Outbound</i>	0.01	-	-	0.01	12.64	11.71
Purpose of Funds						
<i>Business</i>	-	-	-	-	12.93	11.66
<i>Personal</i>	0.01	-	-	0.01	-	0.24

The FIU received 1 BCR this quarter from the Ministry of Revenue & Customs, a decrease from 19 reports filed in the previous

quarter. This decrease in reports was due to COVID-19 restricted flight diversions. BCR was for outbound funds for an individual passenger.

8. Stakeholder meetings

The FIU met with Ministry of Revenue & Customs twice this quarter to update on reports previously disseminated. Update meetings with law enforcement agencies such as Revenue & Customs assists the FIU with obtaining feedback on the reports being passed for investigations. This is also an opportunity for the agencies involved to discuss current active cases and to seek further information required to assist with the investigation process. The reports from the law enforcement agencies then feeds into the unit's feedback to the reporting entities in its outreach and awareness programs.

9. Quarterly Compliance Checks for Foreign Exchange dealers

In collaboration with the Non-Banks Division, compliance visits were conducted to 9 licensed and registered foreign exchange dealers (FED) in June 2020. The results were generally compliant. In terms of AML/CFT related obligations a few non-compliances were noted on areas such as record keeping as well as reporting obligations. The FIU continues to follow up with these FEDs on areas of concern to assist them in getting them compliant for the next round of quarterly compliance visits.

10. AML/CFT Training

During the FEDs Semi-annual meeting in June 2020, the FIU conducted a refresher AML/CFT training to all participants as a reminder of their obligations. Several ad-hoc trainings were also provided upon request from reporting entities to assist them with awareness and understanding of their AML/CFT related obligations. Trainings were provided to staff of Toumu'a Money Transfer (newly established), South Pacific Business Development and 'Ave Pa'anga Pau.

11. Events

- 30th April 2020, Intel Meeting with Police & Ministry of Revenue and Customs
- 15th May 2020, Intel Meeting with Police & Ministry of Revenue and Customs
- 18th May 2020, AML training with 'Ave Pa'anga Pau
- 22nd May 2020, AML training with South Pacific Business Development
- 22nd June 2020, AML training with Toumu'a Money Transfer
- 25th June 2020, Semi-annual meeting with Foreign Exchange dealers
- 29th June – 3rd July 2020, Quarterly compliance Checks with Foreign Exchange dealers