



CARIBBEAN FINANCIAL ACTION TASK FORCE

Fifth Follow-Up Report Of Curaçao

Follow-up report to exit
the 3rd Round of Mutual Evaluations

November 2016

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CURAÇAO: FIFTH FOLLOW-UP REPORT UPDATE AND FULL ANALYSIS

I. INTRODUCTION

1. The third round Mutual Evaluation Report (MER) of Curaçao was adopted by the Plenary at the May 2012 Plenary meeting in El Salvador. At the time of adoption, the Plenary determined that Curaçao would report to the Plenary in November 2012 and then one (1) year later (November 2013) on regular Follow-Up. Curaçao presented the First Follow-Up during the Plenary in British Virgin Islands in November 2012, the Second Follow-Up Report during the Plenary in The Bahamas in November 2013, the third Follow-Up Report to the Plenary in El Salvador in November 2014 and the fourth Follow-Up Report to the Plenary in Trinidad and Tobago in November 2015. Curaçao remained in status quo during all the follow-up process.
2. In Sept. 7, 2016 Curaçao applied to exit the third round of Follow-Up process on the basis of having met all the deficiencies noted in the MER and particularly after having passed the legislation that would meet such deficiencies. Curaçao submitted the exit follow matrix and the correspondent legislation in English Language, on September 12 and 13, 2016.
3. This report is based on the Follow-Up removal procedure as stated in the CFATF Mutual Evaluation Procedures (amended to 2012) and as further explained by the decision of the Montego Bay, Jamaica Plenary in June 2016. The report contains a detailed description of the measures taken by Curaçao to address deficiencies in their Core and Key Recommendations that were rated partially compliant (PC), as there were no Core and Key Recommendations rated as non-compliant (NC) in the MER. A brief description and analysis of the non-Core and Key Recommendations rated PC/NC is also being presented.
4. Curaçao was rated PC or NC on the following Recommendations:

Core Recommendations rated PC	
R. 5	Customer Due Diligence
R.13	Suspicious Transaction Reporting
SR.II	Criminalize terrorist financing
SR.IV	Suspicious Transaction Reporting
Key Recommendations rated PC	
R. 4	Secrecy laws consistent with the Recommendations
R.26	The FIU
R.35	Conventions
SR.I	Implement UN instruments
SR.III	Freeze and confiscate terrorist assets



Other Recommendations rated PC	
R. 11	Unusual Transactions
R. 14	Protection & Tipping-Off
R. 17	Sanctions
R. 21	Special attention for higher risk countries
R. 25	Guidelines & Feedback
R. 30	Resources, integrity and training
R. 31	National Cooperation
R. 32	Statistics
R. 33	Legal persons – beneficial owners
SR.VI	AML requirements for money and value transfer services
SR.IX	Cash Couriers
Other Recommendations rated NC	
R.12	DNFBP
R.16	DNFBP – R. 13-15 & 21
R. 24	DNFBP – Regulation, Supervision and Monitoring
SR.VIII	Non Profit Organizations

5. The review of Curaçao's progress towards exiting the follow-up process is a desk-based review. The analysis focuses on the Core and Key Recommendations that were rated PC, as there no were Core and Key Recommendations rated NC. The analysis also focuses in the non- Core and Key Recommendations that were rated PC/NC and as such, is not as detailed and thorough as a mutual evaluation report and only part of the AML/CFT system is being reviewed. The analysis consists of looking at the main laws, regulations, guidelines and other materials to verify technical compliance with the FATF Recommendations. The level of effectiveness is taken into account through consideration of data provided by Curaçao. The conclusions in this report do not prejudice the results of any future assessments as they are based on information that was not verified through an onsite process.

II. MAIN CONCLUSIONS AND RECOMMENDATIONS TO THE PLENARY

Core Recommendations

6. **Recommendation 5.** Curaçao has taken various actions on the implementation of Rec. 5, which include the following: requirement of CDD to all wire transactions and the requirement to service providers to apply on-going CDD through the monitoring of the client's risk profile and request of further information when needed. A risk based approach is applicable when conducting CDD in a risk sensitive basis to all transactions depending on the type of client, business relationship, service, product or transaction provided. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.
7. **Recommendation 13.** According with the FIU statistics, all the reporting entities are submitting STRs. The amended National Ordinance on the Reporting of Unusual



Transactions (NORUT) enables all the reporting entities to file UTRs on the basis of a broad indicator and greater flexibility to identify suspicious of ML or FT. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.

8. ***Special Recommendation II.*** The amended Penal Code criminalizes the FT according with the International Convention for the Suppression of the Financing of Terrorism. The criminalization of funds (FT) is consistent with SR II. The effectiveness of the sanctions was not assessed in the third round. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.
9. ***Special Recommendation IV.*** According with the FIU statistics, all the reporting entities are submitting STRs. The amended indicators enable all the reporting entities to file UTRs on the basis of a broad indicator and greater flexibility to identify suspicious of ML or FT. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.

Key Recommendations

10. ***Recommendation 4.*** The amended NORUT enables the Central Bank to provide data and information to local and foreign government agencies, including the FIU -MOT-. A Covenant signed between the Office of the Attorney General and the Central Bank, allows the Office of the Attorney General to provide data to the Central Bank spontaneously or not. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.
11. ***Recommendation 26.*** The amended NORUT comprises legislative measures to reinforce the FIU, such as the keeping of confidentiality of the information supplied or received, empowerment to the FIU in terms of administration of the database of the Unit and restrictions that could produce undue interference, were eliminated of the amended legislation. In terms of effectiveness, the FIU constantly provides information on typologies, has been working in the increase of adequate human resources, has improved the procedures to analyse UTRs/STRs and is in the process of acquiring a new technological platform. The FIU has access to the database of law enforcement agencies. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.
12. ***Recommendation 35.*** The amended Penal Code criminalizes the FT according with the International Convention for the Suppression of the Financing of Terrorism. The criminalization of funds (FT) is consistent with SR II. The effectiveness of the sanctions was not assessed in the third round. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.



13. **Special Recommendation I.** Freezing of assets can occur without delay in Curaçao. For the application of UN Sanctions, a Ministerial Order with general effect is utilized in order to expedite the application of sanctions. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.
14. **Special Recommendation III.** Curaçao has implemented the “Process for the freezing of resources for the implementation of sanctions imposed by international organizations (process of asset freezing of funds)” which were made public in the local Gazette. Supervised institutions including financial and non-financial entities and individuals, are instructed on measures to be taken when they find themselves in possession of funds or assets that should be frozen. In order to monitor the compliance with the legislative and regulatory measures, a “Procedure for the freezing of resources of individuals and organizations” has been issued. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.

Other Recommendations

15. Curaçao has also made progress in addressing the deficiencies in its non-core and key Recommendations that were rated PC/NC. Curaçao’s application for removal from the follow-up process is based on its compliance with the Core and Key Recommendations that were rated PC/NC. Accordingly, this report will not provide a detailed analysis of the other Recommendations. A brief overview of the progress made with these other Recommendations is included in section VI of this report for information purposes only.

Conclusions

16. This report provides an analysis of Curaçao’s Core and Key Recommendations that were rated PC in its 2012 Mutual Evaluation Report. There were no Core and Key Recommendations rated as NC. The analysis indicates that Curaçao has addressed the deficiencies noted in the Core and Key Recommendations rated PC (R. 4, 5, 13, 26, 35, and SR.I, II, III and IV) to a level that is comparable to at least an LC. It is therefore recommended to Plenary that Curaçao should be allowed to exit the third round follow-up process.

III. OVERVIEW OF CURAÇAO’S PROGRESS

Overview of the main changes since the adoption of the Mutual Evaluation Report (MER)



17. Since the adoption of the MER in June 2012, Curaçao has strengthened the legal and institutional AML/FT framework, through the amendment of various pieces of legislation and implementation of measures within the governmental agencies and financial and non-financial sector. Regarding the non-legislative measures, the main changes comprise a greater approach towards the financial sector providing more training, guidance and information (particularly on indicators to detect suspicious transactions and typologies, quality of the STRs and compliance with law and regulations); reinforcement of the supervisory regime through the increase of supervisions and imposition of sanctions in the DNFBP sector. The FIU has a major flexibility to administrate the database and is able to access to databases of law enforcement agencies (LEAs). A closer approach to the financial and non-financial sector has resulted in the increase of suspicious transactions from all the reporting entities. The sharing of information among the FIU, LEA and supervisory agencies has been strengthened at domestic and international level.

The Legal and Regulatory Framework

18. Curacao has amended the main legislation that govern the AML/CFT framework. Those amendments comprise: **1) National Ordinance dated 15 November 2011 incorporating the adoption of a new Penal Code; 2) The National Ordinance of the 23rd of November 2015 amending the National Ordinance on Identification of Clients when Rendering Services-NOIS-;3)National Ordinance of the 23rd of November 2015 amending the National Ordinance on the Reporting of Unusual Transactions – NORUT-;4)National Ordinance of the 23rd of November 2015: National Ordinance on the Actualization and Harmonization of National Ordinances on the Supervision by the Central Bank of Curaçao and St. Maarten** (amending the National Ordinance on the Supervision of the Bank and Credit institutions, the National Ordinance on the Supervision of Insurance Companies, the National Ordinance on the Supervision of Stock Exchanges, the National Ordinance on the Supervision of Investment Institutions and Administrators, the National Ordinance on the Supervision of Trust Service Providers, the National Ordinance on Insurance Brokerage Companies); **5) the National Ordinance on the Supervision of Money Transfer Companies; 6) Ministerial Decree with general effect of December 1, 2015 for the implementation of article 10 of the National Ordinance on the reporting of Unusual Transactions -Decree on Unusual Transactions indicators- 7) National Decree providing for an order in council, dated 10thJuly 2015 for the implementation of Article 2 of the Sanctions National Ordinance providing for the implementation of resolutions of the Security Council of the United Nations, with regard to Al-Qaida c.s., the Taliban of Afghanistan c.s., ISIL c.s. ANF c.s. and locally identified persons and organizations -Sanctions National Decree Al-Qaida c.s., the Taliban of Afghanistan c.s. , ISIL c.s., ANF c.s. and locally designated person and organizations- 8) Ministerial Decree of the 8th of July 2016 for the implementation of Article 12 of the Sanctions Decree Al-Qaida c.s., the Taliban of Afghanistan c.s., ISIL c.s., ANF c.s. -Decree for the designation of individuals and organizations-**



19. The regulatory framework also includes: **1) Process for the freezing of resources for the implementation of sanctions imposed by international organizations-Process of asset freezing of funds- 2) Procedures for releasing of the resources when implementing sanctions of international organizations-Procedure for the releasing of resources- 3) Provisions and Guidelines for the DNFBPs –P&G.**

IV. DETAILED ANALYSIS OF COMPLIANCE WITH THE CORE RECOMMENDATIONS

RECOMMENDATION 5 – PC

R. 5 (Deficiency no. 1). No legislative requirements for CDD when carrying out occasional wire transfers in the circumstances covered by the Interpretative Note to SR VII

20. Art. 2 paragraph 3b of the National Ordinance on Identification of Clients when Rendering Services (NOIS), establishes that the service provider will conduct client screening in a number of situations, including when the client is performing a non-recurrent transaction, or two or more related transactions, in or from Curaçao, with a value, or consideration worth the equivalent of an amount to be determined by the Minister or more, which may vary from one type of service to the next. All the wire transactions are subject to apply CDD without a threshold. The deficiency has been addressed.

R. 5 (Deficiency no. 2). No legislative requirement for service providers to conduct on-going due diligence on the business relationship.

21. Art. 2 paragraph 2e of the NOIS establishes the obligation of continuously monitoring the business relationship and the transactions carried out during the term of such relationship, in order to ensure that these are in accordance with the information that the service provider has on the client and its risk profile, and, where necessary, conduct an inquiry into the origin of the resources used in the business relationship or the transaction. The deficiency has been addressed.

R. 5 (Deficiency no. 3). Clarity is needed on whether non-life activities that are reportable under the NORUT are to be subject to CDD under the NOIS.

22. The discrepancy existing between the NOIS and NORUT has been clarified by Curaçao, when adopting the approach that non-life insurance activities, are not covered by the FATF Recommendations. Therefore, non-life insurance activities are no longer subject to the indicators based on the NORUT, which is in force since December 5th, 2015. The deficiency has been addressed.



R. 5 (Deficiency no. 4). The NOIS allows for full exemption from CDD rather than reduced or simplified as provided for under the FATF Recommendations.

23. Art. 2 (4) of the NOIS allows the application of a risk based approach with regard to CDD and establishes the obligation for the service providers to tailor the client screening to the risk sensitivity in terms of money laundering or terrorist financing of the relevant type of client, business relationship, service, product or transaction provided. Exclusively in cases of limited or very low AML/CFT risks, exemptions from parts of CDD can be applicable, as indicated in Art. 2 (5) of NOIS. The exemption is not allowed for the mandatory element of identifying ultimate beneficial owner (UBO), as indicated in Art. 2a of the NOIS. The deficiency has been addressed.

R. 5 (Deficiency no. 5). The P&G for CI does not limit simplified and reduced CDD to customers of countries that Curacao is satisfied are in compliance with and effectively implementing the FATF Recommendations.

24. P&G for CI (Credit Institutions) in Section II.2.A., title of Risk Based Approach, subtitle c) Simplified/reduced CDD; allows credit institutions to apply simplified or reduced CDD measures to customers resident in another country, when the countries involved, are compliant with and have effectively implemented the FATF Recommendations. Simplified CDD measures are not acceptable whenever there is suspicion of money laundering or terrorist financing or specific higher risk scenarios apply. The deficiency has been addressed.

R. 5 (Deficiency no. 6). The risk exercise undertaken to exempt certain financial institutions from CDD based on their designation as low risk, is unclear.

25. Art. 2 (4) of the NOIS, requires service providers to tailor the client screening to the risk sensitivity in terms of ML or TF of the relevant type of client, business relationship, service, product or transaction provided. In addition, Art. 2 (2e) of the NOIS, requires service providers to monitor in a continuous basis, the business relationship and the transactions carried out during the term of such relationship, in order to ensure that these are in accordance with the information that the service provider has on the client and its risk profile, and, where necessary, conduct an inquiry into the origin of the resources used in the business relationship or the transaction. The deficiency has been addressed.

R. 5 (Deficiency no. 7). No explicit requirement in the P&Gs requiring financial institutions to consider making a UTR, where the requirements of E.C. 5.3 to E.C. 5.6 are not met. In addition, no requirement in the P&G for CI to conduct CDD on existing customers on the basis of materiality and risk, and to conduct due diligence on such existing relationships at appropriate times.



26. The P&G for Insurance Companies and Intermediaries (IC), Money Transfer Companies (MTC) and Credit Institutions (CI) establishes that when a service provider is unable to comply with the CDD requirements set in Section II.2.A. (Which includes EC 5.3 to 5.6), it must consider making an unusual transaction report to the FIU/MOT. Section of RBA of P&G for CI, establishes the requirement for credit institutions to apply CDD to existing customers and may determine the extent of such measures on a risk sensitive basis depending on the type of customer, business relationship, or transaction. The deficiency has been addressed.

R. 5 (Deficiency no. 8). The sector P&Gs do not conform to the NOIS as it relates to the timing of verification of non-resident clients.

27. Section of Timing and Verification of P&G, establishes the obligation of service providers to complete the verification of the identity of the customer and beneficial owner as soon as reasonably practicable. The deficiency has been addressed.

R. 5 (Deficiency no. 9). No requirement in the P&G for IC & IB requiring financial institutions to undertake CDD when doubts arise about the veracity or adequacy of previously obtained customer identification data.

28. Section of Customer Due Diligence of P&G requires service providers to verify the identity of the customer, when the service provider has doubts about the veracity or adequacy of the identification data obtained from existing customers. The deficiency has been addressed.

RECOMMENDATION 5 – OVERALL CONCLUSION

29. Curaçao has taken various actions on the implementation of Rec. 5, which include the following: requirement of CDD to all wire transactions and the requirement to service providers to apply on-going CDD through the monitoring of the client's risk profile and request of further information when needed. A risk based approach is applicable when conducting CDD in a risk sensitive basis to all transactions depending on the type of client, business relationship, service, product or transaction provided. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.

RECOMMENDATION 13 AND SPECIAL RECOMMENDATION IV – PC

R. 13 and SR IV (Deficiency no. 1). Effective implementation of reporting of suspicious reports is not demonstrated.



30. The FIU provided statistics on the suspicious reports (UTRs) from all the sectors comprising the financial sector in Curaçao. During 2014, 2015 and 2016 up to date of the elaboration of this report, the FIU has received UTRs from local banks, offshore banks, savings banks, credit unions, credit companies, life insurance companies, trust companies, money remitters and DNFBPs including: car dealers, casinos, jewelers, lawyers, lotteries, notaries and real estate. The deficiency has been addressed.

R. 13 and SR IV (Deficiency no. 2). Subjective indicators for the filing of UTRs are rules based, which hinders the reporting entity's autonomy to decide whether to file a UTR.

31. The amended Ministerial Decree Indicators incorporated through Ministerial Decree N° 73, A° 2015 removed the list of indicators and establishes as subjective indicator "A transaction giving cause to assume that it may be connected with money laundering or terrorist financing." The provision allows the reporting entities to report suspicious activities on the basis of a broader indicator. The deficiency has been addressed.

R. 13 and SR IV (Deficiencies no. 3 and 4). Heavy reliance by the reporting entities on the prescriptive list of indicators provided by the Ministerial Decree. Insufficient flexibility for reporting entities to identify suspicion of ML or FT.

32. Ministerial Decree Indicators N° 73, A° 2015 comprises the "Explanatory notes to the Decree on Indicators of Unusual Transactions" and "Annexes to the Decree on indicators of unusual transactions" which widely develop the suspicious activities that potentially can be subject to a UTR. The indicators apply to all the objective and subjective indicators. In addition to the legislative measures, the Central Bank jointly with the FIU, have provided training to the supervised entities, giving the financial sector the opportunity to increase their knowledge and actively get involved in the training sessions conducted. The deficiencies have been addressed.

RECOMMENDATION 13 AND SR IV – OVERALL CONCLUSION

33. According with the FIU statistics, all the reporting entities are submitting STRs. The amended National Ordinance on the Reporting of Unusual Transactions (NORUT) enables all the reporting entities to file UTRs on the basis of a broad indicator and greater flexibility to identify suspicious of ML or FT. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.



SPECIAL RECOMMENDATION II – PC (core) and RECOMMENDATION 35 (key) – PC

SR. II (Deficiency no. 1). Offences for participation and financing of terrorism do not meet the requirements of the Terrorist Financing Convention. The Examiners could not evaluate effectiveness of the FT sanctions. R. 35 (Deficiency no. 1). Terrorism Financing not criminalized in accordance with the TF Convention.

34. Penal Code criminalizes financing of terrorism in keeping with the International Convention for the Suppression of the Financing of Terrorism. Article 2:55, stipulates that any person who provides funds or ‘directly or indirectly collects funds for himself or for another for the commission of a terrorist offense or for the support of persons or organizations that commit or intend to commit terrorist offenses, or an offense to prepare or facilitate a terrorist offense’ commits a terrorist financing offence. Funds are broadly defined in a manner that is consistent with SR II. The financing of terrorist groups and individual terrorists even in the absence of a link to a specified terrorist act is criminalized. The penalties for FT in Curaçao include prison and fines. The effectiveness of the FT sanctions, was not assessed within the 3rd round and the follow-up process cannot evaluate its effectiveness, since it is a desk based review. The deficiency has been addressed substantially.

SPECIAL RECOMMENDATION II (core) and RECOMMENDATION 35 (key) – OVERALL CONCLUSION

35. The amended Penal Code criminalizes the FT according with the International Convention for the Suppression of the Financing of Terrorism. The criminalization of funds is consistent with SR II. The effectiveness of the sanctions was not assessed in the third round. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.

V. DETAILED ANALYSIS OF COMPLIANCE WITH THE KEY RECOMMENDATIONS

RECOMMENDATION 4 – PC

R. 4 (Deficiency no. 1). The Central Bank cannot exchange information with the supervisory arm of the MOT; or GCB.

36. The National Ordinance on the Reporting of Unusual Transactions (NORUT) amended by N.G. 2015, no. 68 and the National Ordinance on Identification of Clients when Rendering Services (NOIS) amended by N.G. 2015, 69; derogates the provisions that governed confidentiality. Art. 20 section 3b NORUT and Art. 8 section 3b NOIS, allow the regulator to provide data or information acquired in the course of fulfilling its duties, to government agencies of Curaçao or foreign



government agencies, or agencies designated by the government of Curaçao or foreign agencies designated by the government, responsible for the supervision of service providers. The deficiency has been addressed.

R. 4 (Deficiency no. 2). The FIU (MOT), in the conduct of its supervisory function, is not allowed to disclose information with domestic supervisory counterparts.

37. Art. 6 of NORUT amended by N.G. 2015, no. 68; authorizes the FIU to provide information with respect to the reporting behavior of the reporting agencies to persons who and agencies that are charged with supervising compliance with the NORUT. The deficiency has been addressed.

R. 4 (Deficiency no. 3). The GCB cannot disclose information to national and international supervisors.

38. As cited for Deficiency no. 1, Art. 20 section 3b of the NORUT and Art. 8, section 3b of the NOIS allow the regulators to provide data or information to government agencies of Curaçao or foreign government agencies, or agencies designated by the government of Curaçao or foreign agencies designated by the government, responsible for the supervision. The deficiency has been addressed.

R. 4 (Deficiency no. 4). There are differences in views between the Police and Central Bank regarding the ready availability of information requests.

39. A Covenant was signed on August 31, 2016 between the Central Bank of Curaçao and Sint Maarten and the Office of the Attorney General of Curaçao, of Sint Maarten and of Bonaire, Sint Eustatius and Saba with respect to data provision. Based on the clause number 3 of the Covenant, the Judicial Documentation Department of the Office of the Attorney General is responsible for the coordination and processing of requests for the provision of judicial data to the CBCS. In case of availability of data, clause 6 of the Covenant allows the Judicial Documentation Department of the Office of the Attorney General to provide data to the CBCS, whether spontaneous or not and after receipt of written approval from the Chief Prosecutor of Justice. The deficiency has been addressed.

RECOMMENDATION 4 – OVERALL CONCLUSION

40. The amended NORUT and NOIS enable the Central Bank to provide data and information to local and foreign government agencies, including the FIU -MOT-. A Covenant signed between the Office of the Attorney General and the Central Bank, allows the Office of the Attorney General to provide data to the Central Bank spontaneously or not. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.



RECOMMENDATION 26 – PC

R. 26 (Deficiency no. 1). Provisions of Articles 4, 16 and 22 of the NORUT present a risk to the proper protection of information.

41. According to Art. 4 no. 5 and 6 of the amended NORUT, no information will be provided from the register, unless rules for such provision are stipulated under or pursuant to the NORUT. In order to guarantee the protection of the information, only employees of the FIU have access to the register, once provided written authorization. In addition, Art. 20 first paragraph stipulates the provision of confidentiality of the data and information supplied or received, pursuant the NORUT. The deficiency has been addressed.

R. 26 (Deficiency no. 2). Articles 4, 16 and 22 of the NORUT contain provisions that risk the interference in the operation of the FIU (MOT): Possibility of undue influence and interference by the Minister of Finance who can directly manage the FIU (MOT) database under the provisions of the NORUT (Articles 4 and 22). Current composition of the Guidance Committee for the FIU (MOT) could lead to undue influence or interference. (Article 16).

42. The Examiner's provisions noted in the MER were eliminated from the amended NORUT. Based on Article 4 no. 3, the head of the FIU is responsible for the maintenance of the registry. There are no dispositions in the amended NORUT for the Guidance Committee. Instead of the Guidance Committee, Art. 16 of the amended NORUT stipulates the establishment of a Commission to advice, regarding the reporting obligation of unusual transactions. The deficiency has been addressed substantially.

R. 26 (Deficiency no. 3). Insufficient trends and typologies in the FIU (MOT's) annual reports.

43. The FIU disseminates information on trends and typologies on a regular basis to the reporting entities. Information on trends and typologies, is shared with reporting entities through the training provided in which active participation and discussions by the reporting entities, are carried out. For the compilation of information on trends and typologies, the FIU leads meetings and shares information with domestic LEAs, jurisdictions of the Kingdom of the Netherlands and supervisory Authorities of Caribbean countries. At present, information on global trends and typologies is made available in the FIU's website. In addition, the FIU is in the process of reviewing the format of its annual report, the website and other communications; in order to improve the continuous sharing of information on trends and typologies. The deficiency has been addressed.



R. 26 (Deficiency no. 4). Effectiveness issues: Lack of sufficient human resources is limiting the FIU (MOT's) effectiveness.

44. During 2015 and 2016 the FIU has been hiring adequate human resources in order to conduct its duties effectively. Currently, the Ministry of Finance has scheduled the filling of vacancies in the FIU. As a result of the increase of adequate human resources, the FIU has conducted the analysis of complex STRs, which have ended in court cases and strengthens the effectiveness of the FIU. The deficiency has been addressed.

R. 26 (Deficiency no. 5). Effectiveness issues: Systems and procedures in place result in a low level of UTRs being analysed.

45. The FIU has procedures in place for the analysis of UTRs and STRs. The UTRs received from the reporting institutions are analyzed through an automated system, which displays alerts for all transactions exceeding the limits set on the basis of the legislative and regulatory thresholds and indicators. The transactions are filtered through the generation of preconfigured Queries that allow the identification of transactions that pose higher risks. Those transactions are manually analyzed on a case by case basis. In addition to the process put in place, the FIU is in the continuous enhancement of the technological platform. By the time of elaboration of this report, the FIU was in the process of acquisition and deployment of the G0AML system of UNODC as its new database system. The project is scheduled to be finished at the end of 2017. The deficiency has been addressed.

R. 26 (Deficiency no. 6). Effectiveness issues: The approval process of the FIU (MOT) with regard to cases appears to be burdensome.

46. The implemented process to approve cases allows the Head of the FIU and two Senior Policy Advisors, to sign cases from the FIU. The procedure put in place reinforces the efficiency and quality of the process. The deficiency has been addressed.

R. 26 (Deficiency no. 7). Effectiveness issues: Important limitation to indirect access to law enforcement database (requirement of a letter on a case by case basis).

47. Art. 5 of NORUT empowers the FIU, while performing its duties, to consult the registers of the agencies and public servants, whether or not these are in charge of the investigation and prosecution of criminal offences. The deficiency has been addressed.



RECOMMENDATION 26 – OVERALL CONCLUSION

48. The amended NORUT comprises legislative measures to reinforce the FIU, such as the keeping of confidentiality of the information supplied or received, empowerment to the FIU in terms of administration of the database of the Unit and restrictions that could produce undue interference, were eliminated of the amended legislation. In terms of effectiveness, the FIU constantly provides information on typologies, has been working in the increase of adequate human resources, has improved the procedures to analyse UTRs/STRs and is in the process of new technological platform. The FIU has access to the database of law enforcement agencies. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.

SPECIAL RECOMMENDATION I – PC

SR. I (Deficiency no. 1).No provisions in law to deal with the requirements of paragraph 4(a) of UNSCR 1267.

49. Curaçao highlighted that the measures imposed in paragraph 4 (a) of UNSCR 1267 (1999), were terminated under UNSCR 1390 (2002) paragraph 1. The deficiency has been addressed.

SR. I (Deficiency no. 2).Freezing of the assets of locally designated terrorists cannot occur without delay as required by UNSCR 1373.

50. Curaçao has implemented the “Process for the freezing of resources for the implementation of sanctions imposed by international organizations (process of asset freezing of funds)”. The process describes the coordination between financial institutions and supervisory authorities when freezing sources of individuals and organizations, known or suspected by the United Nations to be involved in terrorism or its financing, according whit resolution 2001/1373. In order to apply UN Sanctions and freezing measures without delay, section III of the procedures, enables to use a sanctions order (ministerial order with general effect) in urgent cases. The deficiency has been addressed.

SPECIAL RECOMMENDATION I – OVERALL CONCLUSION

51. Freezing of assets can occur without delay in Curaçao. For the application of UN Sanctions, a Ministerial Order with general effect is utilized in order to expedite the application of sanctions. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.

SPECIAL RECOMMENDATION III – PC



SR. III (Deficiency no. 1).Freezing of assets of locally designated terrorist cannot occur or be maintained without delay as required by UNSCR 1373.

52. Curaçao has implemented the “Process for the freezing of resources for the implementation of sanctions imposed by international organizations (process of asset freezing of funds)”. Ministerial Orders with general effect, are utilized to apply freezing measures without delay, according with UNSCR 1373. The deficiency has been addressed.

SR. III (Deficiency no. 2).Procedures for de-listing and unfreezing not publicly known.

53. The “Procedures for releasing of the resources when implementing sanctions of international organizations (procedure for the releasing of resources)” were published in the local Gazette: *The Curaçaosche Courant* in September 16, 2016. The deficiency has been addressed.

SR. III (Deficiency no. 3).Lack of guidance to non-financial entities and individuals.

54. The Authorities with supervisory powers in AML/CFT matters, provide guidance to supervised institutions, including non-financial entities and individuals, on measures to be taken when they find themselves in possession of funds or assets that should be frozen. In addition, the Provisions and Guidelines (P&Gs) for DNFBPs, provide guidance on funds and assets that should be frozen. By the time of elaboration of this report, the Authorities were in the process of amending the P&Gs, according to the amended legislation. The deficiency has been addressed.

SR. III (Deficiency no. 4).No structure for monitoring compliance outside of the financial sector.

55. Financial and non-financial institutions are supervised by the Central Bank of Curaçao and Sint Maarten, the Financial Intelligence Unit and the Gaming Control Board. To conduct the supervisory activities, the process of asset freezing of funds has been issued. All the financial and other organizations are subject to comply with the “Procedure for the freezing of resources of individuals and organizations”, which provides a description of the procedure for the freezing of resources of individuals and organizations, known or suspected by the UN, to be involved in terrorism or its financing. The deficiency has been addressed.

SR. III (Deficiency no. 5).No clear criteria for the exercise of the Minister’s discretion to protect of third party rights.

56. Art. 10 of N.G. 2015 no. 29 grants an exemption from the prohibitions contained in Arts. 2 to 4 inclusive. The exemption can be granted by the Minister of General



Affairs, and in concurrence with the Minister of Finance and having heard the Central Bank of Curaçao and Sint Maarten. In addition, Section V of “Procedures for releasing of the resources when implementing sanctions of international organizations” stipulates that “Pursuant to Article 9 of the Sanctions Ordinance, the Minister or the Ministers may, upon request, grant exemption or dispensation, in whole or in part, from the rules laid down on the basis of Article 3 of the aforesaid national ordinance”. The deficiency has been addressed.

SPECIAL RECOMMENDATION III – OVERALL CONCLUSION

57. Curaçao has implemented the “Process for the freezing of resources for the implementation of sanctions imposed by international organizations (process of asset freezing of funds)” which were made public in the local Gazette. Supervised institutions including financial and non-financial entities and individuals, are instructed on measures to be taken when they find themselves in possession of funds or assets that should be frozen. In order to monitor the compliance with the legislative and regulatory measures, a “Procedure for the freezing of resources of individuals and organizations” has been issued. The deficiencies noted by the Examiners have been addressed at least to a level comparable at a minimum with an LC.

VI. OVERVIEW OF MEASURES TAKEN IN RELATION TO OTHER RECOMMENDATIONS RATED NC/PC

PREVENTIVE MEASURES / FINANCIAL INSTITUTIONS

Recommendations 11, 14, 17 and 21 –PC-

58. Curaçao conducted a review of the P&Gs and the NOIS to address the Examiners’ recommendation as it pertains to the keeping of findings of examinations on the background and purpose of complex, unusual large and unusual patterns of transactions for at least five (5) years and the making of such findings available to auditors and competent authorities.

59. Based on Art. 14 of NORUT, data or information that has been provided in good faith in accordance with Articles 11 or 12, second paragraph, may not be used as the basis of or for the benefit of a criminal investigation or prosecution on the ground of a suspicion of, or as evidence in respect of an indictment on money laundering charges or charges regarding a crime on which it is based or regarding terrorist financing by the service provider, including its legal representatives or authorized representatives, who have provided such data or information.

60. Regarding sanctions, Curaçao has actualized and harmonized a number of aspects of the National Ordinances on supervision under the purview of the Central Bank of



Curaçao and St. Maarten. As a result, the Harmonization has entered into force on December 5th, 2015.

61. The application of conditions is based in arts. 17 paragraph 3 and 21 paragraph 1 of the Regulations for Foreign Exchange Transactions Curaçao and Sint Maarten” (RFETCSM). Therefore, violations of these conditions will result in the application of the sanctions under RFETCSM, such as the issuance of an instruction (article 33 paragraph 1) or revocation of the license / dispensation (article 22) or a referral for criminal investigation or prosecution (art. 81) and the sanctions under (or mentioned in) the NOIS and the NORUT. The above mentioned sanctions referred to, in the RFETCSM cover the non-bank MTCs. In addition, these sanctions, are also included in the National Ordinance on the Supervision of Money Transfer Companies, adopted by the Parliament on September 22, 2014 and came into force in March 1, 2015.
62. With regard to higher risk countries, Curaçao has taken several actions to prevent the financial institutions, supervised and reporting entities, on the countries included in the FATF and CFATF Public Statements. Guidance on this matter, has been also included in the P&G. The Casino sector, is particularly required to review the FATF and CFATF changes in a permanent basis and to update their internal policies periodically.

DNFBPs AND OTHER NON-FINANCIAL BUSSINESSES

Recommendations 12, 16 and 24 –PC-

63. The amended NOIS and NORUT, include a series of changes for the DNFBP sector. As defined in Art. 1, sub 14° and 17°, legal professions and accountants are subject to the AML/CFT obligations set by NORUT. All the DNFBPs are obligated by the NOIS to detailed record keeping requirements. DNFBPs are also subject to supervision by the Central Bank and the FIU as established in Arts. 22 mm (new), sub-paragraph (1) (a) to (c) and 11, sub-paragraph (1) (a) to (c) of the revised NORUT and NOIS respectively, and are requested to submit Unusual Transaction Reports (UTRs). From the supervision conducted by the FIU, some DNFBPs have been subject to the imposition of sanctions.
64. Regarding the casino sector, casinos are bounded by the amended NOIS which does not set a threshold to apply the identification requirements. Casinos should identify to all the clients without setting a threshold. All service providers are required to conduct ongoing due diligence based on Art. 2 (2e).
65. In addition to these measures, the GCB has implemented the “AML Regulations for the Curaçao Casino sector”, which are tailored to the recent amendments of the NOIS and the NORUT. Art. 2 (e) of the NOIS, requires service providers to monitor in a continuous basis, the business relationship and the transactions carried out during the



term of such relationship, in order to ensure that these are in accordance with the information that the service provider has on the client and its risk profile, and, where necessary, conduct an inquiry into the origin of the resources used in the business relationship or the transaction.

66. In January 2014 and April 2016, other regulations have been issued as the “Regulations on Sports Betting” and the “Minimum Control Standards and corresponding Regulations on Card Games and on Live Bingo Operations”. At present, a draft supervisory law for internet gambling is in administrative process.

SUPERVISION AND GUIDANCE

Recommendation 25 –PC-

67. Information on trends and typologies has been informed to reporting entities during the training sessions provided by the FIU. In order to improve the communications, the FIU is in the process of reviewing its annual report format and website, to make the trends and typologies more visible. These communications include, the casino sector. By the time of elaboration of this report, P&G have been drafted for the two companies of factoring services existing in Curaçao.

COMPETENT AUTHORITIES, THEIR POWERS AND RESOURCES

Recommendations 30, 31 and 32 –PC

68. The FIU has increased its capacity and has put in place a new procedure to analyse UTRs, which has resulted in a major number of UTR analyzed and the increase of information shared with law enforcement agencies. In terms of human resources, the police force relies on the flexibility and multi-functionality of the personnel, which allows the Division of Organized Crime (DOC) to assign the employees according to the operational needs (flexibility) and select them from all the tactical units of the Investigation and Information Service (multi-employability). Regarding the Public Prosecutor Office (PPO), the agency offers its staff an internal training program in order to increase the ability to perform their duties under the assistant to the prosecutor. This makes the PPO a more dynamic organization that fully exploits the potential of its employees.
69. The LEA keep statistics related to their responsibilities. The Customs division keeps records in order to develop statistics regarding cross border cash movement. There are no cross border nearer negotiable instruments. The following chart, indicates statistics for 2010 – 2014:



Customs	2010	2011	2012	2013	2014
Cross border cash movement UTRs	640	153	538	1148	606
Cross border bearer negotiable instruments UTRs	0	0	0	0	0
Total UTRs	640	153	538	1148	606

70. Regarding the maintenance of statistics for the exchange of information between LEAs, the FIU meets local and international requests of information regarding unusual transactions possibly involved in ML/FT for the period 2011 – 2016.

71. Local crime detecting Authorities (prior approval by the PPO) and local intelligence security Authorities, request information to the FIU for intelligence purposes. Information requested for criminal prosecution purposes, can be addressed and met by the Director of the FIU. The time required to respond the requests is 2-3 working days usually. The time could vary when the request implies compilation of information from other agencies. In order to optimize this procedure, the FIU is in the process of digitalize the requests and exchange of information. Requests made by the Prime Minister or Ministerial Cabinet, are responded within a period of 2-3 working days.

72. International requests are met through the Egmont Group or directly with the signatories of a MOU for the exchange of information for intelligence purposes. The requests made by international crime detecting authorities, are met through local PPO. Standard reaction time to an international request is 2-3 working days.

73. The following charts include statistics on local and international requests:

	2011	2012	2013	2014	2015	2016
Local requests	66	46	42	36	37	29
International requests	77	44	60	40	31	40

Requesting Instance local	2011	2012	2013	2014	2015	2016
BAB	1	8	3	4	6	1
BFO-HARM	22	19	9	0	0	0
KONINKLIJKE MARECHAUSSEE	0	0	0	3	0	0
KPB	0	0	0		0	0
KPC-DGC	5	6	13	12	7	6
OM	4	0	0	1	1	1
RST	29	12	8	10	12	13



VDC					7	1
LANDSRECHERCHE			3	1	7	0
BEVRAGING MINPRES		1	6	1	2	0
Afpakteam Curaçao						7
TEAM FINANCIËEL OPSPOREN TFO					1	0
Other	4	0	2		0	0
Total	65	46	44	35	37	29

74. The Central Bank keeps records in order to develop statistics of mutual legal assistance requests, regarding the nature of the request and the response time. With regard to land based casinos, statistics for 2015 and 2016 are as follows:

	2015	2016 (first half of)
number of requests for mutual legal assistance / judicial cooperation	0	0
nature of the request	AML/CTF	AML/CTF
response coordinator	GCB project coordinator	GCB project coordinator
response time	0	0
information/action requested	n/a	n/a

TRANSPARENCY OF LEGAL PERSONS

Recommendation 33 –PC-

75. Ultimate Beneficial Owner (UBO) information, is registered at the respective service providers who are obligated to comply the requirements in the NOIS and the NORUT. One of the issues supervised by the Authorities, is to have procedures in place to provide adequate, accurate and timely UBO information to competent authorities when requested. Curaçao is considering to present to the Advisory Council, a proposal to amend the legislation to eliminate bearer shares.

WIRE TRANSFERS, NON-PROFIT ORGANIZATIONS AND CASH COURIERS

Special Recommendations VI, IX – PC- and, VIII –NC

76. The P&G for MTCs require financial institutions to consider making a UTR where the requirements of E.C. 5.3 to 5.6 are not met. MTCs are required to maintain a list of agents and make it available to the Central Bank.



77. During the period of the follow-up, a working group on NPOs was formed to consider the Examiners' recommended actions. The Minister of Finance would be advised in this regard.
78. With regard to monitor the source, destination or purpose of the movement of gold or precious metals and stones, Art. 2 of the National Ordinance on the Obligation to Report Cross Border Money Transportation (NG 2014 no 90), establishes the obligation to report to the customs officers the money, precious metals, jewelry or other objects having a value of NAF 20.000,-- or higher they have in their possession. The provision of the first sentence also applies in the case of people entering or leaving the country who are demonstrably travelling together and jointly carry money, precious metals, jewelry or other objects having a value of NAF 20.000,-- or higher. The powers of Customs to restrain currency where there is a suspicion of ML/FT was established in the General Regulation.



**Matrix with Ratings and Follow-Up Action Plan 3rd Round Mutual Evaluation
Curaçao
November 2016 Plenary**

of 16 for Curaçao 5th

	Rat- ing	Recommended Actions	Actions Undertaken by Curaçao	Remaining Actions to be Taken (if any)
Legal systems				
1. ML offense	LC	<ul style="list-style-type: none"> • Curaçao should criminalize the possession of equipment or materials or substances listed in the Vienna Convention. • The Authorities should move amendments to extend the powers of prosecution to all crimes committed abroad which would constitute crimes in Curaçao. • The law should provide for the widest range of ancillary offences for all money laundering 	<p>A revision of the Opium Ordinance 1960 has been presented to Parliament (Statennr. 2321) in connection with the ratification /implementation of the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (the Vienna Convention) and the UN Convention against Trans-national Organized Crime (The Palermo Convention) i.e. the physical and material elements of the offence (see article 3 (1) (b) & (c) Vienna Convention and article 6 (1) Palermo Convention). There are however some adaptations to the revision which need to be submitted to the Advisory Council before finalizing the parliamentary procedure. These documents are in preparation at the law department.</p> <p>The new Penal Code (entered into force by November 15, 2011) also provides for a specific listing of offences occurring abroad, which may be prosecuted in Curacao but the listing doesn't cover all serious crimes. During the following 5 years we will be evaluating the new Penal Code and testing it to applicable Conventions.</p> <p>There are some ancillary offences for all money laundering offences for example: Article 1:119 WvSr makes the attempt of money laundering a criminal offence. Article 1:119 WvSr states: 1. An attempt to commit a serious offence shall be punishable if the perpetrator's intent has manifested itself by his having begun to carry out the offence. 2. The maximum principal penalty for the serious offence itself shall be reduced by</p>	



		<p>offences. Currently, the ancillary offence of preparation would not apply to some money laundering offences.</p>	<p>one third in the case of an attempt to commit that offence. 3. Where the serious offence itself is punishable by life imprisonment, a term of imprisonment not exceeding twenty years shall be imposed. 4. The additional penalties for an attempted serious offence shall be the same as those for the completed offence. Articles 1:123 and 1:124 WvSr criminalizes the aiding and abetting of money laundering. Article 1:123 WvSr states: 1. The following persons shall be punished as perpetrators of a criminal offence: 1°. those who commit the offence or procure or assist in its commission, 2°. those who by means of gifts, promises, misuse of authority, violence, threats or deception, or by affording opportunity, means or information, intentionally solicit the commission of an offence. 2. With respect to the latter, only those acts the commission of which they have intentionally solicited and the consequences of such acts shall be taken into account. Article 1:124 WvSr states: The following persons shall be punished as accessories to a serious offence: 1. those who intentionally aid and abet the commission of the offence; 2. Those who intentionally provide opportunity, means or information for the commission of the serious offence. See for example the decision of the Supreme Court for the Kingdom (HogeRaad) of the 7th of July 2009 (LJN: BI4747). It should be added that the broad definition of money laundering (see article 2:404 (1) (a) and (b) of the Penal Code) covers all kind of facilitating and counselling behaviour. Finally, article 2:79 of the Penal Code criminalizes the participation in a criminal organization, providing money laundering facilities can deliver the element of participation. See the decision of the Supreme Court for the Kingdom (Hoge Raad) of the Netherlands 19th of February 2008 (LJN: BB7115).</p>	
2. ML offense– mental element and corporate liability	LC	<ul style="list-style-type: none"> The Authorities should reconsider a reduction in the penalties for money laundering. 	<p>The information in the columns ‘FATF 40+9’, ‘Summary of Factors for Rating’ and ‘Recommended Actions’ do not correlate.</p> <p>1. Regarding the distinctness of statistical material it is proposed that this topic be handled at the institutional consultation between Prosecuting Attorney and the Police. 2. Regarding the reconsideration of penalties for money laundering (as enacted in</p>	(ii)



			<p>the new Penal Code): this is also to be part of the evaluation as aforementioned.</p> <p>With the introduction of the new Penal Code, Articles regarding money laundering remained unchanged except for the changes arising from the introduction of the fine categories. The sentences actually were reconsidered. For intentional money laundering, the penalty of 12 years imprisonment was reduced to 6 years imprisonment and a fine of 1 million guilders has become 100,000 guilders. For custom money laundering the penalty was reduced from 16 years to 9 years imprisonment and a fine of 1.2 million guilders has become 100,000 guilders. For culpable money laundering, the penalty remained the same which is 4 years imprisonment or a fine of 25,000 guilders. At this point in time there are some members of parliament who want to amend the Penal Code in order to get the penalties for ML increased to the level they were before the last revision of the Penal Code in November 2011.</p>	
3. Confiscation and provisional measures	LC	<ul style="list-style-type: none"> Whilst the prosecutor always retains the ultimate discretion as to whether cases should be proceeded with, the Examiners consider that it would be more transparent for the PPO to establish appropriate Guidelines to govern such cases to avoid the possibility of appearance of impropriety. 	<p>The PPO has guidelines governing the seizure and confiscation regime. Besides the provisions in the Penal Procedures' Code, there are special instructions by the Attorney General as to various (sub) categories of objects when it comes to seizure and confiscation. These guidelines are known to the investigating authorities.</p> <p>Vehicles Before a seized vehicle is transferred to the custodian, all objects that do not belong to the car must be removed there from. Only things like registration, the radio, etc. must remain in the vehicle. The non-vehicle objects (often personal items) must be returned or separately be recorded. The seized vehicles are kept at the police repository. They remain there till a decision is taken by the court whether or not the vehicle will be confiscated.</p> <p>Weapons Weapons seized are first sent to be investigated by the Crime Scene Investigators Unit and then deposited with the depositary and remains there until the case goes to court. Afterwards the weapons are destroyed.</p> <p>Jewellery When jewellery is impounded, valuation will take place and the jewellery is carefully described and photographed in colour. The jewellery will remain at the custodian, and only be returned if the court orders so. If confiscated, the jewellery is transferred to the Ministry of Finance.</p> <p>Drugs Seized drugs are kept in a secure storage at the Police department investigating drug related crimes (Bureau NarcoticaOnderzoeken). Three to 4 times a year all drugs</p>	(iii)



			<p>seized get destroyed, whether or not there is a conviction of the suspects.</p> <p>Money</p> <p>All seized money must be reported to the Bureau of Financial Investigations of the police (Bureau Financiële Onderzoeken, BFO). All money is recounted in the presence of two officials of BFO, put in bags provided by the local bank (Banco di Caribe). And deposited right away on the bank account of the Registrar of the court of Appeals of Curaçao at the aforementioned bank. BFO can deposit money at the bank 7 days a week 24 hours a day. After confiscation the money will be transferred to a special Fund (criminaliteitsbestrijdingsfonds) which is used to finance projects in the fight against crime.</p>	
Preventive measures				
4. Secrecy laws consistent with the Recommendations	PC	<ul style="list-style-type: none"> It should be made clear whether the MOT, in its functions as a supervisory authority, is allowed to disclose information with domestic or international supervisory counterparts. The IOCCS should make provision for sharing of information with national and international supervisors 	<p>The FIU (MOT) in the conduct of its supervisory function is able to disclose information to domestic and international supervisory counterparts now that the draft revision of the NORUT and NOIS was approved by the Parliament on November 9th, 2015, and entered into force respectively on December 5th, 2015 and on January 1st, 2016.</p> <p>The amended NORUT now enables sharing of information with national and international supervisors within a framework of safeguards (art. 20 NORUT as amended by N.G. 2015, no. 68). In accordance with article 20 of the NORUT supervisors can share information with domestic or international supervisory counterparts notwithstanding the secrecy laws in other legislations, including the IOCCS.</p> <p>Based on the above it can be concluded that the recommended action has been met, even though the IOCCS itself has not been changed: since December 5, 2015, the</p>	



		<p>GCB can share information with national and international supervisors in accordance with FATF Recommendation 4.</p>	
		<ul style="list-style-type: none"> • Clear information gateways should be made in the Ordinance for supervisor-to-supervisor exchange by the Central Bank to the supervisory arm of the FIU (MOT). • The Police and Central Bank should resolve any differences in expectations as it relates to how readily information is forthcoming. 	<p>This recommendation has been addressed in the revision of the NORUT. The draft revision of the NORUT has been adopted by Parliament on November 9, 2015 and it entered into force on December 5th, 2015.</p> <p>Moreover, this has been addressed in the draft Harmonization supervision ordinances, which has been adopted by Parliament on November 9, 2015 and it entered into force on December 5th, 2015.</p> <p>A Covenant signed between the Office of the Attorney General and the Central Bank, allows the Office of the Attorney General to provide date to the Central Bank spontaneously or not.</p>



5. Customer due diligence	PC	<ul style="list-style-type: none"> Insurance agents should be captured in the AML/CFT framework. 	<p>Activities of both brokers and insurance agents fall under the NOIS and the NORUT. They both mediate at concluding a life insurance contract as defined in article 1 paragraph 1 sub b under 5 of the NOIS and article 1 paragraph 1 sub a under 5 of the NORUT.</p> <p>(v)</p> <p>In the P&G for IC & IB, we have added the word insurance brokers in brackets on the front page, since this word is most commonly used in our jurisdiction. For the sake of completeness “Insurance agents” fall under the definition of Insurance intermediaries. Furthermore, on page 15 of the P&G, in foot nr 16, we also refer to insurance broker/agents.</p> <p>The explanatory notes of the National Ordinance on the Insurance Brokerage Business (N.G. 2003, no 113) state explicitly: “that it is desirable in terms of promoting orderly commerce and protecting the interests of potential insurance policyholders to establish rules for insurance brokers <u>and their agents</u> with regard to the exercise of the insurance brokerage trade.</p> <p>Please refer to the attached copy of the NOIB.</p>	
		<ul style="list-style-type: none"> Clarity is needed on whether all 	<p>At present, there is indeed a discrepancy between the NORUT and the NOIS in this respect. However, since the FATF recommendations do not cover non-life insurance,</p>	



persons conducting reportable activities under the NORUT are subject to CDD under the NOIS. Specifically, the NORUT establishes an objective indicator for non-life insurance policies; however, the NOIS only applies to Article 1a of the National Ordinance on the Supervision of the Insurance Industry, i.e. life insurance contracts.

- The P&G for IC & IB should require financial institutions to undertake CDD when doubts arise about the veracity or adequacy of previously obtained customer identification data.
- There should be a specific requirement in law

our approach will be to adapt the indicators which are based on the NORUT. The indicators have been adapted; the revised indicators entered into force on December 5th, 2015.

The recommended action has been incorporated in the P&G for IC & IB. For your convenience the amended section is highlighted in yellow.

The NOIS has been revised to address this recommendation. The draft revision of the NOIS has been adopted by Parliament on November 9, 2015 and it entered into force



or regulation for CDD to be undertaken when carrying out occasional transactions that are wire transfers in the circumstances covered by the Interpretative Note to SR VII.

- The NOIS should clearly establish an obligation on the service provider to conduct on-going due diligence on the business relationship.

RISK

In keeping with the FATF rules of not applying or exempting some or all of the Forty Recommendations to some financial activities in strictly limited and justified circumstances, and based on a proven low risk of money

on January 1, 2016.

The recommended action has been incorporated in the P&G for MTC. For your convenience the amended section is highlighted in yellow.

This recommendation has been addressed in the revision of the NOIS. The draft revision of the NOIS has been adopted by Parliament on November 9, 2015 and it entered into force on January 1, 2016.

This recommendation has been addressed in the revision of the NOIS. The draft revision of the NOIS has been adopted by Parliament on November 9, 2015 and it entered into force on January 1, 2016.

The risk based approach of the Central Bank for credit institutions is primarily based on the nature of the institutions' business. A significant number of the credit institutions (in 2010: credit unions (15), specialized credit institutions (6), savings and credit funds (7)) are regarded as low risk due to the nature of their business. Subsequent to eliminating these low risk institutions from the total licensed institutions, all high and medium risk credit institutions have been subjected to onsite reviews for verification of compliance with AML/CFT.'

The risk based approach of the Central Bank for insurance sector is as follows:



laundering or terrorist financing, clarity is needed on the risk exercise undertaken that resulted in the designation and exemption of low risk financial institutions.

- Exemptions in the NOIS should allow for reduced or simplified CDD for low risk scenarios, rather than no CDD.

The types of life insurance contracts that are considered vulnerable as a vehicle for laundering money are investment related insurance. Examples of this type of insurance contract are;

- unit linked or with profit single premium contracts;
- purchase of annuities;
- lump sum top-ups to an existing life insurance contract, and
- lump sum contributions to personal pension contracts.

The vulnerability depends on factors such as the complexity and terms of the contract, distribution, payment system and contract law.

The life insurance industry in Curaçao characterizes itself amongst other as 1) selling of credit life insurance (risk insurance in relation to mortgage loans). These products do not have a cash value or investment features and as such do not lend themselves to money laundering activities.

2) Selling of life insurances of which premiums are being paid in monthly installments.

3) Purchase of annuity which are the result of life insurance which have matured.

Of the 10 life insurance companies that the Central Bank had under its supervision as of December 31, 2010, the activities of 2 focused mainly on credit insurance.

This recommendation has been addressed in the revision of the NOIS. The draft revision of the NOIS has been adopted by Parliament on November 9, 2015 and it entered into force on January 1, 2016.



- The P&G for CI should limit simplified and reduced CDD to customers of countries that Curacao is satisfied are in compliance with and effectively implementing the FATF Recommendations.

TIMING OF VERIFICATION

- The P&G and the NOIS should be consistent in terms of timing of verification of the identity of non-resident clients.

FAILURE TO SATISFACTORY

The recommended action has been incorporated in the P&G for CI.

Both the NOIS and the P&G have been revised to address this recommendation.

The recommended action has been incorporated in the P&G s.

The draft revision of the NOIS has been adopted by Parliament on November 9, 2015 and it entered into force on January 1, 2016.



		<p><u>COMPLETE CDD</u></p> <ul style="list-style-type: none"> The P&Gs should explicitly require that a financial institution considers submitting a UTR where the requirements at E.C 5.3 to 5.6 are not met. Further, the P&G for CI should require the conduct of CDD on existing customers/retrospective CDD, on the basis of materiality and risk, and due diligence on such existing relationships at appropriate times. 	<p>The recommended action has been incorporated in the P&Gs. For your convenience the amended section is highlighted in yellow.</p>	
6. Politically exposed persons	LC	<ul style="list-style-type: none"> There should be effective coverage of factoring which was recently included in the NOIS and the NORUT. 	<p>The implementation of aml/cft supervision on factoring service providers is being prepared by the Central Bank.</p> <p>The Central Bank conducted a risk assessment of the factoring service providers sector. The preliminary findings indicate that the factoring service providers are exposed to very limited risk. The business is not cash based. Payments to customers, salaries and other expenses are done through transfer on their bank accounts or through issuance of cheques.</p>	



7. Correspondent banking	LC	<ul style="list-style-type: none">The Guidelines for CI should <u>explicitly require</u> that credit institutions assess the respondent's AML/CFT controls and ascertain that they are adequate and effective as required under Recommendation 7.	The recommended action has been incorporated in the P&G for CI. For your convenience the amended section is highlighted in yellow.	
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8. New technologies & non face-to-face business	C			
9. Thirdparties and introducers	C			
10. Record keeping	LC	<ul style="list-style-type: none"> It should be explicitly stated in law or regulation that IC & IB and MTC maintain business correspondence for third parties for at least five (5) years following termination of an account or business relationship (or longer if requested by a competent authority in specific cases upon proper authority. The language in the P&Gs should also reflect a mandatory requirement as it relates to this matter. 	<p>The recommended action has been incorporated in the P&G for IC & IB and MTC. For your convenience the amended section is highlighted in yellow.</p> <p>Moreover, the NOIS has been revised to address this recommendation. The draft revision of the NOIS has been adopted by Parliament on November 9, 2015 and it entered into force on January 1, 2016.</p>	



		<ul style="list-style-type: none"> Provision should be made in law or regulation requiring financial institutions to ensure that all information (business correspondence) is available on a timely basis to the domestic competent authorities. 	<p>The recommended action has been incorporated in the P&Gs. For your convenience the amended section is highlighted in yellow.</p> <p>Moreover, the NOIS has been revised to address this recommendation. The draft revision of the NOIS has been adopted by Parliament on November 9, 2015 and it entered into force on January 1, 2016.</p>	
11. Unusual transactions	PC	<ul style="list-style-type: none"> Financial institutions should be required to (1) keep the findings of examinations on the background and purpose of complex, unusual large and unusual patterns of transactions for at least five (5) years and (2) make such findings available to the auditors and competent authorities. 	<p>Both the P&G and the NOIS have been revised to address this recommendation.</p> <p>The recommended action has been incorporated in the P&Gs.</p> <p>The draft revision of the NOIS has adopted by Parliament on November 9, 2015 and it entered into force on January 1, 2016.</p>	
12. DNFBP–R.5, 6, 8-11	NC	<ul style="list-style-type: none"> Lawyers, notaries, accountants or similar legal professions 	<p>Is already addressed in article 1, sub a 14° & 15° of the NOIS and article 1, paragraph 1 sub a 14° & 15° of the NORUT.</p>	



preparing for or carrying out transactions for clients dealing with the organisation of contributions for the creation, operation or management of companies and trust and company service providers carrying out transactions for clients dealing with acting as (or arranging for another person to act as) a nominee shareholder for another person should be subject to the AML/CFT obligations of the NOIS and NORUT.

- Internet casinos should be subject to the AML/CFT obligation in the

A new supervisory law for internet gambling is in administrative process. Internet casinos are at the moment subject to the AML/CFT obligations in the NOIS and NORUT.



NOIS and
NORUT.

- The threshold for identification requirements for casinos in legislation should be revised in accordance with the FATF standard.

The threshold for identification requirements for casinos used to be tied to the NOIS definition of casino services: the NOIS was applicable only to casino services which fell under the NOIS-definition.

The NOIS defined casino services as “offering prices and premiums, which can be competed for against payment of a value that is more than an amount to be determined by the Minister, in the framework of [...] casinos [...]” (art. 1, paragraph 1, sub b under 11° of the NOIS, N.G. 2010, no. 40).

The amount was determined by the Minister to be ANG 20.000,= (Ministerial Decree N.G. 2010, no. 11).

Thus, the identification requirements of the NOIS were applicable only to casino services consisting of offering prices and premiums for which could be competed, against payment of ANG 20.000,= or more.

This issue has been addressed in the revision of the NOIS that has been adopted by Parliament on November 9, 2015 and it entered into force on January 1, 2016.

Since January 1, 2016, casino services are defined as “offering the possibility to participate in games of chance in the framework of [...] casinos [...]” (art. 1, paragraph 1, sub b, under 11° of the NOIS as amended by N.G. 2015, 69) and the definition is no longer tied to a minimum amount.

- Financial institutions should be legislative required to perform CDD when carrying out occasional wire transfers in

This recommended action has been addressed in the revision of the NOIS. The draft revision of the NOIS has been adopted by Parliament on November 9, 2015 and it entered into force on January 1, 2016.



		<p>circumstances covered by SR. VII.</p> <ul style="list-style-type: none"> • Service providers should be legislatively required to conduct on-going due diligence on business relationships. • The NOIS should be amended to allow for reduced or simplified CDD measures for exempted institutions or enterprises under Article 2, paragraph 4. • The P&Gs for administrators and company (trust) service providers 	<p>This recommended action has been addressed in the revision of the NOIS. The draft revision of the NOIS has been adopted by Parliament on November 9, 2015 and it entered into force on January 1, 2016.</p> <p>The recommended action has been incorporated in the P&G for administrators and company (trust) service providers. For your convenience the amended section is highlighted in yellow. Moreover, this recommendation has been addressed in the revision of the NOIS. The draft revision of the NOIS has been adopted by Parliament on November 9, 2015 and it entered into force on January 1, 2016.</p> <p>These deficiencies have been addressed in the revision of the NOIS. The draft revision of the NOIS has been adopted by Parliament on November 9, 2015 and it entered into force on January 1, 2016.</p> <p>Compliance with obligations of Recommendation 5 (a.o. criteria 5.5.2, 5.6 to 5.11,</p>	
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should be amended to require financial institutions to consider making a UTR when the requirements of E.C. 5.3 to E.C. 5.6 are not met.

- Criteria 5.5.2, 5.6 to 5.11, 5.16 and 5.17 of Rec. 5 should be enforceable on DNFBPs under FIU/MOT and the GCB.

- Deficiencies identified in section 3 for Recs10 and 11 which are applicable to DNFBPs under the Central Bank should be remedied.

- Obligations in Recs. 6, 8 and 11

5.16 and 5.17) has been enforceable since January 1, 2016. The NOIS is applicable to all DNFBPs under GCB (land based casinos) and FIU supervision.

Both the P & G for Administrators and Trust Company Providers and the NOIS have been revised to address deficiencies identified in section 3.

The recommended action has been incorporated in the P&Gs

The draft revision of the NOIS has been adopted by Parliament on November 9, 2015 and it entered into force on January 1, 2016.

The amendment of the NOIS (by N.G. 2015, no. 69) has made compliance with the obligations of Recommendation 6 enforceable since January 1, 2016, and the amendment of the NORUT (by N.G. 2015, no. 68) has made compliance with the obligations of Recommendation 11 enforceable since December 5, 2015. Both ordinances are applicable to all DNFBPs under GCB (land based casinos), FIU/MOT supervision and to company (trust) service providers, which are supervised by the Central Bank.

This recommendation has been addressed in the revision of the NOIS. The draft



		<p>should be enforceable on DNFBPs under the supervision of FIU/MOT and the GCB and company (trust) service providers.</p> <ul style="list-style-type: none"> • Obligations in Recs. 9 should be enforceable on company (trust) service providers and DNFBPs under the supervision of the FIU (MOT). • The deficiencies in section 3.5 for Rec. 10 which are applicable to all DNFBPs should be remedied. Additionally, the requirement to ensure that transaction records are sufficient to permit the reconstruction of individual transactions should be enforceable on DNFBPs under the FIU (MOT) and 	<p>revision of the NOIS has been adopted by Parliament on November 9, 2015 and it entered into force on January 1, 2016.</p> <p>Now that the revision of the NOIS is into force the obligations in recommendation 9 are also enforceable on DNFBP under the supervision of the CBCS and FIU.</p> <p>The deficiencies in section 3.5 for Recommendation 10 have been remedied through amendment of the NOIS (by N.G. 2015, no. 69), which now stipulates detailed record keeping requirements that are enforceable since January 1, 2016. The NOIS is applicable to all DNFBPs under GCB-supervision (land based casinos).</p>	
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		the GCB.	
13. Suspicious transactions reporting	PC	<ul style="list-style-type: none"> The Authorities should ensure that entities from all sectors report UTRs. 	<p>Update GCB:</p> <p>1. During the process of the operational audits of the casinos, the GCB continues to instruct the casinos regularly to report all unusual transactions as required by law. If warranted by the audits, detailed instructions are included in the GCB's report of findings to the casino's management. Failure to comply with these instructions before the given deadline results in sanctioning of the casino.</p> <p>2. In addition to this, the GCB has organized an AML/CTF seminar on November 23, 2015, titled "Money laundering risks for the casino industry" which provided a very hands on approach by international speaker Ms. S. Rietbroek (founding Executive Director of ACAMS and president of AML Services International).</p> <p>Also, the FIU gave a "crash course" in online reporting of unusual transactions and the GCB presented the CFATF recommendations resulting from the MEVAL-report of 2012 and the actions taken to ensure compliance with these recommendations. Participation was open to casino compliance officers and higher management functions within the Curaçao casino-organizations, as well as representatives of the FIU and other government entities. The turnout was excellent and the reactions were enthusiastic.</p> <p>3. Furthermore, the Ministerial Decree providing the indicators of unusual transactions has been amended. Since December 5, 2015, the prescriptive list of indicators for suspicious transactions has been replaced by a subjective indicator that allows reporting entities to decide for themselves whether a transaction is suspicious, without feeling restricted by a "checklist" (N.G. 2015, no. 73).</p> <p>The ongoing GCB-instructions (pt. 1) and the red flags identified during the seminar (pt. 2), combined with the amendment of the indicators of unusual transaction (pt. 3), compel and encourage the casinos to focus on identifying and</p>



reporting suspicious transactions.

Update FIU

On December 5th, 2015 new indicators entered into force, whereby the accent is more on the reporting of suspicious transactions. The prescriptive list of indicators has been removed and replaced by a subjective indicator that is flexible enough to allow reporting entities to submit what could be considered a suspicious or unusual transaction. This indicator is: transactions where there is a cause to presume that they may be related to money laundering or terrorist financing. The new indicators now includes besides the suspicious indicators, also indicators with regard to large cash transactions, electronic wire transfers, casino reporting, money remitting and credit card reports and reports regarding the stock exchange.

The FIU together with the supervisory authorities during the years has made all reporting entities aware of their reporting obligations by organizing trainings, presentations, by supplying them with the relevant laws and provisions and guidelines, work documents. All reporting entities regularly receive letters and emails regarding their reporting obligation and their reporting behaviour. During their supervisory work, the respective supervisory authorities also stress the reporting obligation and the reporting behaviour to the reporting entities. In the above-mentioned trainings, presentations and audits, all reporting entities are made aware of the importance of risk based reporting and thus identifying suspicious transactions.

Update Central Bank

The Central Bank together with the FIU Curacao provided training sessions on the new FIU indicators. The training sessions were intended for the Compliance

- Mechanisms should be put in place that would require all reporting entities to focus on identifying and reporting on transactions for which they can identify a suspicion.
- Reporting entities should not rely only on the prescriptive list of indicators provided by the Ministerial Decree.



		<ul style="list-style-type: none"> The relevant procedures should be revised to allow developing more flexibility for reporting entities to identify suspicion of ML or FT. 	<p>Officers, the individuals that may perform (part of) the compliance function and the Sales and Front Line officers of the financial institutions under the supervision of the Central Bank. Staff members of the Central Bank and the FIU Curacao involved with the supervision on AML/CFT also attended these trainings sessions. In addition to these training session, a separate information session on the new FIU indicators was held on February 24, 2016, for management of the financial institutions under the supervision of the Central Bank. During this information session, representatives of the Central Bank, the FIU Curacao, the Curacao Bankers Association, the International Bankers Association and the Curacao & Bonaire Insurance Association elaborated on the new legislation and its impact on the financial sector. During both the training sessions and the information session, those in attendance were provided the opportunity to ask questions.</p>	
14. Protection & no tipping-off	PC	<ul style="list-style-type: none"> Relevant amendments should be made to ensure that directors of legal persons are protected by law from both civil and criminal liability for breach of confidentiality when reporting to the FIU (MOT) in good faith. The tipping-off offence should cover all the directors, officers 	<p>This recommendation has been addressed in the revision of the NORUT. The language of the relevant article(s) has been adapted. The draft revision of the NORUT has been adopted by Parliament on November 9, 2015 and it entered into force on December 5th, 2015.</p>	



		and employees of a financial institutions.	This recommendation has been addressed in the revision of the NORUT. The language of the relevant article(s) has been adapted. The draft revision of the NORUT has been adopted by Parliament on November 9, 2015 and it entered into force on December 5th, 2015.	
15. Internal controls, compliance & audit	C			
16. DNFBP– R.13-15 & 21	NC	<ul style="list-style-type: none"> The deficiencies identified for Recs. 13 and 14 in section 3.7 for all DNFBPs should be remedied. The deficiencies identified for Rec. 21 in sections 3.6 for DNFBPs under the Central Bank should be remedied. Obligations in Rec. 	<p>Please be referred to the updated actions undertaken under R. 13.</p> <p>The deficiencies identified for Rec. 14 have been remedied through amendment of the NORUT (by N.G. 2015, no. 68), which now protects directors of legal persons, officers and employees from both civil and criminal liability for breach of confidentiality when reporting to the FIU in good faith. The NORUT is applicable to all DNFBPs under the supervision of the CBCS, the GCB and the FIU.</p> <p>The P & G for TCSP has been updated to include the deficiencies identified.</p>	



		<p>15 and 21 should be made enforceable on the DNFBPs under MOT and GCB.</p>	<p>The GCB has issued Minimum Control Standards and corresponding Regulations on Sports Betting, which entered into force on January 6, 2014. The Minimum Control Standards and corresponding Regulations on Card Games and on Live Bingo Operations entered into force on April 1st, 2016.</p> <p>On August 18, 2016, the GCB has released the AML Regulations for the Curaçao casino sector, which are tailored to the recent amendments of the NOIS and the NORUT and are effective immediately.</p> <p>The Provisions and Guidelines of all the DNFBPs resorting under the supervision of the FIU have been revised to include all these DNFBPs.</p>	
17. Sanctions	PC	<ul style="list-style-type: none"> • With respect to EC 17.1, the range of sanctions under the various Ordinances should be reviewed with a view to harmonising and ensuring effectiveness, dissuasiveness and proportionality as follows: • The power to appoint a trustee/administrator should apply under the RFETCSM, 	<p>The Harmonization law has been adopted by Parliament on November 9, 2015 and it entered into force on December 5th, 2015.</p>	



NOSTSP, NOSII
and NOIB

- Revocation of the license or dispensation should be available under the NOSSE, NOSII and NOIB.
- The power to impose administrative fines for AML/CFT violations should be available under the NOIB.
- Referral for criminal investigation or prosecution by the Central Bank should be available under the NOIB, NOSII
- The application of conditions and application of sanctions under the

The power to appoint a trustee/administrator has been addressed in the Harmonization Law.

The Harmonization law has been adopted by Parliament on November 9, 2015 and it entered into force on December 5th, 2015.

The revocation of license has been addressed in the Harmonization Law.

The Harmonization law has been adopted by Parliament on November 9, 2015 and it entered into force on December 5th, 2015.

The power to impose administrative fines has been addressed in the Harmonization Law. The Harmonization law has been adopted by Parliament on November 9, 2015 and it entered into force on December 5th, 2015.

For insurance companies and insurance brokers referral for criminal investigations or prosecutions is already possible based on article 10 of the NOIS and article 23 of the. Nevertheless, the referral for criminal prosecution has also been addressed in the Harmonization Law. The Harmonization law has been



		RFETCSM to non-bank MTCs should be clarified.	<p>adopted by Parliament on November 9, 2015 and it entered into force on December 5th, 2015.</p> <p>The application of conditions is based on article 17 paragraph 3 juncto article 21 paragraph 1 of the RFETCSM. Therefore, violations of these conditions will result in the application of the sanctions under the RFETCSM (such as an instruction (article 33 paragraph 1) or revocation of license/dispensation (article 22) or a referral for criminal investigation or prosecution (article 81)) and the sanctions under the NOIS and the NORUT.</p> <p>The abovementioned sanctions referred to in the RFETCSM already cover the non-bank MTCs. In addition, these sanctions are also included in the National Ordinance on the Supervision of the Money Transfer Companies which has been adopted by the Parliament on September 22, 2014 and came into force on March 1, 2015.</p>	
18. Shell banks	C			
19. Other forms of reporting	C			
20. Other NFBP & secure transaction techniques	C			
21. Special attention for higher risk	PC	<ul style="list-style-type: none"> The P&Gs for IC & IB and the MTCs should require that 	The P & G for IC & IB and the MTCs have been updated to include the deficiencies identified.	



countries		<p>for transactions that have no apparent economic or visible lawful purpose, the background and purpose of such transactions should, as far as possible, be examined, and written findings should be available to assist competent authorities (e.g. supervisors, law enforcement agencies and the FIU (MOT)) and auditors.</p> <ul style="list-style-type: none"> • Authorities should effectively demonstrate employ of instructions regarding countermeasures for transactions and business relationships with countries that do not apply or insufficiently apply the FATF Recommendations. 	<p>The P&Gs issued by the Central Bank have been updated to include instructions regarding countermeasures.</p> <p>The P&Gs issued by the FIU were amended to ensure that the DNFBP have sufficient instructions regarding countermeasures where countries do not or not sufficiently apply the FATF Recommendations. The enhanced customer due diligence has been included in the P&Gs for DNFBP since October 2012.</p> <p>Since 2013, the GCB keeps the casinos informed regarding countries that do not apply or insufficiently apply the FATF Recommendations, by publishing the links to the FATF Public Statements, the FATF Statements on “Improving Global AML/CFT Compliance: on-going process” and the CFATF Public Statements on the GCB-website. The casinos are required to regularly check for</p>	
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updates of the FATF- and CFATF notifications and to update their Customer Due Diligence policies and –procedures accordingly to reflect these notifications.

This instruction to the casinos is published on the GCB-website as follows:

“Casinos are required to check for updates of the FATF- and CFATF notifications on a regular basis and update their Customer Due Diligence policies and –procedures accordingly to reflect these notifications.

The notifications consist of:

- the FATF Public Statement.**
- the FATF Statement “Improving Global AML/CFT Compliance: On-going process”, and**
- the CFATF Public Statement.**

Guidance:

- the FATF-notifications are usually issued in February, June and October.**
- the CFATF-notifications are usually issued in May/June and November/December.”**

This instruction is also issued through the recently drafted AML Regulations for the Curaçao casino sector (Rule 5.9).

Also the Central Bank and the FIU publish the FATF Public Statements, the FATF Statements on “Improving Global AML/CFT Compliance: on-going process” and the CFATF Public Statements on their respective websites under the warning list notices or FATF/CFATF notifications for observance by the entities, institutions, and persons subject to their respective supervision. The Central Bank is entrusted with the supervision of the financial institutions and the DNFBPs such as Trust and Company Service Providers and Fund



			Administrators. The FIU is entrusted with the supervision of the other DNFBPs.	
22. Foreign branches & subsidiaries	C			
23. Regulation, supervision and monitoring	LC	<ul style="list-style-type: none"> The new framework for prudential supervision of MTCs should be implemented as soon as possible. 	<p>The information in the columns ‘Summary of Factors for Rating’ and the information in the ‘Recommended Actions’ do not correlate.</p> <p>.....</p> <p>The National Ordinance on the Supervision of the Money Transfer Companies has been adopted by the Parliament on September 22, 2014 and it came into force on March 1, 2015.</p>	
24. DNFBP - regulation, supervision and monitoring	NC	<ul style="list-style-type: none"> The Authorities should implement an AML/CFT regime for supervision of and compliance by Internet casinos. The FIU (MOT) should implement an effective supervisory regime as soon as possible. The FIU (MOT) 	<p>A draft supervisory law for internet gambling is in administrative process.</p> <p>The FIU holds regular audits pursuant to the NORUT and the NOIS since January 2013. The FIU also published an enforcement policy which is applicable for all the DNFBP resorting under its supervision. The FIU has also imposed administrative sanctions as a result of audits on DNFBP that were found not to be compliant.</p>	



		<p>should be given more resources to fulfil their supervisory role for the relevant DNFBP sector.</p> <ul style="list-style-type: none"> The deficiency identified in section 3.10 (R. 29) with regard to the supervisory function of the Central Bank should be remedied. 	<p>The FIU resorts under the Ministry of Finance. The FIU has started the procedure to employ new supervisors in accordance with the government instruments for filling vacancies, and in conformity with the employee intake schedule of the Ministry of Finance.</p> <p>Please refer to the response on R.29.</p> <p>Moreover, all onsite examinations conducted on the DNFBPs supervised by the Central Bank are in the area of AML/CFT.</p>	
25. Guidelines & Feedback	PC	<ul style="list-style-type: none"> Reporting entities should receive more general and case-by-case feedback on reports submitted to the FIU. The annual report (or other reports) of the FIU (MOT) should include more information on ML and FT trends and 	<p>The FIU has much more communication with their reporting entities by way of presentations and more general and case by case on reports submitted to the FIU.</p> <p>The FIU is in the process of reviewing its annual report format, its website format and other communications to reporting entities to include more trends and typologies, in order for them to be more visible. During trainings that are regularly offered by the FIU to reporting entities and during other presentations, the FIU pays attention to trends and typologies as well.</p>	



		<p>typologies.</p> <ul style="list-style-type: none"> In light of the recent National Decree Designating Services, Data and Supervisors under the NOIS (when Providing Services), a framework, inclusive of a P&G should be implemented. Provisions and Guidelines should be developed for Internet Casinos. The FIU (MOT) should provide the DNFBPs that it supervises with more ML/FT feedback. 	<p>The Central Bank conducted a risk assessment of the factoring service providers sector. The preliminary findings indicate that the factoring service providers are exposed to very limited risk. The business is not cash based. Payments to customers, salaries and other expenses are done through transfer on their bank accounts or through issuance of cheques.</p> <p>In the meantime, P&G for the factoring services have been drafted by the Central Bank and need to be submitted to the 2 factoring service providers for their review and comments prior to formal implementation.</p> <p>A draft supervisory law for internet gambling is in administrative process.</p> <p>The FIU has adapted her P & G and work documents in such a way that it provides more ML/FT feedback to the DNFBPs. Also much more presentations and trainings are available to the DNFBPs. These are given at the initiative of the FIU or upon request of the DNFBP.</p>	
Institutional and other measures				



26. The FIU	PC	<ul style="list-style-type: none"> • The Authorities should consider revising the composition and mandate of the Guidance Committee (Article 16 of the NORUT) to avoid any possibility of undue influence or interference. • Article 22 of the NORUT should be revised in order to better protect the access to the database from individuals being the object of UTRs. • The process of having most cases presented by an analyst to the Head of the FIU should be revised with consideration being given to using the process in exceptional circumstances. In addition, other officials than the Head of FIU (MOT) should have 	<p>This recommendation has been addressed in the revision of the NORUT. The draft revision of the NORUT has been adopted by Parliament on November 9, 2015 and entered into force on December 5th, 2015.</p> <p>This recommendation has been addressed in the revision of the NORUT (article 22 has been deleted). The draft revision of the NORUT has been adopted by Parliament on November 9, 2015 and entered into force on December 5th, 2015.</p> <p>The FIU's has started the procedure to employ new supervisors.</p> <p>The FIU resorts under the Ministry of Finance. The Ministry has instruments to fill vacancies in accordance with their employee intake schedule.</p> <p>The reporting and analyses systems of the FIU no longer satisfies modern demands. A new reporting portal and analysis system will enable us to analyze transactions and conduct investigations with greater efficiency and effectiveness. Upgrading the ICT facility of the FIU in order to enhance the quality and quantity of our Analysis department will remain one of the main policy objectives of the FIU for the upcoming years.</p> <p>In practice the approval process is not at all burdensome. Besides the Head of</p>	
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the authority to approve the disclosure of cases on a regular basis.

- The Curaçao Authorities should consider amending Articles 4, of the NORUT to remove provisions that could potentially lead to the risk of interference or undue interference.

the FIU there are 2 other senior policy advisors/legal advisors that are authorized by the Head to sign and approve the disclosure of cases. However it must be appointed that the Head of the FIU is the person ultimately responsible for well-functioning of the FIU and quality of its output. A quality control process is applied to ensure quality of output.

Although a case by case approach is still used, for the information exchange with its most important information partner in the judicial chain (police information office) the FIU and the police information office (KPC) are in the process of changing their information flow from paper-based to secure electronic information exchange. The FIU has the intention to work towards exchanging information with other judicial chain partners and with regular information providers from the private sector on a secure electronic basis. The recent amendment of the NORUT creates the possibility of direct access to law enforcement and other databases (like chamber of commerce, civil registry and land registry) for the FIU.

This recommendation has been addressed in the revision of the NORUT. The NORUT has been adopted by Parliament on November 9, 2015 and entered into force on December 5th, 2015.



		<p>⇒ The annual report (or other reports) of the FIU (MOT) should include more information on ML and FT trends and typologies.</p>	<p>The FIU is in the process of reviewing its annual report format, its website format and other communications to reporting entities to include more trends and typologies, in order for them to be more visible.</p>	
27. Lawenforce mentauthorities	LC	<ul style="list-style-type: none"> • The Curacao Authorities should review the functions and method of operation of the UFCB, and depending on the outcome of that review provides the Unit with adequate human and economic resources. • The BFO is also facing recruitment challenges. Authorities should deploy efforts to find additional resources domestically that will be able to handle increasingly complex cases of 	<p>The decision to acquire (new) Financial Crime Investigators has been taken by the relevant authorities. Based on this decision four Financial Crime Investigators have already been selected.</p> <p>According to the approved Arrangement Plan of KPC (police force) flexibility and multi-functionality of the employees are guiding principles within the Division of Organized Crime (DOC). This means that at all times; depending on the operational needs (flexibility) within all tactical units of the Investigation and Information Service employees may be deployed (multi-employability) on all themes.</p>	



		ML and, potentially, FT.		
28. Powers of competent authorities	LC	<ul style="list-style-type: none"> The process for obtaining a Court order to compel production of documents or information from reporting entities and warrant for the search of persons and premises should be amended so that it can be more easily available to law enforcement in the investigation of (ML and FT matters. 		
29. Supervisors	LC	<ul style="list-style-type: none"> Albeit the risk-based approach, the onsite supervision programme should cover more licensed financial institutions and include a file review. 	<p>The Central Bank conducts thematic reviews in the area of ML/FT. These thematic reviews are not based on safety/soundness deficiencies identified at the supervised institutions. A bank may very well be selected for an AML/CFT review by the Central Bank if there are AML/CFT deficiencies, despite a low risk classification in the area of safety and soundness. For the international banking sector, for example, the thematic reviews in the area of ML/FT conducted in 2010, 2015 and 2016 comprised approximately 80% of the total assets of the international banking sector.</p> <p>Factors, such as AML/CFT deficiencies identified during previous examinations and in reporting documentation received and management letters, are also essential elements that are taken into consideration by the Central Bank in the execution of its AML/CFT risk assessment of the supervised institutions. Based on the Central Bank's overall risk assessment conducted in light of the</p>	



qualitative factors and supervisory concerns, the Central Bank will determine the appropriate supervisory strategies and the intensity of the supervision and on-site examinations to be applied to a particular supervised institution.

Although the ratio of the size of the staff of the various supervision departments of the Central Bank compared to the number of conducted on-site examinations is lower for certain sectors under supervision than others, the risk-based approach applied by the Central Bank allows the Central Bank to effectively monitor adherence to the AML/CFT requirements. The application of the risk-based approach allows the Central Bank to allocate and use its resources more efficiently and effectively among supervised institutions, while at the same time it allows the Central Bank to distinguish those institutions that pose a higher risk to the achievement of supervisory objectives. The monitoring of controls to combat ML and FT also forms an integral part of the supervisory risk-based regime applied by the Central Bank.

The risk-based approach applied by the Central Bank allows the Central Bank to effectively monitor adherence to the AML/CFT requirements. The Central Bank has given instructions for non-compliance with AML/CFT requirements.

The onsite supervision program covers all financial institutions that are licensed by the Central Bank. In addition, the supervision program includes a file review, refer to table 8 of the MER: incomplete files regarding NOIS/P&G, clearly provides an overview of the file reviews that were conducted during onsite examinations.

The risk based approach of the Central Bank is primarily based on the nature of the institutions' business. A significant number of the credit institutions (in 2010: credit unions (15), specialized credit institutions (6), savings and credit funds (7)) are regarded as low risk due to the nature of their business. Subsequent to eliminating these low risk institutions from the total licensed institutions, all high and medium risk credit institutions have been subjected to onsite reviews for verification of compliance with AML/CFT.'



	2012	2013	2014	2015	2016
Examinations without AML/CFT components	0	0	0	2	2
Examinations with AML/CFT components	18	10	10	39	7
Total Examinations conducted	18	10	10	41	9
Total licensed credit institutions	48	47	45	45	45
Domestic commercial banks	13	12	12	11	11
International banks	33	33	31	30	30
Credit unions	1	1	1	1	1
Specialized credit institutions	0	0	0	0	0
Savings bank	1	1	1	1	1
Savings and credit funds	0	0	0	0	0

The 2016 figures have been updated till July 31, 2016.

Based on the total examinations with AML/CFT components conducted during 2015 and the total high and medium risk licensed credit institutions as indicated above, these credit institutions have been examined approximately every 2 years by the Central Bank; for particular high risk institutions yearly reviews have taken place.

45 = 1.1



41

In light of the risk based approach of the Central Bank, there are high and medium risk licensed credit institutions that have been visited on more than 1 occasion during this time frame.

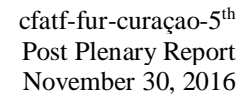
Despite our risk-based approach, all life insurance companies under the supervision of the Central Bank were submitted to an AML/CFT examination. As was indicated before, a file review forms part of the examination program.

Update Insurance Supervision Department:

During the period 2015 – 2016 YTD three insurance brokers were submitted to an AML/CFT examination. Our findings included:

- **No compliance officer appointed**
- **Incomplete job description compliance officer**
- **Inadequate training program**
- **No independent testing**
- **Incomplete client files**

During follow-up visitations, the Central Bank will assess actions that have been taken by the respective institutions to remedy the shortcomings. Sanctions have not yet been imposed.



			<table><tr><td>Entities under supervision</td><td></td><td colspan="5">Examinations at entities (including AML/CFT)</td><td></td><td></td><td></td></tr><tr><td>Per June 30, 2016</td><td></td><td>2016 (1/2 yr)</td><td>2015</td><td>2014</td><td>2013</td><td>2012</td><td>2014</td><td>2013</td><td>2012</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Trust licence / Trust dispensation</td><td>222</td><td>2.</td><td>3.</td><td>4.</td><td>9</td><td>9</td><td>24</td><td>20</td><td>15</td></tr><tr><td>Investment institutions licence</td><td>28</td><td>5.</td><td>6.</td><td>7.</td><td>8.</td><td>1</td><td>4</td><td>3</td><td>3</td></tr><tr><td>Securities exchange license</td><td>1</td><td>9.</td><td>10.</td><td>11.</td><td>12.</td><td>1</td><td>13.</td><td>1</td><td>1</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td>251</td><td>14.</td><td>15.</td><td>16.</td><td>9</td><td>11</td><td>28</td><td>24</td><td>19</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td colspan="7">By means of risk based supervision higher risk entities are visited more frequently.</td><td></td><td></td><td></td></tr><tr><td colspan="10">Examinations have led to different AML / CFT recommendations. No AML / CFT sanctions were emitted.</td></tr></table>	Entities under supervision		Examinations at entities (including AML/CFT)								Per June 30, 2016		2016 (1/2 yr)	2015	2014	2013	2012	2014	2013	2012											Trust licence / Trust dispensation	222	2.	3.	4.	9	9	24	20	15	Investment institutions licence	28	5.	6.	7.	8.	1	4	3	3	Securities exchange license	1	9.	10.	11.	12.	1	13.	1	1												251	14.	15.	16.	9	11	28	24	19											By means of risk based supervision higher risk entities are visited more frequently.										Examinations have led to different AML / CFT recommendations. No AML / CFT sanctions were emitted.										
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30. Resources, integrity and	PC	<ul style="list-style-type: none">The human resources of the BFO should be	According to the approved Arrangement Plan of KPC (police force) flexibility and multi-functionality of the employees are guiding principles within the Division of Organized Crime (DOC). This means that at all times; depending on																																																																																																															



training		<p>enhanced significantly so that they can properly handle increasingly complex cases of ML.</p> <ul style="list-style-type: none"> • The Curaçao Authorities should give consideration to assigning more lawyers to deal with mutual legal assistance requests. • The PPO should continue to build up its specialist prosecutorial resources and the Authorities should continue their efforts to attract more local legal professionals into the prosecutorial and judicial services. 	<p>the operational needs (flexibility) within all tactical units of the Investigation and Information Service employees may be deployed (multi-employability) on all themes.</p> <p>The PPO works according to his establishment plan. The PPO is arranged around two teams. Each team focuses on the primary tasks of the prosecution. The teams are each led by a team leader who is leading a number of prosecutors, assistant to the prosecutors and legal assistants. Each team is also supported by a secretary. The team leader is responsible for ensuring quality, integrity and knowledge. A prosecutor in the teams is designated as investigation officer. An execution officer is also appointed from the team.</p> <p>The PPO is doing its utmost to upgrade the personnel. The PPO offers its staff an internal training program in order to fulfil the need for more officers and increased ability to perform under the assistant to the prosecutors (the target is to invest in the development of its own staff). More internal mobility of staff makes the PPO a more dynamic organization that fully exploits the potential of its employees (the target is to invest in the development of its own staff). More internal mobility of staff makes the PPO a more dynamic organization that fully exploits the potential of its employees.</p> <p>The idea is to provide employees with strong legal understanding - basically the assistant to the prosecutors but possibly also policy makers – retraining and giving them the opportunity to get acquainted and get experienced with different aspects of prosecution in Money Laundering cases and cases dealing with the Financing of Terrorism. Subject to satisfactory performance, they can then be appointed as deputy prosecutor, or to current Dutch PPO example, as an assistant prosecutor.</p> <p>(i)</p>	
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		<p>Employee recruitment by the FIU is a priority. New staff has been recruited for the analyst department of the FIU.</p> <p>The FIU's has started the procedure to employ more employees.</p> <p>The FIU resorts under the Ministry of Finance. The Ministry has instruments to fill vacancies in accordance with their intake schedule.</p> <p>Also a new procedure is in place at the FIU that supports analysis of recent UTRs on a risk based system. This will result in increasing of output, on a faster basis.</p> <p>Being one of the Strategic goals of the Central Bank, (financial) resources are being allocated annually to hire new staff if necessary and to properly train available staff members. Supervision departments are required to annually prepare their policy memorandum in which they indicate their short, medium and long term goals. These memoranda contain the activities that will be carried out during the next year and also the resources necessary to carry out these activities. Additionally, the number of staff needed is being indicated and the funds necessary to provide for continuing education of the staff members.</p> <p>In the past year the number of new staff recruited for the supervision departments amounted to 4. Most of them were people with some years of relevant working experience. In addition, the CBCS has changed its traditional supervisory approach to a risk based approach and as such enabling her to use her resources more effectively and efficiently.</p> <p>In 2015, one new staff member has been added to the Banking Supervision Directorate.</p>	
	<ul style="list-style-type: none"> • The FIU (MOT) should be given more resources to fulfil their supervisory role of the relevant DNFBP sector. • The Authorities should review and strengthen as necessary, the resources available to supervise financial institutions. 		



31. National cooperation	PC	<ul style="list-style-type: none"> There should be a clear structure, governance and terms of reference in place that would assist with the organization of the CIWG. The composition of the CIWG should include more operational competent authorities such as FIU (MOT), the PPO and other law enforcement authorities. Consideration should be given to having a forum where only competent authorities can work together on policy and legislative changes that will contribute to improve the national AML/CFT regime. An assessment of the adequacy of 	<p>The current legislation regarding the structure and organization of the committee (CIWG) has been revised. The draft revision of mentioned legislation includes a clear structure and the possibility for the committee to draft terms of reference that will assist with the organization. Moreover, mentioned draft legislation includes i.a. more operational competent authorities such as FIU, the PPO and other law enforcement authorities in the composition of the committee and a forum where competent authorities can work together on policy and legislative changes to improve the AML/CFT regime.</p> <p>This draft revised legislation is in administrative preparation in order to start with the official legislative process.</p> <p>Being one of the Strategic goals of the Central Bank, (financial) resources are</p>	
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resources assigned to competent authorities should be undertaken to ensure that they keep pace with a dynamic financial sector.

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In 2015, one new staff member has been added to the Banking Supervision Directorate.

The FIU's request to the Minister of Finance regarding the necessity of additional human resources for the supervision department is being addressed.

Capacity and capability of the Gaming Control Board

Capacity increase.

To ensure effective supervision of the casinos, the capacity of the Audit Division has been increased. The Audit Division now consists of a Division Head, an Audit Supervisor, an Audit Senior and two Auditors.

The Technical & Operational Control Division has in 2013 been expanded by a total of four new inspectors.

Per September 2012 the Gaming Control Board has been reorganised, creating room for a new Enforcement Division, in an attempt to address the issue of sanctions in a more definitive way.



AML-training and -updating.

In accordance with the new policy that as of June 2012 CAMS-certification is mandatory for all GCB auditors, the Division Head, the Supervisor and the Audit Senior are now CAMS-certified after passing the CAMS-exams with very good results. The other auditors are scheduled to take the CAMS-exam this year.

In 2013, four auditors have attended training at the GLI University to update their knowledge of technical aspects of the casino industry. They have also attended the courses on Casino Auditing I and II at the International Gaming Institute of the University of Las Vegas, to ensure that the audits of the financial statements meet the current standards and criteria.

Of the Technical & Operational Control Division, two inspectors have attended the training at the GLI University in June 2013.

A training program for existing and new inspectors is being devised to ensure that they are up to date with developments in the sector.

In order to keep up with the latest AML/CFT-developments, the GCB attended the 9th CFATF Conference on Anti-Money Laundering and Combating the Financing of Terrorism, held in Trinidad and Tobago on 2-3 December 2013.

Systems and equipment.

To further improve the Audit Division's operations, the newly developed Audit Methodology and Approach now includes AML work programs, and the Case ware Working Paper for Auditors will be acquired to automate audit



			<p>methodology and work programs and to digitalize audit working papers. The latter has been included in the draft budget for 2014.</p> <p>In order to improve supervision on money flow, the GCB plans to introduce an Online Monitoring & Control System. Casinos have already committed themselves through a Memorandum of Understanding signed with the Government to connect to this system, that will supply the GCB with timely data from all slot machines and automated table games.</p> <p>The introduction of the Online Monitoring & Control System has been included in a project plan for 2015 and has been included in the budgets for 2014 and 2015.</p> <p>The GCB is in the process of automating the work programs of the GCB Inspectors.</p>	
32. Statistics	PC	<ul style="list-style-type: none"> The PPO must segregate its database with regard to its different activities. Statistics for the exchange of information (other than the mutual legal assistance process) between law enforcement authorities should be 	<p>Between the Curacao police and police abroad there is an almost unrestricted exchange of information. When it comes to using the information submitted by the police in any proceedings, the information should be requested formally through a request for mutual legal assistance.</p>	



kept.

- Customs or other relevant competent authority should maintain statistics with regard to cross border bearer negotiable instruments.

Update Customs:

Customs keeps records in order to develop statistics of everything regarding cross border. Up till now there was no case of cross border negotiable instruments. Please refer to the following table:

Customs	2010	2011	2012	2013	2014
Cross border cash movement UTRs	640	153	538	1148	606
Cross border bearer negotiable instruments UTRs	0	0	0	0	0
Total UTRs	640	153	538	1148	606

Update Statistics as requested in the letter of CFATF dated July 6, 2015.

Update FIU:

- The Curaçao



Authorities should keep statistics with regard to the nature of the request made and the time required to respond to mutual legal assistance requests.

The FIU of Curaçao, in the conduct of its supervisory function, conducted nine (9) full fledge audits and nineteen (19) management meetings with the designated non financial businesses and professions (DNFBP). One warning letter was issued to a car dealer because of the fact that it did not report an unusual transaction within the period prescribed by law.

After every audit conducted by FIU Curaçao the DNFBP receives an audit report which also contains an action list mentioning all the shortcomings that were detected and the action that must be taken by the DNFBP within a certain period to remedy the shortcomings. The FIU Curaçao also started the follow-up process regarding the audits that had been conducted since august 2010. A total of thirteen (13) DNFBP (tax advisor, accountant, lawyers, notary at law and real estate dealer) received a letter enquiring about the actions they have taken in order to restore the shortcomings that were found during the audits that were conducted at their organization. FIU Curaçao also held several presentations for all 8 categories DNFBP resorting under her supervision.

Requests to the FIU regarding unusual transactions of subjects (possibly) involved in money laundering / terrorist financing over the last five years (2011 – 2016 to date).

Local requests
All local request to the FIU are done by local crime detecting authorities with the approval of the PPO, and by local intelligence security authorities, all for intelligence purposes. If information is to be used for criminal prosecution purposes, a request can be made to the Director of the FIU regarding such. Standard reaction time to a local request is 2-3 working days, but actual throughput time may depend on the scale of the request that is made and the number of subjects information is requested on. The scale of the request may imply that other (local and international) organizations need to be requested for information by the FIU. Since this request procedure is mostly paper based and depending on the reaction time of other organizations, actual throughput time may take longer. The FIU is working with local chain partners to securely digitalize the requests- and information exchange to this end.

A local request can also be made by the Prime Minister or the person who is



charged with the formation of a Ministerial Cabinet, in the course of screening of persons regarding their fitness for a Ministerial position. Standard reaction time is 2-3 working days.

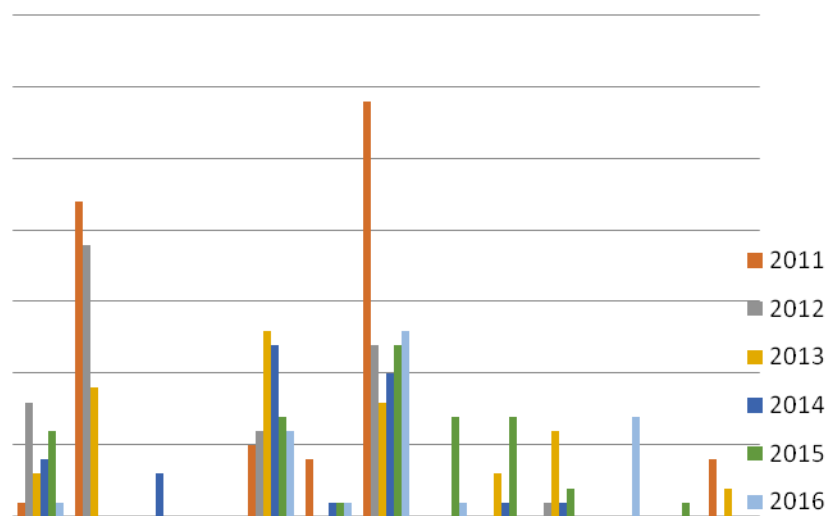
International requests
All international requests to the FIU are done by FIU's that are a member of the Egmont Group and/or with whom the FIU has signed an MOU for the exchange of information for intelligence purposes. (requests of international crime detecting authorities are done through local PPO). Standard reaction time to an international request is 2-3 working days, but actual throughput time may again depend on the scale of the request that is made and the number of subjects information is requested on. The scale of the request may imply that other (local) organizations need to be requested for information by the FIU. Since this request procedure is mostly paper based and depending on the reaction time of other organizations, actual throughput time may take longer. As said above, the FIU is working with local chain partners to securely digitalize the requests- and information exchange to this end.

Please refer to the following tables and graphics for the statistics of the requests to the FIU:

	2011	2012	2013	2014	2015	2016
Local requests	66	46	42	36	37	
International requests	77	44	60	40	31	



Requesting Instance local	2011	2012	2013	2014	2015	2016
BAB	1	8	3	4	6	1
BFO-HARM	22	19	9	0	0	0
KONINKLIJKE MARECHAUSSEE	0	0	0	3	0	0
KPB	0	0	0		0	0
KPC-DGC	5	6	13	12	7	6
OM	4	0	0	1	1	1
RST	29	12	8	10	12	13
VDC					7	1
LANDSRECHERCHE			3	1	7	0
BEVRAGING MINPRES		1	6	1	2	0
Afpakteam Curaçao						7
TEAM FINANCIËEL OPSPOREN TFO					1	0
Other	4	0	2		0	0
Total	65	46	44	35	37	29



NB: For 2016, all tables and charts contain the numbers up to and including July 2016.

Update CBCS:

During 2014 the Central Bank conducted ten (10) onsite examinations with AML/CFT component. Up to August 2015 a number of twenty seven (27) onsite examinations were performed with AML/CFT component as part of the



thematic reviews scheduled. Based on the onsite examination conducted during 2014, a number of ten (10) sanctions were proposed, whilst in 2015 a number of twenty two (22) sanctions have been proposed up till August 2015. Please note that these sanctions were proposed for a total of 2 institutions in 2014 and 4 institutions in 2015. After each audit conducted by the Central Bank, the financial institutions receive an audit report which also contains an action list mentioning all the shortcomings that were detected, the action that must be taken within a certain period to remedy the shortcomings and an overview of outstanding items, if any. Sanctions are calculated based on the type, severity of the shortcomings noted onsite and whether the institution has made sufficient progress with the follow up process.

No requests for mutual legal assistance regarding ML/TF have been received by the Central Bank over the period 2010 – 2016.

GCB:

The GCB keeps records in order to develop statistics of mutual legal assistance requests, regarding the nature of the request and the response time. With regard to land based casinos, statistics for 2015 and 2016 are as follows:

	2015	2016 (first half of)
number of requests for mutual legal assistance / judicial cooperation	0	0
nature of the request	AML/CTF	AML/CTF
response coordinator	GCB project coordinator	GCB project coordinator
response time	0	0
information/action requested	n/a	n/a



33. Legal persons–beneficial owners	PC	<ul style="list-style-type: none"> • Law or regulation should establish a requirement for all legal persons to register the information on the UBO at the Commercial Register of the Chamber of Commerce. • The Chamber of Commerce should establish procedures to ensure that all the information at the Commercial Register is up to date and periodically 	<p>The information relative to the UBO's are registered at their respective service provider(s). In addition, the tax law requires that all that have the obligation to pay taxes should, administer who the beneficial owners are of the assets (Article 45 of the National Ordinance on the amendment of the sales tax, formal tax law, and related national ordinances on taxes (N.G. 2013, no. 50).</p> <p>The respective service providers should at all times adhere to the NOIS and NORUT. For non compliance to the aforementioned legislations, different sanctions and fines apply.</p> <p>The supervisors should ensure that all service providers have procedures in place relative to providing adequate, accurate and on a timely fashion UBO information in place, when requested by the competent authorities. These procedures should be reviewed and "tested" during the on-site examinations.</p> <p>Registration of UBO information is a FATF requirement. However registration of such at the Chamber of Commerce is not. FATF leaves it to the country to decide on the mechanism to be used for this purpose. For security reasons other ways to comply with this recommended action are being contemplated by Curaçao.</p> <p>The procedure for filing information with the registry is concise, as required by law (in detail described in the Trade Registry Decree 2009), and is limited to what is necessary for the surety required for participation of businesses in the legal and economic processes in Curaçao. Crucial in this participation is the objective identification of the business and its officials representing it in accordance with its legal goals (and thus boundaries), which since 1945 is done satisfactorily through the public registry of the Chamber of Commerce.</p> <p>The system of this public registry is a so called positive system, meaning that if a required information is not registered or not correctly registered, the civil law</p>	



reviewed and that the information is complete and accurate.

- The Authorities should provide the Chamber of Commerce with administrative sanctioning power against natural and legal persons who fail to provide accurate and up-to-

sanction is that the third party consulting the registry can rely on the facts that are registered with the registry (a tort), unless he is not acting in good faith, which should be proven in a court of law. This system offers the Chamber the possibility to make sure that the one filing information is the one whom is required to do so by law. Besides that the Chamber is legally allowed to passively check if the information offered for filing is in accordance with the facts or incomplete, while the Chamber is allowed by law to require proof if in that process there is any doubt that the information may not be correct and/or complete, in which latter case the Chamber refuses the registration. If notwithstanding the opinion of the Chamber the specific filing is insisted upon, the Chamber is required to accept the filing and has the possibility to request the Court in First Instance to instruct the company official involved to file the information in accordance with the facts.

Moreover, not filing the required information, or wilfully file information that is not correct, is punishable under the laws of the registry.

(i.a. up to ANG. 50.000,= for intentionally filing incorrect information, up to ANG. 20,000 for not filing a required information, ANG. 50,000 for not filing the business. The first and the latter are considered felonies, while the second a misdemeanour).

In view of this system it is stated that the information provided by the Chamber is 100% accurate as registered with the Registry; all records are public records. The information on the website is an excerpt!. The website is a service of the Chamber to its clients and to promote the usage of formal documents through ready availability. The database of the website is the exact same database which is currently being used internally to produce excerpts. Excerpts are issued daily: 23,822 in 2011, while 29,085 updates were filed and processed with the registry (see attachment). Each and every filing is sequentially numbered, dated and certified before processing and filed with the physical dossier of the entities.

(ii)

(iii)

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(v)

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		<p>date information.</p> <ul style="list-style-type: none"> There should be better procedures with regard to the exchange of information in the Commercial Register. The Authorities must ensure the immobilization of bearer shares. The Authorities must ensure the immobilization of bearer shares. 	<p>The register held by the Chamber is a public register; the register is accessible to everyone, local and foreign. All filings are available upon request, copied electronically or physically. The provision of information is regulated in the Trade Registry Decree 2009).</p> <p>Supervision on the compliance of the relevant national decree is being exercised. The results of the follow up process conducted by the Central Bank indicate that the institutions under its supervision, which previously did not comply with the law regarding immobilization of bearer shares, are now in compliance with this law.</p> <p>A proposal to change/update the legislation to include elimination of bearer shares will be presented to the Parliament. At the moment the draft is being submitted to the Advisory Council</p>	
34. Legal arrangements – beneficial owners	LC	<ul style="list-style-type: none"> There should be better procedures to access the information on UBOs in a timely fashion. 	<p>The information relative to the UBO's are registered at their respective service provider(s). In addition, the tax law requires that all that have the obligation to pay taxes should, administer who the beneficial owners are of the assets (Article 45 of the National Ordinance on the amendment of the sales tax, formal tax law, and related national ordinances on taxes (N.G. 2013, no. 50).</p> <p>The respective service providers should at all times adhere to the NOIS and NORUT. For non-compliance to the aforementioned legislations, different sanctions and fines apply.</p> <p>The supervisors should ensure that all service providers have procedures in place relative to providing adequate, accurate and on a timely fashion UBO information in place, when requested by the competent authorities. These</p>	



			procedures should be reviewed and "tested" during the on-site examinations.	
International Cooperation				
35. Conventions	PC	<ul style="list-style-type: none"> The offence of terrorism financing should be criminalized in accordance with the Terrorist Financing Convention. The Vienna Convention should be fully implemented in Curacao law with regard to Article 15 of that Convention, as no measures regarding the Article were seen by the Examiners. 	<p>Article 2:55 of the Penal Code criminalizes the offence of terrorism financing according to article 2 of the Terrorism Financing Convention, while the punishment takes into account the gravity of the offence (see attachment).</p> <p>To improve the security situation in the Netherlands Antilles and to limit the influx of drug traffickers in the Netherlands on flights from the Netherlands Antilles, the Netherlands Antilles and the Netherlands decided in January 2005 to establish a so called common border control teams (GGCT). The cooperation was made within the framework of the Netherlands Antilles Security Plan (PVNA) and was further based on the Joint Declaration of 22 December 2004 and the Feasibility Study. The GGCT has been operational since mid-July 2005.</p> <p>The GGCT were placed at the international airports of the Netherlands Antilles and consist of staff of the Antillean Police and Customs supplemented by staff from the Royal Netherlands Military Police and Customs.</p> <p>The GGCT had two goals. 1. They are aimed at an effective control of goods, passengers and luggage (particularly drugs and related offenses) at least the direct flights from the Netherlands Antilles to the Netherlands. 2. The exchange of expertise between the two countries to ensure that even after termination of the cooperation, an effective and efficient implementation of the control will continue.</p> <p>For the execution of the work on each of the international airports, a special team has been established that had to report to the Task Force: The Flamingo team on Bonaire, on Curaçao, the Hato team and the team Juliana on St Maarten.</p>	



- The Palermo Convention should also be fully implemented in Curacao law with regard to Articles 18, 23 and 25-28 of that Convention as no measures regarding those Articles were seen by the Examiners.

Nowadays the Hato team consists only of Customs officers.

It's the intention to establish the cooperation again with staff from the Royal Netherlands Military (KMAR), Police and Customs.

The Palermo Convention is fully implemented in Curacao.

Article 18:

Vide art. 555-565 Code of Criminal Procedure on mutual legal assistance.

Article 18, paragraph 9-29, of the Palermo Convention however is applicable when no treaty on mutual legal assistance exists between parties. This is important. Thus Parties to the Palermo Convention are bound to grant requests for mutual legal assistance solely on the basis of this article 18 (It is incorrect to state that a Party to the Convention shall take measures to implement article 18).

The procedure described in paragraph 10-12, is not common practice in Curaçao. Curaçao makes use of a Rogatory Commission to interview a suspect or witness detained abroad.

Article 23:

The acts described in article 23 of the Palermo Convention are penalized as crimes according to article 2:132, 2:133 and 2:254 of the Penal Code.

Article 25:

Article 261, Code of Criminal Procedure, contains measures to protect a witness in criminal proceedings. Articles 374-380, Code of Criminal Procedure, provides access to compensation and restitution to victims.

Article 1:78, Penal Code, entitles the government to advance the payment by the criminal in order to ease the burden of the victim.

The victim is entitled to bring his case in Civil Court.



			<p>The Bureau of Assistance to Victims provides necessary guidance and intermediation to victims of crimes.</p> <p>Article 26:</p> <p>Taking into account the discretionary powers of the prosecution it is possible to provide for the encouragement as described in article 26 of the Palermo Convention.</p> <p>Prosecution has the power to abstain from further prosecution (articles 272-283 Code of Criminal Procedure); Prosecution has the power to adapt its demand for punishment according to the contribution of the suspect.</p> <p>The government is considering regulation of a procedure regarding main witness in criminal cases.</p> <p>Article 27:</p> <p>This article in itself can be a basis for cooperation. No additional compliance measure is necessary.</p> <p>Article 28:</p> <p>The implementation of this article is safeguarded by Bureau Interpol Curacao (also the RST and the UFCB collect necessary information).</p>	
36. Mutual legal assistance (MLA)	LC		<p>Terrorism Financing is criminalized on the basis of article 2:55 of the Penal Code.</p> <p>In this article the financing of terrorism is punishable as a separate and independent offense. The article 2:55, is in fully in line with the UN Convention of the 9th of December 1999 (New York) for the suppression of the financing of terrorism (Treaty Series 2000, 12), which requires parties to punish all intentionally gathering and making available of funds with the intention or in</p>	



			<p>the knowledge that they will be used to finance terrorist offenses, whether or not the terrorist crime actually took place.</p> <p>Furthermore, the criminalization of terrorist financing is not solely focus on the financing of one or more terrorist acts, but just as well as the financing of terrorist organizations and individual terrorists, as appears to be the definition of "another" contained in the second paragraph of article 2:55. Also, the terms "group" and "organization" are used separately because terrorist organizations can be active as associations for random acts of terrorism or as sustainable organizations.</p> <p>The term "funds" is very broad and covers essentially all active assets within the meaning of the civil law, that is to say all accruing to a person that are part of its assets.</p>	
37. Dual criminality	LC			
38. MLA on confiscation and freezing	C			
39. Extradition	LC	<ul style="list-style-type: none"> There is no requirement to commence prosecution against a national of Curacao (who is immune to extradition) where there is request from a foreign state. 	<p>It should be noted that in the absence of prosecution local authorities could honour a request from a foreign state to commence criminal prosecution against a national of Curaçao (who is immune to extradition) based on article 15 of the Penal Procedures Code. The articles 2-7 stipulate that money laundering and terrorism related crimes are prosecutable in Curaçao when committed outside Curaçao.</p>	
40. Other forms of co-operation	LC	<ul style="list-style-type: none"> The Authorities should establish clear mechanisms for the exchange of information between law enforcement and 	<p>Curacao attaches great importance to multilateral and international relations. Curacao is internationally very active and has strong commitment with international cooperation and information sharing. Within their mandate all competent authorities are able to cooperate with their foreign counterparts. This cooperation takes place on several levels (operational, policy, administrative) and subjects. The PPO directive/guidelines with regard to the</p>	



their foreign
counterparts.

exchange of information between law enforcement and counterparts are as follows.

For international assistance in criminal matters a difference is made between the so-called small legal assistances (requests seeking to hear witnesses, seizure with or without search, etc.) and extradition requests.

1. Small legal assistance

Within the Public Prosecutor Office there is a prosecutor appointed to coordinate the small legal assistance. This coordinator is a prosecutor working on Curacao. All incoming requests for legal assistance shall be initially assessed by the coordinator. Afterwards the requests are distributed among the members of the Public Prosecution Service. Small legal assistance is governed by treaties between the Dutch Kingdom and other jurisdictions. In cases where there are no treaties with other countries, assistance is given on the basis of reciprocity.

2. Requests for extradition

The execution of extradition requests is the responsibility of the Attorney General's Office. The coordinator is the policy maker of the Attorney General or another member of the Public Prosecutor's office designated by the Attorney General. The coordinator receives all extradition requests for further processing.

With regard to the procedures regarding extradition requests, those are submitted to the Attorney General, after which the courts of Appeal will decide whether or not the individual to be extradited may be extradited.

This recommendation has been addressed in the NORUT and the NOIS. The NORUT and the NOIS have been adopted by Parliament on November 9, 2015 and entered into force on December 5th, 2015 and January 1, 2016, respectively.

(vii)

- The FIU (MOT) should be given the legal authority to exchange

The FIU (MOT) in the conduct of its supervisory function is able to exchange information with foreign counterparts.



information with
supervisory
authorities from
other jurisdictions.

- The IOCCS should make provision for the sharing of information with foreign counterparts.

- Mechanism needed to facilitate all competent authorities (Central Bank, supervisory arm of the FIU (MOT) and GCB) undertaking enquiries on behalf of foreign

This recommendation has been addressed in the NORUT and the NOIS. The NORUT and the NOIS have been adopted by Parliament on November 9, 2015 and entered into force on December 5th, 2015 and January 1, 2016, respectively.

The amended NORUT now enables sharing of information with foreign counterparts within a framework of safeguards (art. 20, third paragraph, of the NORUT as amended by N.G. 2015, no. 68). This article is worded to overrule any secrecy clauses in other legislation, including the IOCCS. This means that the goal of the recommended amendment of the IOCCS has been reached, even though the IOCCS itself has not been changed: since December 5, 2015, the GCB can share information with foreign counterparts in accordance with FATF Recommendation 40.

With regard to the Central Bank it is noted that this recommendation is addressed in article 29 of the RFETCSM regarding the MTC. Moreover, regarding the other supervised institutions, this recommendation has also been addressed in the draft Harmonization supervision ordinances, which has been adopted by Parliament on November 9, 2015 and entered into force on December 5, 2015.

In addition, this recommendation was addressed in the revision of the NORUT with regard to the other competent authorities. The draft revision of the NORUT has been adopted by Parliament on November 9, 2015 and entered into force on December 5th, 2015.



		counterparts.		
9 Special Recommendations				
SR.I Implement UN instruments	PC	<ul style="list-style-type: none"> The laws should be properly amended to give effect to paragraph 4(a) of UNSCR 1267. Measures should be put in place that would allow for the freezing of assets without delay as they pertain to locally designated terrorists under UNSCR 1373. 	<p>Based on the relevant resolutions the Law Department concluded that paragraph 4 (a) of UNSCR 1267 (1999) should not be included in the mentioned laws since the measures imposed in paragraph 4 (a) of abovementioned resolution were terminated in UNSCR 1390 (2002) paragraph 1.</p> <p>A Ministerial decree dated July 8, 2016 has been published on July 15, 2016 in the Curacao Gazette installing a committee which has inter alia as task to advise the Government on persons to be added to the (local) sanction list and de-listed.</p> <p>Curaçao has adopted on August 26, 2016 the following procedures: Process Freezing Assets and Process Release Assets. Moreover a Ministerial decree dated July 8, 2016 has been published on July 15, 2016 in the Curacao Gazette installing a committee which has inter alia as task to advise the Government on persons to be added to the (local) sanction list and de-listed.</p>	
SR.II Criminalize terrorist financing	PC	<ul style="list-style-type: none"> The offences of participation (which would include the financing offences) should be criminalized in keeping with the requirements of the Terrorism Financing Convention 	<p>Translation of the Penal Code</p> <p>Offences regarding participation and financing of terrorism are punishable under various articles of the Penal Code. There are ancillary offences for terrorism and the financing of terrorism, for example articles 1:202-1:204 (terrorist offence, terrorist intent and preparing terrorist offence). Article 2:80 deals with the participation in a terrorist organization and article 2:55 makes the financing of terrorism punishable. All articles are in line with inter alia articles of the UN Convention on 9 December 1999 (New York) for the suppression of the financing of terrorism (Treaty Series 2000, 12) and Council of Europe Convention on the Prevention of Terrorism (Warsaw, 16.V.2005).</p>	
SR.III Freeze and confiscate	PC	<ul style="list-style-type: none"> Measures should be put in place that allow freezing 	<p>Curaçao has adopted on August 26, 2016 the following procedures: Process Freezing Assets and Process Release Assets. Moreover a Ministerial decree</p>	



terrorist assets		<p>without delay, and the maintenance of such freezes, as required by UNSCR 1373.</p> <ul style="list-style-type: none"> • Curaçao should make the procedures for de-listing publicly known. • Curaçao should have a mechanism for the issuance of Guidance to non-financial entities or individuals who may find themselves in possession of property or assets that may belong to terrorist or terrorist entities. • Clear criteria for the exercise of the Minister's discretion with regard to the protection of third party rights should be developed. 	<p>dated July 8, 2016 has been published on July 15, 2016 in the Curacao Gazette installing a committee which has inter alia as task to advise the Government on persons to be added to the (local) sanction list and de-listed.</p> <p>With regard to the recommendation to make the de-listing procedures publically known, the before mentioned procedures were made public in the local Gazette of September 16, 2016.</p> <p>Based on the new procedures not only the Central Bank but also the FIU and the Gaming Control Board will provide guidance to supervised institutions and individuals that find themselves in possession of funds or assets that should be frozen.</p> <p>In the amended P & G's for the DNFBPs resorting under the supervision of the FIU, the DNFBP's have been instructed how to act when during the customer due diligence they discover that their client may be a terrorist or terrorist entity.</p> <p>This recommendation has been addressed in the Ministerial Sanctions Regulations, including the Ministerial Sanctions Regulation Al-Qaida c.s., the Taliban of Afghanistan c.s., ISIL c.s., ANF c.s., and terrorists to be designated locally (N.G. 2014, no 72) which have been replaced in the meantime by Sanctions National Decree regarding Al-Qaida cs, the Taliban of Afghanistan c.s, ISIL c.s., ANF c.s., and locally designated persons and organizations (N.G. 2015, no. 29).</p> <p>(viii)</p> <p>A structure has been put in place in the abovementioned new procedures.</p>	
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		<ul style="list-style-type: none"> A structure should be put in place for monitoring compliance outside of the financial sector. 		
SR.IV Suspicious transaction reporting	PC	<ul style="list-style-type: none"> The Authorities should ensure that reporting entities from all sectors report UTRs. Mechanisms should be put in place that would require all reporting entities to focus on identifying and reporting on transactions for which they can identify a suspicion. Reporting entities should not rely only on the prescriptive list of indicators provided by the Ministerial Decree. The relevant procedures should be revised to allow 	<p>Please be referred to actions taken under R. 13.</p> <p>Please be referred to actions taken under R. 13.</p> <p>Please be referred to actions taken under R. 13.</p> <p>Please be referred to actions taken under R. 13.</p>	



		developing more flexibility for reporting entities to identify suspicion of ML or FT.		
SR.V International cooperation	LC	<ul style="list-style-type: none"> The Curacao Authorities should have measures in place to ensure the early commencement of prosecution for FT offences against a national of Curacao (who is immune from extradition) where there is a request from a foreign state. The Curacao Authorities should have measures in place to ensure the early commencement of prosecution for FT offences against a national of Curacao (who is immune 	<p>It should be noted that in the absence of prosecution local authorities could honour a request from a foreign state to commence criminal prosecution against a national of Curaçao (who is immune to extradition) based on article 15 of the Penal Procedures Code. The articles 2-7 stipulate that money laundering and terrorism related crimes are prosecutable in Curaçao when committed outside Curaçao.</p> <p>It should be noted that in the absence of prosecution local authorities could honour a request from a foreign state to commence criminal prosecution against a national of Curaçao (who is immune to extradition) based on article 15 of the Penal Procedures Code. The articles 2-7 stipulate that money laundering and terrorism related crimes are prosecutable in Curaçao when committed outside Curaçao.</p>	



		<p>from extradition) where there is a request from a foreign state.</p> <ul style="list-style-type: none"> There should be clear mechanisms in place for law enforcement authorities to exchange information as it pertains to FT. 	<p>It should be pointed out that any extradition treaty contains a list of all the facts for which someone can be extradited. Terrorism is one of them. See for example the European Convention on Extradition (Paris, December 13, 1975, 1965/9 Trb.) and Extradition Treaty between the Kingdom of the Netherlands and the United States of America (The Hague, June 24, 1980, Treaty Series 1980 / 111).</p>	
SR.VI AML requirements for money and value transfer services	PC	<ul style="list-style-type: none"> The P&G for MTCs should explicitly require that a financial institution consider making a UTR/STR where the requirements at E.C 5.3 to 5.6 are not met. The Authorities should create or indicate a subjective indicator for identification problems as it relates to MTCs under the NORUT. 	<p>The recommended action has been incorporated in the P&Gs</p> <p>The recommended action has been incorporated in the P&Gs</p> <p>Furthermore one subjective indicator has been introduced: transactions which give cause to assume they relate to ML or TF must be reported to the FIU. Identification problems are also incorporated as a red flag in the Provision & Guidelines of the supervisory authority.</p>	



		<ul style="list-style-type: none"> There should be an explicit requirement for MTCs to maintain a current list of agents. 		
SR.VII Wire transfer rules	LC	<ul style="list-style-type: none"> The P&Gs should make it mandatory for beneficiary institutions to apply risk based procedures when identifying and handling wire transfers that are not accompanied by complete originator information. In addition, lack of complete originator information should be included as a subjective indicator to the NORUT in assessing whether a wire transfer or related transaction is suspicious and should be reported to the FIU (MOT). Curacao should consider disclosing the requirements for cross-border 	The P&Gs has been revised to comply herewith.	



		wire transfers in a composite P&G document.		
SR.VIII Nonprofitorg anizations	NC	<ul style="list-style-type: none"> • The Authorities should enact legislation to deal with the AML/CFT responsibilities of NPOs. • Curaçao should consider designating a supervisory authority for the NPO sector. • Curaçao authorities should conduct a new assessment on the risk with regard to the NPO sector. • The authorities of Curaçao should undertake outreach programmes to the NPO sector with a view to protecting the sector form FT abuse. • Ensure that training programs are in place for the NPO sector and supervised 	The working group on NPOs is studying different possibilities to execute the recommended actions. The working group will conclude its recommendations in order to advise the Minister of finance.	



		<p>institutions with regard to the risks of the NPO sector.</p> <ul style="list-style-type: none"> There should be a requirement for NPOs to keep records of transactions for at least five years and Curaçao Authorities should consider requiring the NPOs to submit that information to a designated competent authority periodically. 		
SR.IX Cash Couriers	PC	<ul style="list-style-type: none"> Authorities should further improve the way they inform travellers of their obligation in the arrival zone or revert to a declaration system by putting back a question on transportation of currency on the card distributed to all passengers. Customs should be obligated to better 	<p>In addition to the signs at the airport the public is now being informed through folders in the languages Dutch, Papiamentu, English and Spanish about their cross border declaration obligation on the transportation of currency. The folders are distributed to the passengers before landing.</p> <p>Customs keeps all the information regarding the source and the destination.</p>	



monitor the source, the destination or purpose of the movement of gold or precious metal and stones.

- Curaçao Customs should have the power to stop or restrain currency where there is a suspicion of ML or TF.

The Parliament adopted the amendments to the National Ordinance Obligation to Report Cross Border Money Transportation to include gold, precious metal and stone on September 22, 2014 (NG 2014 no 90).

Based on Article 184, Section 1, under c, of the Penal Procedures Code, Customs has the authority and power to stop or restrain currency where there is a suspicion of ML. Customs acts under guidance of a Public Prosecutor. Customs has custom officers who also are extraordinary police officers.

Art. 184 of the Penal Procedures Code

1. The under mentioned officers shall be in charge of the investigation of criminal offences:

- a. the police officers;**
- b. the officers of the National Criminal Department, as provided for by statutory provision;**
- c. special investigating officers, in case they are appointed for this purpose;**

2. The Attorney General and the Public Prosecutor as well as the local heads of police have the power to investigate criminal offences;

3. In the exercise of their official duties the officers mentioned in the second paragraph shall have the right to call the assistance of the public civil officers immediately.

4. The public civil officers are under the obligation to comply with the demand immediately.

Other Measures