

# THE FINANCIAL INTELLIGENCE UNIT OF GUYANA

ANNUAL REPORT 2021





Table of Contents

*VISION*..... 2

*MISSION*..... 2

**2021 - OVERVIEW**..... 3

**TABLE OF ACRONYMS AND ABBREVIATIONS** ..... 5

**STATEMENT FROM THE DIRECTOR**..... 7

**ORGANIZATIONAL STRUCTURE AND FUNCTIONS OF THE FIU**..... 10

*Core Functions of the FIU*..... 11

*Dissemination of Intelligence*..... 13

**SUSPICIOUS TRANSACTION REPORT (STR)** ..... 20

**THRESHOLD TRANSACTION REPORTING** ..... 25

*Terrorist Property Reporting*..... 28

*Feedback on Intelligence Products* ..... 28

**AMLCFT TRAINING AND OUTREACH FOR REPORTING ENTITIES**..... 29

**REGISTRATION OF REPORTING ENTITIES** ..... 31

**PUBLICATIONS**..... 32

**TYPOLOGIES** ..... 33

**NATIONAL RISK ASSESSMENT** ..... 35

**GUYANA’S EGMONT MEMBERSHIP APPLICATION** ..... 37

**INTERNATIONAL COOPERATION** ..... 37

*Memorandum of Understanding (MOU)*..... 38

**DOMESTIC COOPERATION**..... 41

**STAFF TRAINING & DEVELOPMENT** ..... 43

**FIU’S OUTLOOK FOR 2022** ..... 44

**FINANCIAL & AUDIT REPORTS** ..... 45

*Audit Opinion*..... 45

*Statement of Receipts and Expenditures* ..... 48

## ***VISION***

To eradicate Money Laundering (ML) and the Financing of Terrorism (FT) from Guyana by providing effective intelligence to ensure our mission is achieved.

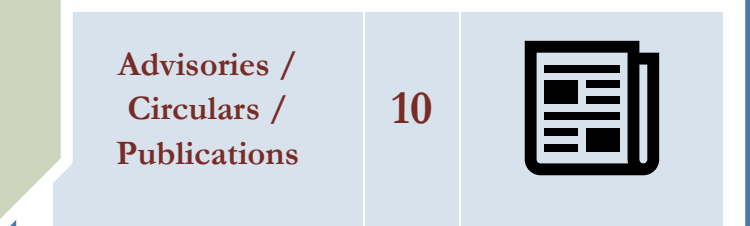
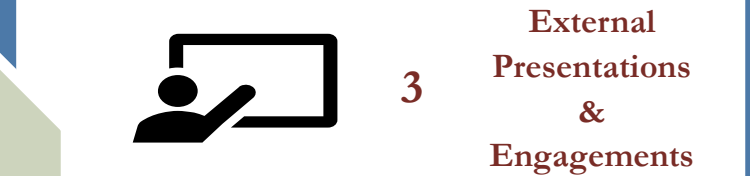
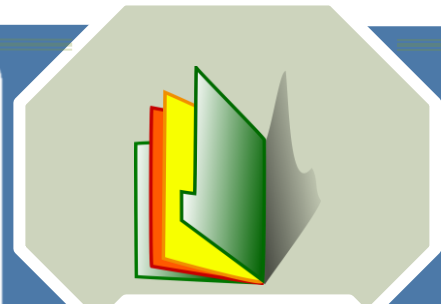
## ***MISSION***

To provide critical and effective intelligence aimed at protecting the integrity of Guyana's financial system by the detection, deterrence, and suppression of Money Laundering (ML) & the Financing of Terrorism (FT), through collaboration with law enforcement agencies, regulators and international counterparts

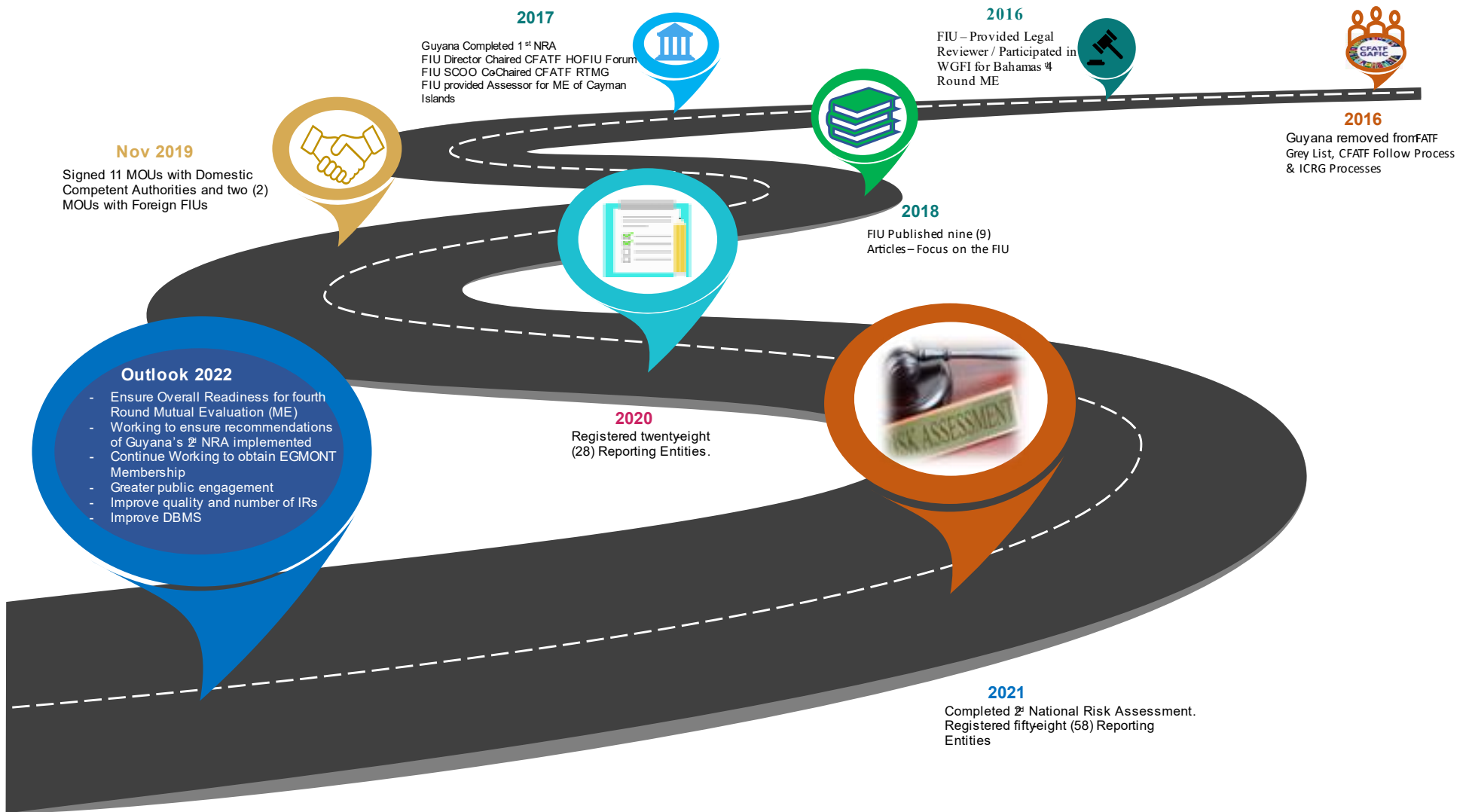
## **FIU CORE VALUES**

- **TEAMWORK** – Work together to ensure the overall goals and objectives are achieved at all levels
- **INTEGRITY** – Employment of staff of reputable character. Adequate systems for employee screening
- **ADHERENCE TO LAWS** – Functions are carried out as required by laws and regulations, including laws on confidentiality
- **ACCOUNTABILITY** – Function in a manner that demonstrates reliability by acceptance of responsibilities and ensure accountability for tasks assigned.
- **EFFECTIVENESS** – Completion of tasks to the highest standards through thoroughness and timeliness

## 2021 - Overview




# FIU Major Achievements for 2016 - 2021



## Table of Acronyms and Abbreviations

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<b>AMLCFT</b>	Anti-Money Laundering and Countering the Financing of Terrorism
<b>AML/CFT/PF NCC</b>	Anti-Money Laundering and Countering the Financing of Terrorism and Proliferation Financing National Co-ordination Committee
<b>BOG</b>	Bank of Guyana
<b>Caricom IMPACS</b>	CARICOM Implementing Agency for Crime and Security
<b>CANU</b>	Customs Anti-Narcotic Unit
<b>CFATF</b>	Caribbean Financial Action Task Force
<b>DNFBPs</b>	Designated Non-Financial Businesses and Professions
<b>DPI</b>	Department of Public Information
<b>ECOFEL</b>	The Egmont Centre of FIU Excellence and Leadership
<b>EDDR</b>	Enhanced Due-Diligence Report
<b>EGFIUs</b>	Egmont Group of FIUs
<b>FATF</b>	Financial Action Task Force
<b>FIU</b>	Financial Intelligence Unit
<b>FT</b>	Financing of Terrorism
<b>GGDMA</b>	Guyana Gold and Diamond Miners Association
<b>GGMC</b>	The Geology & Mines Commission
<b>GPF-SOCU</b>	Guyana Police Force – Special Organized Crime Unit
<b>GRA</b>	Guyana Revenue Authority
<b>GSC</b>	Guyana Security Council
<b>IADB</b>	Inter-American Development Bank
<b>ICAG</b>	Institute of Chartered Accountants of Guyana
<b>ILEA</b>	International Law Enforcement Academy
<b>INTERPOL</b>	The International Criminal Police Organization
<b>IR</b>	Intelligence Report
<b>KYC</b>	Know Your Customer
<b>LEA</b>	Law Enforcement Agency



<b>LFI</b>	Licensed Financial Institutions
<b>MER</b>	Mutual Evaluation Report
<b>ML</b>	Money Laundering
<b>MTA</b>	Money Transfer Agency
<b>MOU</b>	Memorandum of Understanding
<b>NCSC</b>	National Centre for State Courts
<b>NRA</b>	National Risk Assessment
<b>OECD</b>	The Organization for Economic Co-operation and Development
<b>RE</b>	Reporting Entity
<b>SAR</b>	Suspicious Activity Report
<b>SOCU</b>	(The Guyana Police Force) Special Organized Crime Unit
<b>STR</b>	Suspicious Transaction Report
<b>TPR</b>	Terrorist Property Report
<b>TTR</b>	Threshold Transaction Report
<b>UNODC</b>	United Nations Office on Drugs and Crime
<b>UNSCR</b>	United Nations Security Council Resolution

## Statement from The Director



The Financial Intelligence Unit (FIU) with its small team of twelve (12) employees, supported by its many partners and stakeholders locally and internationally, has remained steadfast in the fight to achieve its Mission of supporting Law Enforcement Agencies (LEAs) with quality and timely intelligence, that will assist in the detection, deterrence and suppression of Money Laundering and Terrorist Financing in Guyana.

The FIU's Financial Year ending December 31, 2021 was again faced with its fair share of obstacles to achieving the unit's goals. This included space and personnel constraints and continued restrictions on our ability to execute some of our activities due to restrictions in place as a result of the Covid-19 pandemic. However, as Henry Ford, the famed American industrialist and business magnate once said, "Obstacles are those frightful things you see when you take your eyes off your goal". With our eyes fixed solely on our goals the FIU was able to meet and exceed most of its goals for 2021.

During 2021, the FIU continued to focus heavily on its primary mandate of sharing intelligence relating to Money Laundering, Terrorist Financing and related offences, with Law Enforcement, to support new and ongoing investigations. While the FIU received a significantly reduced number of Suspicious Transaction Reports (STRs) in 2021, we continued to have strong engagement and collaboration with Law Enforcement Agencies, to effectively impact their investigations. Intelligence Reports and Updated Intelligence Reports increased by over 100% in 2021 compared to 2020. We also saw a marked increase in requests from Law Enforcement for information relating to Money Laundering investigations they had independently initiated. Responses to such requests increased by 38% in 2021 compared to 2020. The FIU also continued to support international investigations through several spontaneous disclosures and responses to requests for intelligence to our international partners. Our efforts at enhancing international cooperation were further evidenced by the Memorandum of Understanding (MOU) we signed with FIU Peru in February 2021. This MOU allowed for critical cooperation and exchange of information relating to a major ongoing ML investigation/ case.

Based on our analysis of STRs received, the most prevalent current threat posed to the financial sector is Fraud via Romance and Package Delivery Scams. The FIU continued with its public awareness programs in our attempts to address this threat. This was done through mass messaging via mobile phones and training and sharing of red flags and remedies to address same, directly with the public and via Supervisory Authorities and Reporting Entities.



Onboarding of new Reporting Entities (REs) also continued to be a priority for the FIU in 2021. Reporting Entities are regarded as the gatekeepers to the financial sector, hence our focus in ensuring they are registered and trained on the role they play in protecting the financial system from Money Laundering and Terrorist Financing. During 2021, fifty-eight new entities were registered with the FIU, bringing the total number of registered REs to three hundred and eighteen (318).

Supporting the work of the Supervisory Authorities (SAs) and Reporting Entities (REs) is also a key responsibility of the FIU. In this regard, during 2021 the FIU published a comprehensive handbook for Reporting Entities. This document provides clear and concise information and directions on the mandate and processes to be undertaken by REs to ensure they are compliant with their obligations under the Anti-Money Laundering and Countering the Financing of Terrorism (AMLCFT) Act No. 13 of 2009, its Regulations and international AMLCFT standards and best practices. We also updated for their benefit, guidelines relating to the submission of STRs, Designated Non-Financial Businesses and Professions (DNFBPs) compliance, and how to deal with / manage the relationship with High-Risk Customers. The FIU also shared several Guidelines prepared by the Caribbean Financial Action Task Force (CFATF) that are relevant to all compliance professionals and helpful to enhancing their effectiveness.

A major priority of the FIU continues to be securing membership to the Egmont Group, which is the international association of FIUs across the world that allows for the safe and secure exchange of intelligence amongst members via a secure portal. I am happy to report that with the help of our regional sponsors (FIU of Trinidad and Tobago and the Financial Investigative Agency (FIA) of the British Virgin Islands), significant progress has been made with our application. The Egmont Group has recommended that key amendments be made to our AMLCFT Act, so that our application can be expedited. These amendments are being prioritized by the office of the Attorney General and Minister of Legal Affairs, and we expect that our application to the Egmont Group will be favorably considered within the next year.

The FIU's consolidated efforts throughout 2021 were all hinged at ensuring the Unit played its part in Guyana being fully prepared for its Fourth Round Mutual Evaluation to be conducted by the CFATF. The onsite visit relating to this very important exercise, will be conducted in September 2023. The FIU during 2021, was actively engaged in addressing some of the recommendations of the Second AMLCFT National Risk Assessment exercise conducted by Guyana, which concluded in June 2021. The recommendations emphasized heavily on the need for greater cooperation and collaboration amongst local stakeholders. This was prioritized throughout the year, with continuous engagements with Law Enforcement Agencies, Supervisory Authorities and other relevant local competent authorities being conducted. The FIU presently maintains formal MOUs with thirteen (13) local stakeholder entities and thirteen (13) MOUs with foreign FIUs.

Employee training and development also formed a part of the AMLCFT Action Plan for the FIU. External training was severely affected by travel restrictions in place during 2021 due to the Covid-19 pandemic. This however allowed FIU employees to participate and benefit

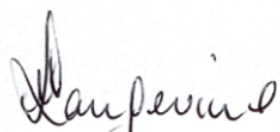
from several virtual training opportunities covering a wide range of AMLCFT related areas. The training was made available by several international agencies including the FATF, IADB, National Centre for State Courts / USA, CARICOM IMPACS, The World Bank, ECOFEL, UNODC, and CBSI.

Despite its many achievements during 2021, the FIU was not without its challenges. Foremost amongst these is the need for additional/ expanded accommodation. This is critical given the growing demand from local and international stakeholders for the services offered by the FIU. The current staff complement is extremely challenged, despite their best efforts, to meet these demands. We are however working closely with the relevant local authorities to secure accommodation to meet the current needs of the FIU. This we are assured is being given priority consideration.

Additionally, the FIU is engaging with the AMLCFT/PF National Coordinating Committee (NCC) to identify and appoint a relevant Supervisory Authority (SA) for key sectors of the AMLCFT framework that remain effectively unregulated for AMLCFT purposes, as is required by the AMLCFT Act. These include Attorneys, Accountants/ Auditors, among others. Again, we are satisfied that this issue is being treated with the appropriate level of urgency. Notably, some of these issues and other deficiencies identified within the AMLCFT Act, are being addressed simultaneously as part of the Government's Legislative Agenda for 2022.

The FIU looks forward to continuing its trend of success and achievements attained in 2021 into 2022 and beyond. We fully understand and embrace our mandate to help protect the financial sector in Guyana and internationally. We are enthusiastic and motivated to play our part in addressing and eliminating the scourge of Money Laundering, Terrorist Financing and related offences. Our efforts together with those of the other local and international stakeholders, will serve to take the profit out of crime.

In closing, I wish to express sincere thanks to the staff of the FIU, and all our partner agencies in and out of Guyana, especially the staff of the Special Organized Crime Unit (SOCU) for their commitment in helping the FIU achieve the success it did in 2021. We look forward to your continued dedication, cooperation and collaboration in 2022.



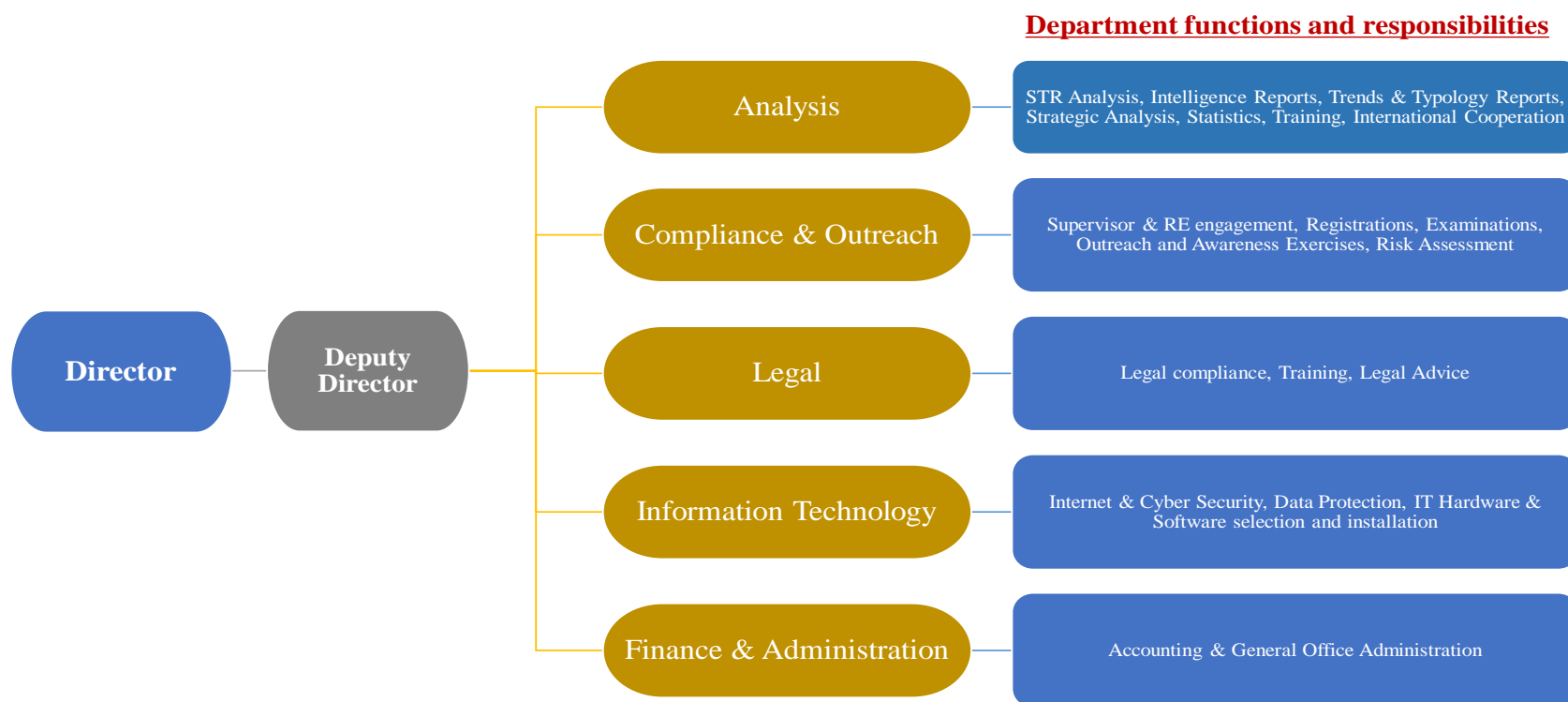
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Matthew Langevine  
Director - Financial Intelligence Unit

## Organizational Structure and Functions of the FIU

FIU Guyana is one of the agencies tasked with, among other things, ensuring the FATF recommendations are implemented locally. FATF requires that jurisdictions abide by all the provisions in the 40 Recommendations and that some of those provisions be incorporated in their AMLCFT Laws to fully satisfy compliance requirements and to provide evidence that steps have been taken and measures are in place to combat ML, TF and PF. Most of these provisions have been incorporated into Guyana's AMLCFT Laws.

### Organization Structure of the FIU



The Director, as the Chief Executive Officer of the FIU, is responsible for the control and use of the funds and resources of the FIU, including to appoint appropriate staff to execute the functions of the Unit. Funds are requested and allocated in a manner that will achieve optimal effectiveness and efficiency. The current organization structure of the FIU is as follows:

The Director is responsible for all day-to-day functions of the Financial Intelligence Unit (FIU), as mandated by Section 8 of the AMLCFT Act. The FIU is established as an administrative type FIU functioning as a buffer between the reporting entities and law enforcement authorities. The Unit's primary mandate is to receive and analyze information from Reporting Entities and other competent authorities and disseminate intelligence reports to a designated law enforcement agency.

The Guyana Police Force- Special Organized Crime Unit (SOCU), is the agency established to *investigate* money laundering, terrorist financing and related financial crimes. The investigations carried out by the SOCU is usually built based on the intelligence provided by the FIU.

In addition to the sharing of intelligence with the GPF- SOCU, depending on the circumstances, the FIU may prepare and disseminate reports to other competent agencies, such as the Customs Anti-Narcotic Unit (CANU), the Guyana Revenue Authority (GRA), the Guyana Security Council (GSC), the Bank of Guyana (BOG) and other Supervisory Authority as may be applicable. Intelligence is also shared spontaneously or upon request, with foreign FIUs.

## Core Functions of the FIU

Section 9 of the AMLCFT Act specifically deals with the establishment and functions of the FIU. The primary and other functions outlined under Section 9 include: -

- Receiving or requesting Suspicious Transactions Reports (STR) and other information or disclosures, from reporting entities and other competent authorities, analysing and disseminating "Intelligence Reports" which involves money laundering, terrorist financing or proceeds of crime.

To further support the agenda of combatting ML & TF, Section 9 subsection 4 outlines other functions of the FIU, which include the following:

- Provide assistance (through sharing of intelligence) to Foreign Jurisdictions or competent international organizations in combating ML/TF in those jurisdictions (R40)
- Enter into agreements or arrangements with any international or domestic government institution or agency regarding the exchange of information.
- Create training requirements and provide training for any reporting entity with respect to its identification, record-keeping and reporting obligations provided for in sections 15, 16, 18, 19 and 20.
- Compile statistics and records
- Issue guidelines to reporting entities and advise the Minister accordingly.
- Conduct research into trends and developments in relation to money laundering
- Educate the public and create awareness on matters relating to money laundering or terrorist financing.
- Carry out research to identify and assess the money laundering or terrorist financing risks that may arise in relation to new products, technology, and business practice
- Provide periodic feedback to supervisory authorities, reporting entities and relevant agencies relating to the reports or information given under the Act having regard to international best practices
- Make recommendations and advise the Minister responsible for Finance on matters relating to money laundering or terrorist financing that may affect public policy and national security.
- Extend legal assistance to foreign jurisdictions with respect to production orders, property tracking, monitoring, forfeiture or confiscation orders

The execution of these core functions is of foremost importance for the FIU to achieve its goals and mandate of supporting the efforts of law enforcement in Guyana's fight against money laundering and terrorist financing and to help safeguard the financial system from abuse by criminals.

## Dissemination of Intelligence



The FIU receives information to develop intelligence from a wide array of sources. Information may be received via **Suspicious Transaction Reports (STR)**, **Threshold Transaction Reports (TTR)**, **responses to request for information**, **spontaneous disclosures**, and **open-source information**. The intelligence gathering process is supported by reporting entities, competent authorities and other AMLCFT Stakeholders. These stakeholders may include, but are not limited to, telephone companies, government agencies, credit bureaus, Registries (Commercial, Land, Deeds and Court) and any other competent authority in Guyana or elsewhere.

## Types of Information Usually Requested by the FIU

- Banking and financial transaction
- Asset acquisition and disposal
- Information on relationships between individuals and legal entities
- Beneficial ownership information
- Information on Location or whereabouts of individuals and legal entities



Dissemination of Intelligence Reports (IR) is one of the primary means by which the FIU discharges its mandate. Intelligence reports are usually triggered by any of the following:

- Suspicious Transaction/Activity Reports (STR), events (i.e., negative news) or disclosures,
- Requests for information by local LEA

- Requests for information received from a foreign FIU
- Initial or additional discovery made by the FIU from information in its database.

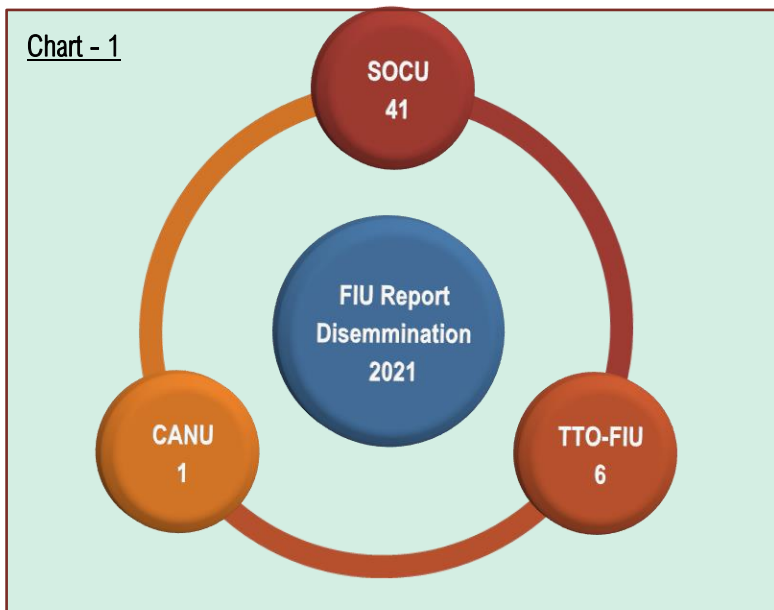
Information received from the various sources is combined to form intelligence for dissemination to various LEAs and competent authorities to help combat, prevent or disrupt money laundering and the associated predicate offences. The information obtained by the FIU, is also used to develop strategic analysis and typology reports to help guide national policies and strategies and provide information that will help safeguard the country's Financial System.



## Intelligence Disseminated by the FIU

TYPE OF REPORTS	2021	2020	2019	2018	2017
Intelligence Report	12	7	29	27	13
Update on Intelligence Reports	6	7	9	10	10
Spontaneous Disclosures to Foreign FIUs	2	3	-	-	-
Spontaneous Disclosures - Local	2	-	-	-	-
Responses to Requests for Intelligence - local	22	16	11	3	-
Responses to Requests for Intelligence – Int'l	4	9	5	4	1
Enhance Due Diligence Reports	5	-	-	-	-





The FIU disseminates intelligence reports (IR) to LEAs. This may be used to initiate investigations into money laundering and various associated predicate/ serious offences. GPF- SOCU is the main recipient of intelligence reports from the FIU and is the primary agency responsible for investigating money laundering, compiling evidence, obtaining advice from and consulting with the Director of Public Prosecutions in relation to the institution of criminal prosecutions. The SOCU also seeks advice from or consults with the Attorney General’s Chambers in relation to civil forfeiture, asset recovery or other legal proceedings, as applicable. The GPF-SOCU received forty (40) of the forty-seven (47) reports disseminated by the FIU in 2021; **Chart-1** provides a summary overview of the intelligence reports disseminated to the various LEA and competent authorities

### **Predicate/ Serious Offences**

*Intelligence Reports (IR)* are usually based on the belief that a predicate offence has been committed and that further investigation is necessary to obtain evidence before charges can be instituted. The principal offence suspected to have been committed is usually identified in intelligence reports. In 2021 *Package Delivery Fraud* combined with *Romance schemes* continued to be rampant and were responsible for thirty-eight percent (38%) of all intelligence reports disseminated. Compared with 2020, the number of fraud-related IR disseminated increased sixty-three percent (63%) in 2021. **Chart 2(A)** provides an overview of the suspected predicate offences and red-flags associated with reports disseminated between 2018 and 2021.

*Fraud, Money Laundering and Drug Trafficking* were the principal offences identified in eighty-one percent (81%) of the reports disseminated in 2021(**Chart-2(A&B)**). These offences, along with Tax Evasion, were also prevalent in the previous three years. **Chart-2(B)** below provides a closer look at the three categories of offences that were most prevalent in intelligence reports during 2018 to 2021.

Chart 2 - Main offence identified in each report for 2018-2021 (Excluding EDDR)

Chart 2(A)

YEAR	2018	2019	2020	2021
Number of Reports	44	54	37	47

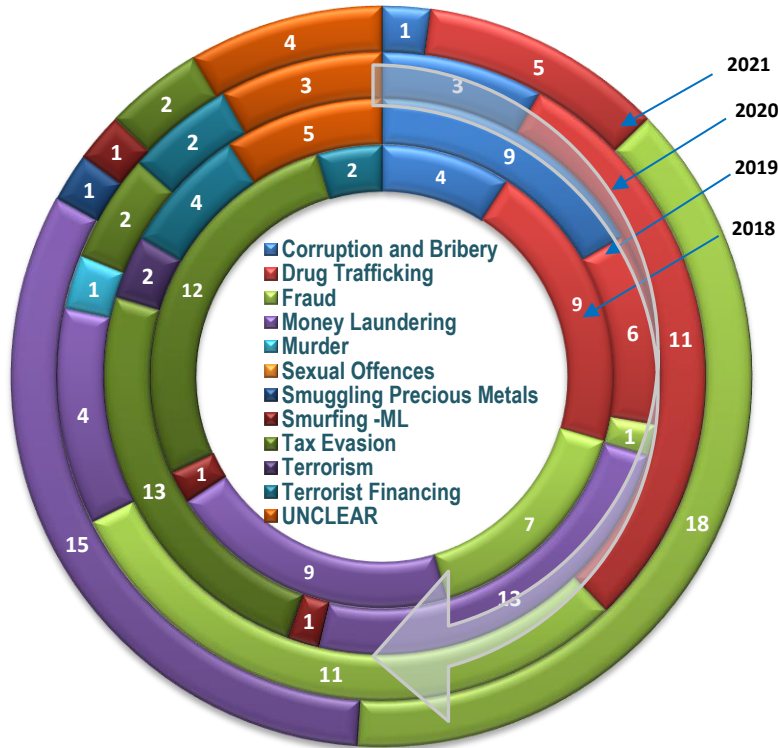
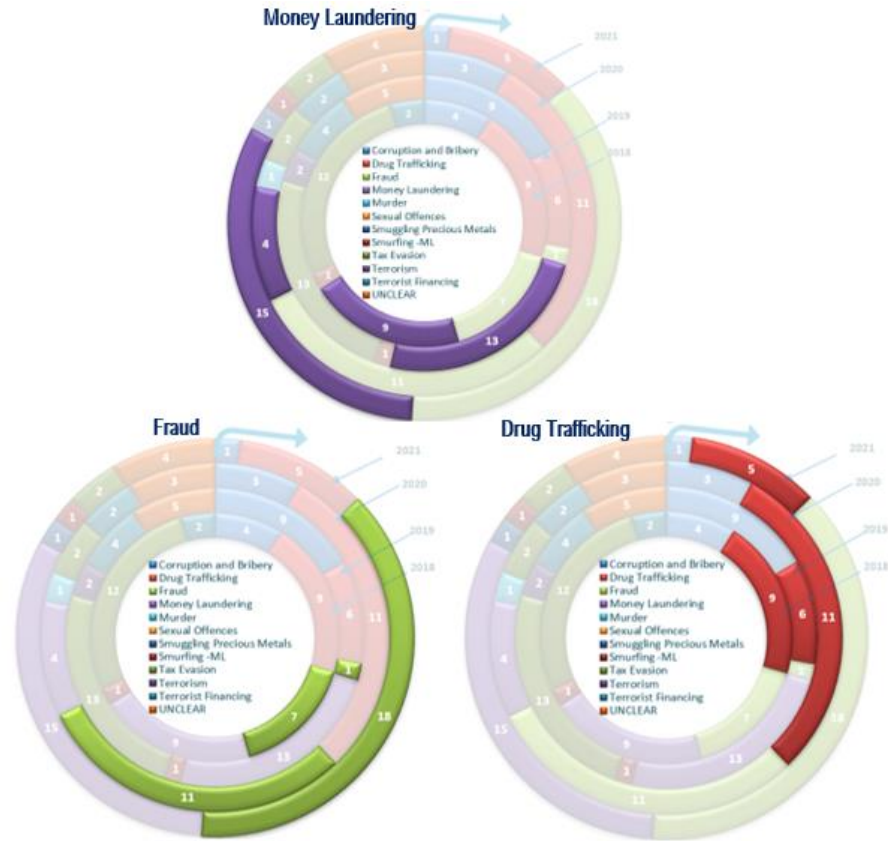


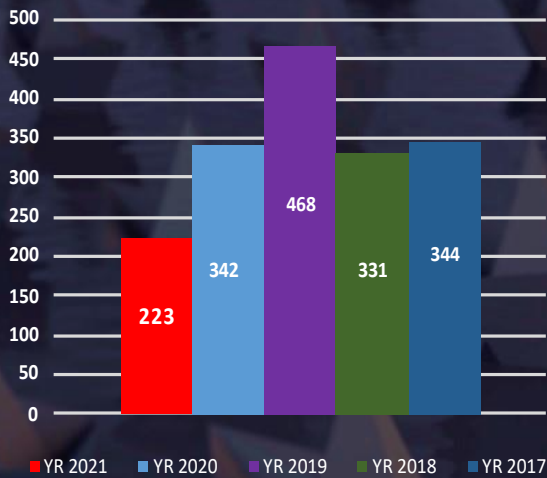
Chart 2(B)



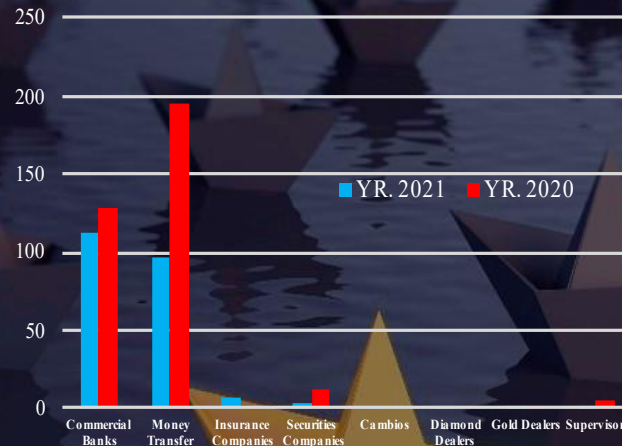


# Suspicious Transactions Reports (STR)

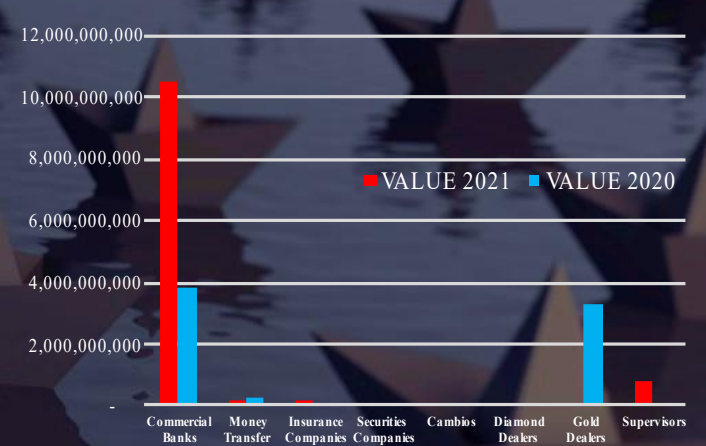
Total STRs 2017 - 2021



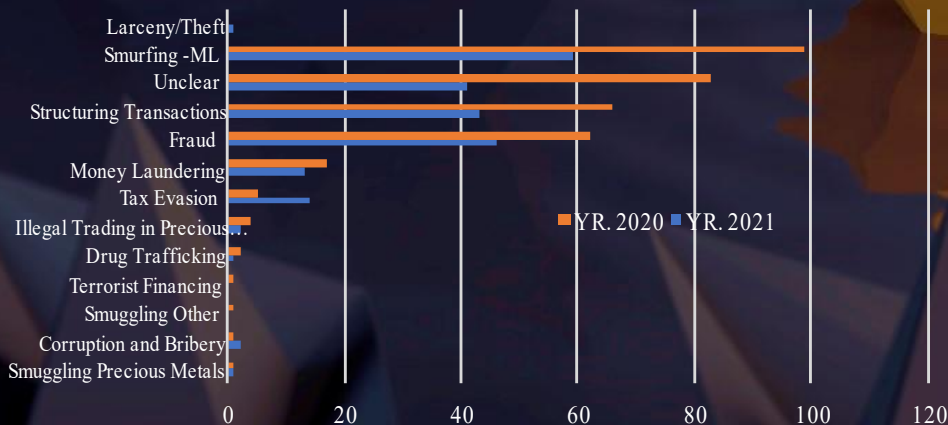
Number of STRs for Each Category of REs



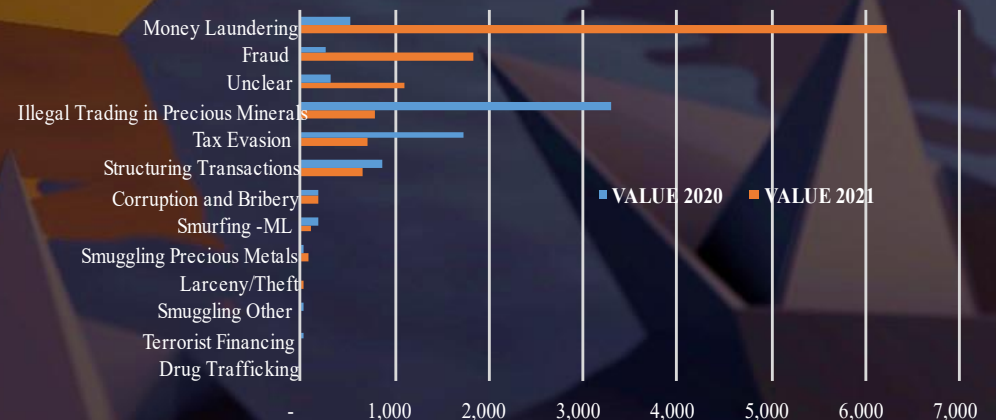
Value of STRs for Each Category of REs



Suspected Offences / Red-flags in STRs Measured by Number



Suspected Offences / Red-flags in STRs Measured by Value



## Suspicious Transaction Report (STR)

A suspicious transaction is any transaction (attempted or completed) that a reporting entity suspects or has reasonable grounds to suspect is connected to the proceeds of a criminal activity including money laundering or terrorist financing. A STR is often the catalyst for the development of intelligence reports and initiating a money laundering investigation. The submission of STRs is therefore a key part of AMLCFT preventative measures.

The Covid-19 pandemic continued to impact business activities across the country due to actions taken to curb the spread of the virus. This resulted in a reduction in economic and business activity in some sectors. A corresponding reduction in the overall amount of reported suspicious transactions was observed, even though there was a sharp increase in the prevalence of certain types of criminal activities, e.g., fraud.

Many reporting entities continued to observe social distancing protocols which necessitated remote operations, temporary closure or reduced operating hours. The adjustments made by reporting entities and the consequent reduction in business activity appeared to have impacted the number of STRs reported in 2021 compared 2020. There was a thirty-five percent (35%) reduction in the number of STRs between 2020 and 2021 (342 in 2020 compared with 223 in 2021).

The pandemic also caused some entities to adapt/ embrace more technologically innovative ways to offer their services. The use of technology presents new AMLCFT challenges and reduced some ML risks. E.g., one Money Transfer Agency (MTA) began offering direct deposit of transferred funds to recipients' bank account to reduce crowding in outlets.

**Table 1 - Total No. of STRs 2017 - 2021**

Reporting Entity Category	2021	2020	2019	2018	2017
Commercial Banks	112	128	122	75	120
Money Transfer Agencies	97	195	331	235	202
Insurance Companies	7	-	1	1	-
Securities Companies	3	13	3	14	5
Cambios	1	-	-	-	-
Diamond Dealers	1	-	-	-	-
Gold Dealers	1	1	4	3	11
Supervisors	1	5	4	-	6
Other (Real Es., Coops etc.)	-	-	3	3	-
<b>TOTAL STRs</b>	<b>223</b>	<b>342</b>	<b>468</b>	<b>331</b>	<b>344</b>

**Table 2 - Total Value of STRs ('000,000) 2017 - 2021**

Reporting Entity Category	2021	2020	2019	2018	2017
Commercial Banks	10,481.5	3,802.3	6,380.3	2,291.9	8,114.8
Money Transfer Agencies	153.1	284.3	225.7	271.9	319.6
Insurance Companies	197.7	-	-	-	-
Securities Companies	4.7	59.8	-	5,720.3	600.0
Cambios	1.8	-	-	-	-
Diamond Dealers	-	-	-	-	-
Gold Dealers	98.6	3,279.2	1,270.5	154.8	126.4
Supervisors	779.8	18.4	249.7	-	1.5
Other (Real Es., Coops etc.)	-	-	3.3	238.2	-
<b>TOTAL STRs</b>	<b>11,717</b>	<b>7,440</b>	<b>8,130.9</b>	<b>8,558.2</b>	<b>9,162.3</b>

**Table 3 - Total STRs by Offence/Red-flags 2017 - 2021**

Offence/Red Flag Category	2021	2020	2019	2018	2017
Smurfing -ML	59	99	238	204	99
Fraud	46	62	35	23	32
Structuring Transactions	43	66	71	-	86
Unclear	41	83	53	29	76
Tax Evasion	14	5	20	17	4
Money Laundering	13	17	25	35	14
Corruption and Bribery	2	1	2	4	-
Illegal Trading in Precious Minerals	2	4	-	-	12
Drug Trafficking	1	2	8	13	13
Larceny/Theft	1	-	-	-	-
Smuggling Precious Metals	1	1	1	1	6
Terrorist Financing	-	1	5	3	-
Smuggling Other	-	1	5	-	1
Other offences/Red-flags	-	-	5	2	1
<b>TOTAL STRs</b>	<b>223</b>	<b>342</b>	<b>468</b>	<b>331</b>	<b>344</b>

**Table 4 - Value of STRs by Offence/Red-flags (000,000/\$M)**

Offence/Red Flag Category	2021	2020	2019	2018	2017
Money Laundering	6,235.3	533.4	3,719.1	1,157.3	1,664.9
Fraud	1,845.9	279.5	1,021.5	254.2	137.7
Unclear	1,096.4	329.2	1,913.9	291.3	2,841.9
Illegal Trading in Precious Minerals	779.7	3,297.2	-	-	1,140.4
Tax Evasion	701.1	1,737.4	636.1	817.8	800.0
Structuring Transactions	657.7	880.8	477.7	-	178.8
Corruption and Bribery	195.3	201.9	-	20.0	-
Smurfing -ML	106.8	182.4	176.5	209.7	2,392.0
Smuggling Precious Metals	98.6	0.4	18.9	198.6	0.6
Larceny/Theft	0.1	-	-	-	-
Terrorist Financing	-	0.5	10.1	3.9	-
Smuggling Other	-	1.3	21.8	-	-
Drug Trafficking	-	-	115.3	5.3	25.8
Other offences/Red-flags	-	-	5,619.8	-	-
<b>TOTAL STRs</b>	<b>11,717.1</b>	<b>7,444.1</b>	<b>8,130.9</b>	<b>8,558.2</b>	<b>9,162.4</b>

This essentially improved effectiveness by connecting the customer to a bank where Know Your Customer (KYC) and other AMLCFT compliance requirements are more robust.

The **Commercial Banks and Money Transfer Agencies (MTAs)** accounted for approximately ninety-five percent (95%) of all STRs and approximately ninety-one percent (91%) of the monetary value of total STRs received.

The total value of STRs **increased by fifty-seven percent (57%)** compared with 2020 notwithstanding a thirty-five percent (35%) decrease in the number of STRs received in 2021. This is likely caused by the shift from in-person transactions to electronic and remote mode of conducting business and increases in transaction values due to the oil and gas downstream business activities.

Smurfing and Structuring of transactions were again the main suspicious activities that triggered STRs in 2021. However, the incidence of suspected and reported fraud also remained prevalent in **2021** with the number of fraud related STRs amounting to twenty percent (**20%**) compared with eighteen percent (**18%**) in **2020**.

The total value involved in the STRs reported to the FIU increased by **\$4.27** billion or fifty-seven percent (57%) despite the number of STRs received in 2021 decreasing by **119** or thirty five percent (35%).

**Fraud and Money Laundering** related STRs accounted for approximately **\$8.1B** or sixty-nine percent (**69%**) of the value

of all STRs. This is approximately a 10-fold increase in the dollar value of STRs associated with these two categories of offences in 2021 compared with 2020.

The number of **fraud** related STRs decreased by twenty-six percent (26%) between 2020 and 2021 but the dollar value associated with these STRs increased by over five hundred percent (500%) for the same period.

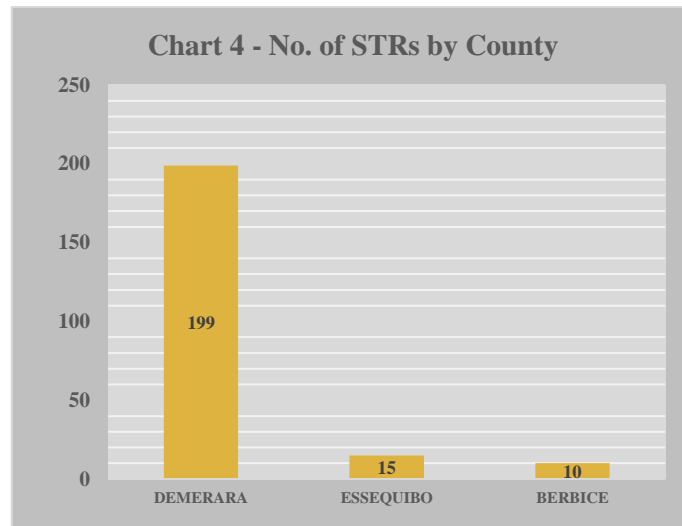
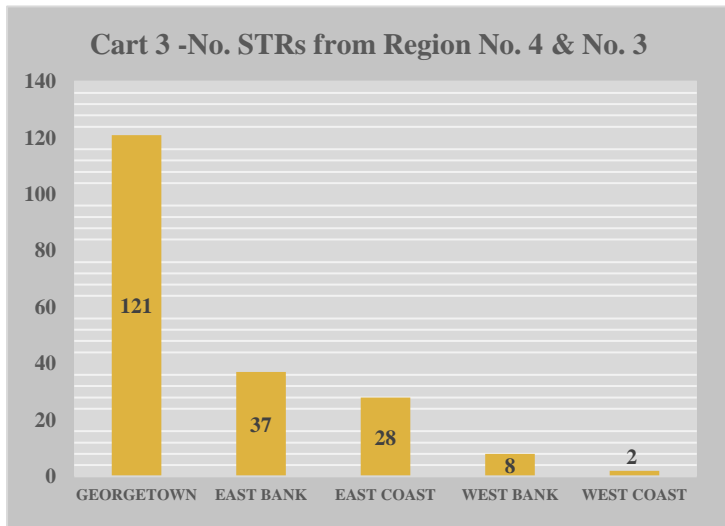
**Romance** and **Package Delivery Schemes** were the main activities that triggered fraud related suspicious activity reports. The rise in these types of fraud schemes coincided with the restrictions applied during the Covid-19 pandemic. For many persons, the internet was the most effective and reliable connection to the outside world during the lockdown or isolation period. The theory is that the increased use of the internet during lockdown has created more opportunities for persons to connect with potential fraudsters online and for fraudsters to exploit users lack of awareness of possible fraud schemes through the internet.

The FIU embarked on public awareness and information dissemination campaigns through local news media, mobile phone mass messages and through presentations at seminars to bring attention to this issue. Despite these efforts and much publicized court cases involving fraudsters, persons continued to fall victims of these schemes.

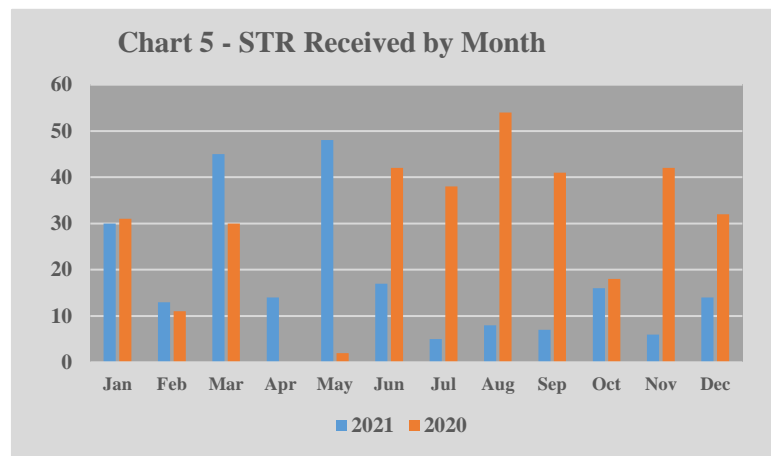
Most of the STRs originated within Region Four, Demerara-Mahaica area. The most affected sub-districts were Georgetown, East Coast Demerara, and the East Bank Demerara areas. Several factors may have influenced the quantity of STRs from these areas. These may include greater access to internet infrastructure, proximity of financial institutions and population density. These areas were also more affected by the Covid-19 pandemic control measures imposed by the government to control the spread of the disease.

**Charts 3** and **4** provide summaries of the number of STRs received, by administrative counties and by specific geographic districts.





In 2020 most of the STRs were received in the second half of the year and in 2021 the majority of STRs were received during the first half of the year. This level of activity coincided with the period of restrictions that were in force for the Covid-19 pandemic. Chart 5 provides an overview of the distribution of STRs over the periods 2020 and 2021.

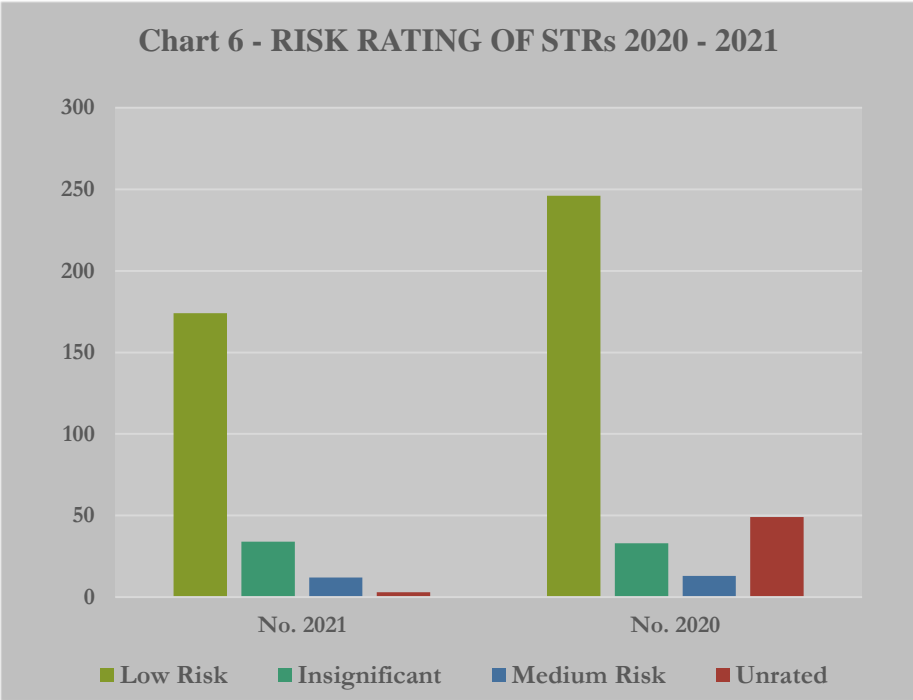






### RISK RATING OF STRs

More than ninety percent (90%) of all STRs were classified as Low Risk, due the amount of money involved, the relative impact of the illegal activity on the financial system, and public safety. Less than five percent (5%) of the STRs were classified as medium risk based on the relatively high value of money involved in the suspected offence and the potential impact of the illegal activity. A high-risk rating is reserved for STRs involving transactions or suspected illegal activities that may compromise the financial system or public safety such as transactions where terrorist financing is suspected. None of the STRs received met the threshold for classification as high-risk during 2021. Risk rating was not applied to a few STRs in 2021 because a specific or associated offence could not be identified. Ideally, these STR can be classified in the low or insignificant risk categories. **Chart-6** summarizes the ratings applied to STRs for the periods 2020 and 2021.



## Threshold Transaction Reporting

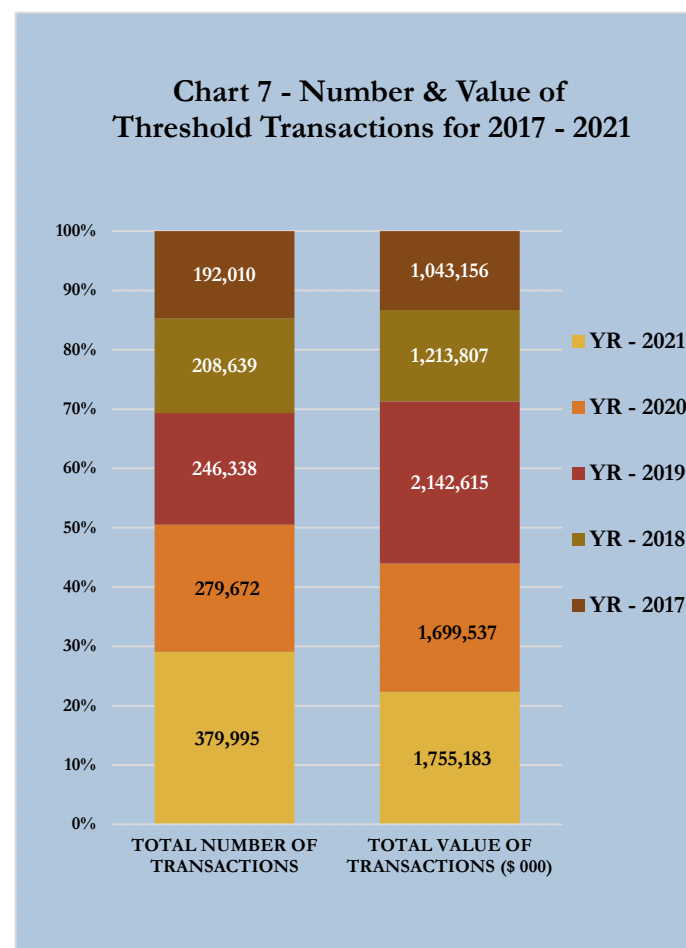
Threshold Transaction Reports (TTR) account for a large portion of the data the FIU use for intelligence and statistical analysis. Reporting Entities (REs) file these reports when their customers or clients engage in a financial transaction which equals to or exceeds the designated threshold for that category of reporting entity.

As expected, with the relaxing of restrictions associated with the Covid-19 pandemic and the upsurge in economic activity created by the oil and gas industry, the **number** and **value** of threshold transactions increased by thirty-five-point eight percent (35.8%) and three point three percent (3.3%) respectively, in 2021 compared with 2020.

Money Transfers, Large Cash Deposits and Currency Exchange activities all increased by more than thirty percent (30%) respectively compared to 2020. These movements are somewhat expected given the trajectory of the economy and heavy influence of the emerging oil & gas sector

The largest relative growth sectors for TTRs were Betting Shop, Lottery and Used Car Dealers. While the high-risk nature of those sectors is noted, it's also acknowledged that these businesses were severely affected in 2020 by the restrictions mandated due to the pandemic.

Chart 7 and Table 5 provide summarized and detailed views of threshold transaction activity for 2017 to 2021.

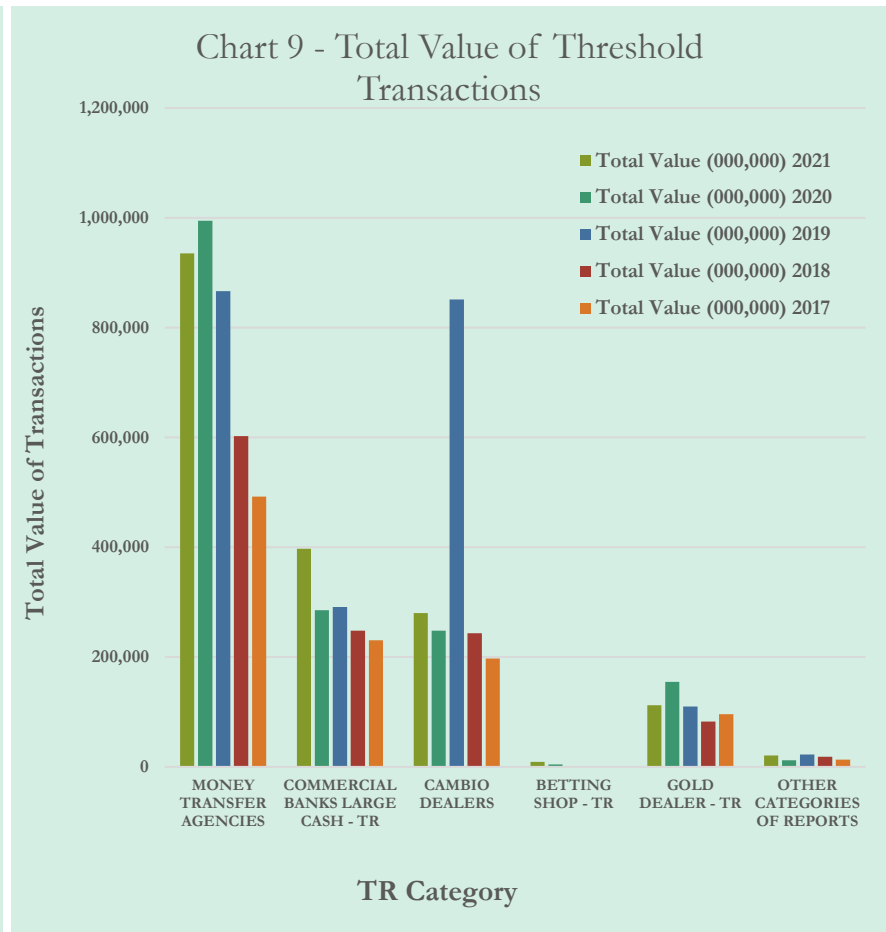
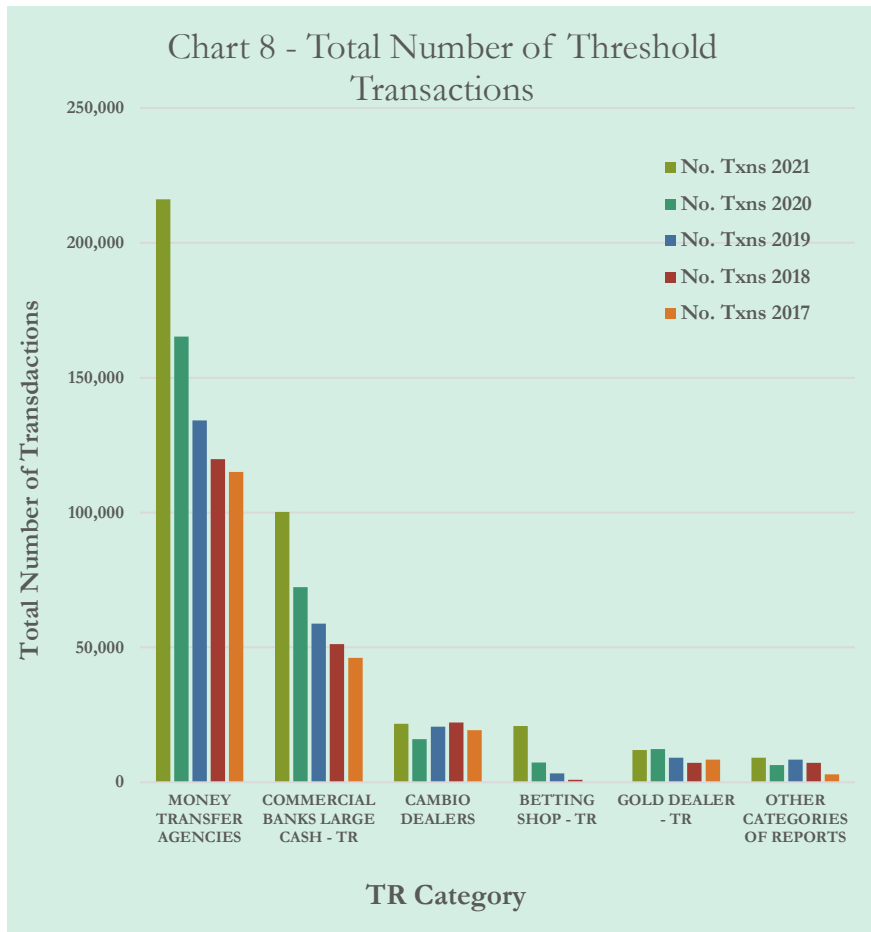


**Table 5 – Total Number and Value for Threshold Transactions 2017 - 2021**

CATEGORIES OF REPORTS	No. Txns 2021	No. Txns 2020	No. Txns 2019	No. Txns 2018	No. Txns 2017	Value of Txns (000,000) 2021	Value of Txns (000,000) 2020	Value of Txns (000,000) 2019	Value of Txns (000,000) 2018	Value of Txns (000,000) 2017
<b>MONEY TRANSFER TRANSACTIONS</b>	216,179	165,241	134,150	119,786	115,108	934,983	994,634	866,434	602,1871	492,377
COMMERCIAL BANKS LARGE CASH - TR	100,280	72,416	58,790	51,247	46,143	397,372	285,619	291,205	247,955	197,247
CAMBIO DEALERS	21,658	16,050	20,659	22,141	19,354	280,363	248,209	851,140	243,247	197,247
<b>BETTING SHOP - TR</b>	<b>20,816</b>	<b>7,301</b>	<b>3,339</b>	<b>975</b>	-	<b>9,303</b>	<b>4,666</b>	<b>1,531</b>	<b>344</b>	-
GOLD DEALER - TR	11,976	12,302	9,149	7,229	8,396	112,505	154,576	109,826	82,334	96,056
CREDIT UNION - TR	3,001	2,143	3,778	3,139	-	3,522	1,619	1,997	1,678	-
<b>USED CAR DEALER - TR</b>	<b>2,163</b>	<b>989</b>	<b>1,403</b>	<b>1,132</b>	<b>482</b>	<b>4,871</b>	<b>3,108</b>	<b>3,128</b>	<b>3,372</b>	<b>2,089</b>
INSURANCE CLAIMS & PAYMENTS -TR	1,683	1,360	952	935	857	4,000	4,415	4,202	3,500	5,953
SECURITIES DEALERS - TR	837	912	666	467	181	2,109	1,948	1,889	1,399	1,184
CURRENCY DECLARATION - TR	529	259	788	875	969	5,061	273	9,834	7,162	3,481
<b>LOTTERY COMPANY - TR</b>	<b>380</b>	<b>122</b>	<b>205</b>	<b>194</b>	<b>108</b>	<b>613</b>	<b>175</b>	<b>400</b>	<b>534</b>	<b>258</b>
PAWN BROKER-TR	285	545	373	271	288	126	75	212	165	167
CASINO -TR	181	-	239	118	82	123	-	114	114	96
DEALERS IN PRECIOUS STONES & MINERALS - TR	23	32	48	126	42	222	221	404	764	207
REAL ESTATE - TR	4	-	4	4	-	10	-	299	23	-
<b>Total</b>	<b>379,995</b>	<b>279,672</b>	<b>246,338</b>	<b>208,639</b>	<b>192,010</b>	<b>1,755,183</b>	<b>1,699,537</b>	<b>2,142,615</b>	<b>1,213,807</b>	<b>1,043,156</b>

Money Transfer, Large Cash Deposits and Cambio Transactions (currency exchange) have accounted for the majority of threshold reports for the past five years. Money Transfer and Large Cash Deposits have shown an increasing trend over this period while the movement in the number of Cambio Transactions has been comparatively marginal. **Charts 8 and 9** provide an overview of the trend for the five main categories of threshold transactions between 2017 and 2021.

**Money Transfer Transactions, Cambio Transactions, Large Cash Deposits and Gold Dealers Threshold Reports** accounted for ninety two percent (92%) of the total number and ninety-eight-point two percent (98.2%) of the total value of all threshold transactions in 2021. This has been the trend in previous years.



## Terrorist Property Reporting

Reporting Entities are required to submit Terrorist Property Reports (TPRs), without delay, to the FIU. This means the report should be dispatched to the FIU as soon as the entity has knowledge that a designated person or entity is attempting to or conducted a transaction, or it has in its possession, funds or other assets of a designated person or entity, pursuant to the United Nations Security Council Resolutions (UNSCRs) 1267(1999), 1718(2006) and 2231(2015) and their successor resolutions; or a person or entity specified by the Minister of Finance under Section 2(2) of the AMLCFT Act 2009 pursuant to UNSCR 1373(2001).

A separate report must also be sent to the Financial Intelligence Unit quarterly by Reporting Entities, providing a summary of all Terrorist Property Reports they have submitted for each calendar quarter or confirmation that no reports were necessary. No TPRs were received by the FIU in 2021. However, quarterly nil reports were received from reporting entities as required.

## Feedback on Intelligence Products

Feedback on the FIU's intelligence product is an essential component of the quality control process which helps to determine the adequacy and effectiveness of this critical aspect of the FIU's AMLCFT efforts. Recipients of intelligence information are expected to provide feedback on the quality, relevance, and timeliness of the intelligence reports disseminated by the FIU. The Unit provides a Feedback Form which is expected to be completed and returned to the FIU based on the intelligence provided. Feedback on the quality of FIU's intelligence product from competent authorities has generally been positive.

# AMLCFT Training and Outreach for Reporting Entities

The AMLCFT Act, Section 9 subsection 4(g) requires that the FIU provide training to reporting entities with respect to their obligations as outlined in sections 15, 16 and 18-20. Training conducted by the FIU includes, but is not limited to, an overview of the global and local AMLCFT framework, an introduction to the AMLCFT compliance obligations, such as KYC / Customer Due Diligence / Enhanced Due Diligence requirements, record keeping and reporting obligations. Despite the ongoing pandemic the FIU was able to deliver six (6) training sessions for reporting entities. Twenty-eight (28) participants from six categories of REs benefitted from the training sessions. **Fig.2** below provides an overview of the training conducted by the FIU in 2021.

Figure 2





**DIAMOND DEALER TRAINING**



**INSURANCE BROKERS TRAINING**



**CASINO TRAINING**



**INSURANCE COMPANIES TRAINING**



**CAR DEALERS TRAINING**



**DIAMOND DEALERS TRAINING**

In addition to official training sessions for reporting entities the FIU also makes regular presentations on various AMLCFT topics to stakeholders to ensure they are sensitized and fully understand their AMLCFT obligations. Such sessions were held with personnel from the Guyana Gold and Diamond Miners Association (**GGDMA**) and the Institute of Chartered Accountants of Guyana (**ICAG**).

## Registration of Reporting Entities

### Categories of Entities Registered in 2021.

The FIU registered a total of fifty-eight (58) reporting entities during 2021. Used Car Dealers and Dealers in Precious & Semi-Precious Stones (Licensed Traders) accounted for most of the new registrants. At December 31, 2021 a total of three hundred and eighteen (318) entities were registered. Eighty-five percent (85%) of the registered entities are in the Designated Non-Financial Business and Professions (DNFBP) sector while the remaining fifteen percent are in the Licensed Financial Institutions (LFI) sector.

**Table 6** provides an overview of entities registered in the various categories in 2021 as well as the total number of entities registered as of December 31, 2021:

<b>TABLE 6</b>	<b>No. Registered in 2021</b>	<b>Total as at Dec 31<sup>st</sup> 2021</b>
<b>Type of reporting entities</b>		
Used Car Dealers	19	68
Dealers in Precious & Semi-Precious Stones (Licensed Traders)	16	47
Friendly Societies	-	35
Pawnbrokers	7	30
Credit Unions	2	23
<b>Cambio (Including Bank Cambio)</b>	-	18
Insurance Companies	1	17
Cooperative Societies (excluding Credit Unions)	-	12
Dealers in Precious Metal (Gold Dealers)	1	11
Real Estate Agents	4	9
<b>Insurance Brokers</b>	2	8
Betting Shops	-	8
<b>Banks</b>	-	6
<b>Securities Companies</b>	-	6
Spare Parts Dealers	4	6
<b>Non-Banks</b>	-	5
<b>Money Transfer Agencies</b>	-	4
Casinos	1	2
Attorneys	1	1
Lottery	-	1
NPO	-	1
<b>TOTAL</b>	<b>58</b>	<b>318</b>



## Publications

In keeping with its role and functions under the AMLCFT Act, to ensure reporting entities have a clear understanding of their AMLCFT obligations, and to support Compliance Officers in the effective execution of their duties, the FIU prepared and published four AMLCFT related guidelines in 2021. These are as follows:

- a) **AML/CFT Handbook for Reporting Entities** - The Handbook aims to assist reporting entities in meeting their obligations under the Anti-Money Laundering and Countering the Financing of Terrorism legislation.
- b) **STR Updated Guideline** - The guideline assists REs in meeting their obligation to report suspicious transaction thoroughly and timely.
- c) **DNFBP AML/CFT Compliance Regime Guideline** – This guideline seeks to assist the reporting entities categorized as DNFBPs with the design, implementation and/or enhancement of their AMLCFT compliance framework.
- d) **Guideline related to High-Risk Customers/Business** - The Guideline aims to assist reporting entities in recognizing and dealing with high-risk business relationships/ customers. This include minimum standards to be followed in completing customer due diligence (CDD) or enhanced due diligence (EDD) measures, ensuring compliance with local AML/CFT legislation and the FATF Standards.

The FIU also disseminates guidance material published by CFATF and other competent bodies to help with its' mandate of educating the public on matters relating to money laundering and terrorist financing and to advise reporting entities of



### CFATF Guidance disseminated by the FIU

- What is Money Laundering?
- What is Terrorism Financing?
- What is Proliferation Financing?
- What is Risk Based Approach?
- What are Designated Non-Financial Business or Professions?
- What are Non-Profit Organisations and how can they be used for terrorism financing?
- Pyramid Schemes and ML/TF Risk
- The nature of Beneficial Ownership – focus on legal arrangements
- The nature of Beneficial Ownership – focus on legal persons
- What is a designated person or entity: Terrorism and Terrorism Financing?
- How can virtual assets be used for the commission of financial crime?
- Applying KYC to detect predicate offence

Figure 3

weaknesses in the AML/CFT systems of other countries. Twelve (12) guidance documents from the CFATF were published or disseminated by the FIU. The focus of each guidance document is outlined in **Figure-3**.

Guidance material was provided on current and emerging issues relevant to AMLCFT professionals such as Virtual Assets, Virtual Asset Service Providers, and Beneficial Ownership for Legal Persons and Arrangements.

The FIU shared six (6) Circulars and one (1) Notice during 2021, as outlined in **Table-7**. These publications related to Public Statements shared by the FATF and CFATF. These publications provided important information and guidance to Reporting Entities and other stakeholders as they engage with the public.

**Table 7 - Financial Action Task Force (FATF) Publications Issued to Reporting Entities - 2021**

No.	Date issued	No.	Particulars / Relating to
1	1-Mar-21	Circular No. 1 of 2021	February 2021 - Jurisdiction under increased Monitoring by the FATF - Grey List
2	1-Mar-21	Circular No. 2 of 2021	February 2021 - High-Risk Jurisdictions subject to a call for Action by the FATF - Black List
3	16-Jul-21	Circular No. 3 of 2021	June 2021 - Jurisdiction under increased Monitoring by the FATF - Grey List
4	16-Jul-21	Circular No. 4 of 2021	June 2021 - High-Risk Jurisdictions subject to a call for Action by the FATF - Black List
5	27-Oct-21	Circular No. 5 of 2021	October 2021 - Jurisdiction under increased Monitoring by the FATF - Grey List
6	27-Oct-21	Circular No. 6 of 2021	October 2021 - High-Risk Jurisdictions subject to a call for Action by the FATF - Black List
7	18-Nov-21	Notice	Public Statements – October 2021 I. The Situation in Afghanistan, and II. The Financing of ISIL, Al Qaeda and Affiliates

## Typologies

Another key function of the FIU is to conduct research into new and emerging trends linked to financial crimes including money laundering, and terrorist financing, and to inform reporting entities and the public about same. As a follow-up to typologies completed and shared in 2020, the FIU sought to continue the public awareness efforts regarding the Package Delivery Fraud Scheme which become more prevalent in Guyana during 2021.

The Director held a press conference in coordination with the Department of Public Information (DPI) in June 2021 to highlight the issue of the growing fraud cases and the losses persons suffer because of the lack of awareness. This was followed by notices in the print media and on social websites as well as text blasts to mobile phone users to help alert persons to the methods used by scammers.

## Typologies 2021

### 1. Package Delivery –

- Scammers use social media platforms such as Facebook and Instagram to research and establish contact with potential victims, finding ways to gain their trust. Scammers pretend they have romantic interests or identify other vulnerabilities in the potential victim which they exploit. Scammers pretend they are in a position to provide financial and other assistance to the potential victims and make promises to do so. Accomplices contacts the victim to inform them of the arrival of fictitious packages consigned to them for which a payment is required. Another accomplice or unwitting third-party receives the cash in their bank account or by money transfer and passes the cash to the scammer or the accomplice. The scammer or the accomplice either requests more cash using fictitious scenarios or ceases all communications with victim. Victims are sometimes told that large amounts of cash and jewellery in the package have triggered AML investigations and more money is needed to expedite clearance of the package. Several investigations are ongoing in relation to these types of frauds and to date, one person has been convicted

### 2. Tax Evasion –

- Individuals, particularly business persons, who have high cash balances in their bank account, habitually withdraw large amounts of money at the end of the callendar year and re-deposit the funds at the beginning of the new year. Managers' Cheques payable to the account holder is usually the preferred method of withdrawal. It is suspected that the individuals omit this amount from their property tax returns by using the reduced year end bank statement balance in their tax declaration. The Guyana Revenue Authority and the Special Organized Crime Unit were appraised of and are investigating a number of these cases.

### 3. Structured Money Transfer Transactions –

- Persons with no clear connection to individuals in the jurisdictions to which funds are being sent have been making multiple transfers, mostly below the reporting threshold, within a short period and sometimes for a fixed amount to individuals with which there seem to be no close ties. These transfers are believed to be done on behalf of other parties and appear structured to avoid other reporting requirements. The transactions appear to be connected to illegal mining, trafficking in persons or are being conducted on behalf of undocumented individuals. Spontaneous disclosures have been made to jurisdictions of the recipients to enable investigations.

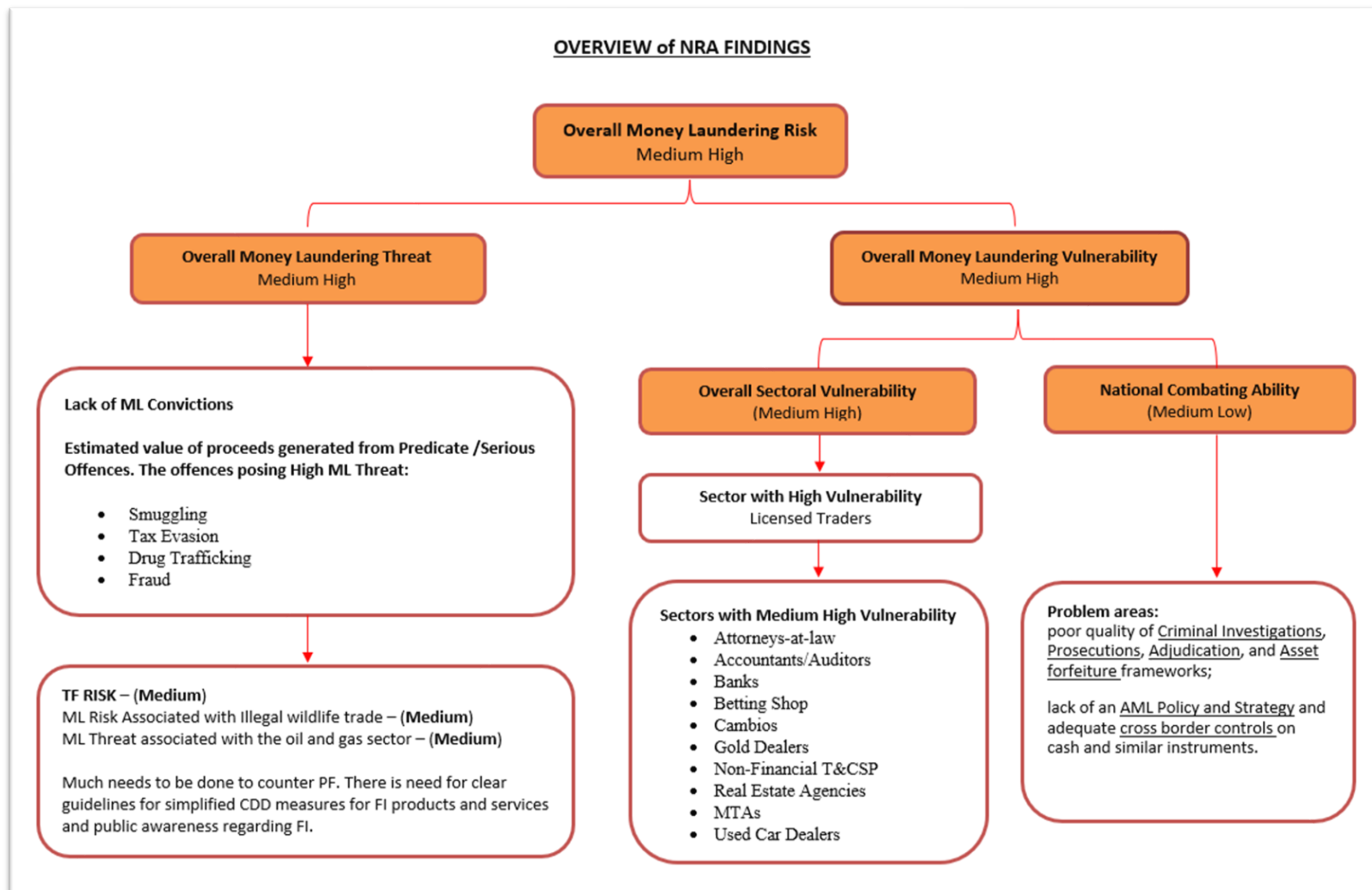
## National Risk Assessment

Guyana's second National Risk Assessment (NRA) exercise which commenced in November 2019 was completed in June 2021. Pandemic related delays caused the completion date to be shifted to the second quarter. The report and action plan were submitted to the Government for consideration. Implementation of action plan items is critical to Guyana's fourth round Mutual Evaluation (ME) success. The FIU continues to play an integral role in helping Guyana prepare for the ME and to avoid negative consequences associated with adverse ratings in the ME.

A final workshop to mark the end of the NRA exercise was held virtually in June 2021. At this workshop the key findings and recommendation of the NRA exercise were presented to Guyana's policy makers and the heads of the various government organizations that were represented on the NRA working group. Thereafter, the Report and Action Plan were presented to the AML/CFT/PF National Coordination Committee which has responsibility for its dissemination and to monitor implementation of required actions.

Summary overview findings is presented in **Figure-4** below.

Figure 4



## Guyana's Egmont Membership Application

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The Egmont Group is a united body of **167 Financial Intelligence Units (FIUs)**. The Egmont Group provides a platform for the secure exchange of expertise and financial intelligence to combat money laundering and terrorist financing (ML/TF). FATF's Recommendation 29 requires countries to ensure that their respective FIUs become a member of the Egmont Group. Membership mandates adherence to Egmont's Statement of Purpose and Principles for Information Exchange between FIUs. These instruments guide FIUs concerning their roles and functions, and the way information is expected to be exchanged or shared.

The FIU Guyana made its first application for membership to the Egmont Group of FIUs in 2012. Following its successful exit from the FATF and CFATF follow-up processes in November 2016, Guyana was allowed to resume its Egmont Group membership application process. In December 2018 FIU Trinidad and Tobago and FIU British Virgin Islands agreed to sponsor FIU' Guyana application, which is a requirement of the Egmont Group. The application process remains active and under review. The Guyana FIU and other relevant local stakeholders continues to work closely with our sponsors and the Egmont Secretariat to ensure we meet the requirements and standards to have our application approved soonest. Key legislative amendments to move the process forward are receiving the urgent attention of the Office of the Attorney General and Minister of Legal Affairs.

## International Cooperation

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Section 13 of the AMLCFT Act of 2009 empowers the FIU to share information with institutions or agencies of a foreign state relevant to investigating or prosecuting a serious offence, including money laundering or a terrorist financing. The established means by which information is exchanged between FIUs are through the EGMONT group of FIUs and/ or through a Memorandum of Understanding (MOU). Guyana FIU is not yet a member of EGMONT but has several MOUs with other FIUs in the region to facilitate the sharing and exchange of information. Information is shared based on requests made or by way of a spontaneous disclosure by one FIU to another.

## Memorandum of Understanding (MOU)

A Memorandum of Understanding (MOU) formalizes the commitment organizations make to work together and in the case of the FIU, to fight money laundering, terrorist financing, proliferation financing and the associated predicate offences. The FIU signed one MOU in 2021, with the Financial Intelligence Unit of Peru. This allowed for the immediate and easy exchange of key intelligence connected to a major suspected money laundering case that affected the jurisdictions. Overall, the FIU has 13 MOUs with other jurisdictions which were established on the dates indicated in Fig.5 below.

Figure 5

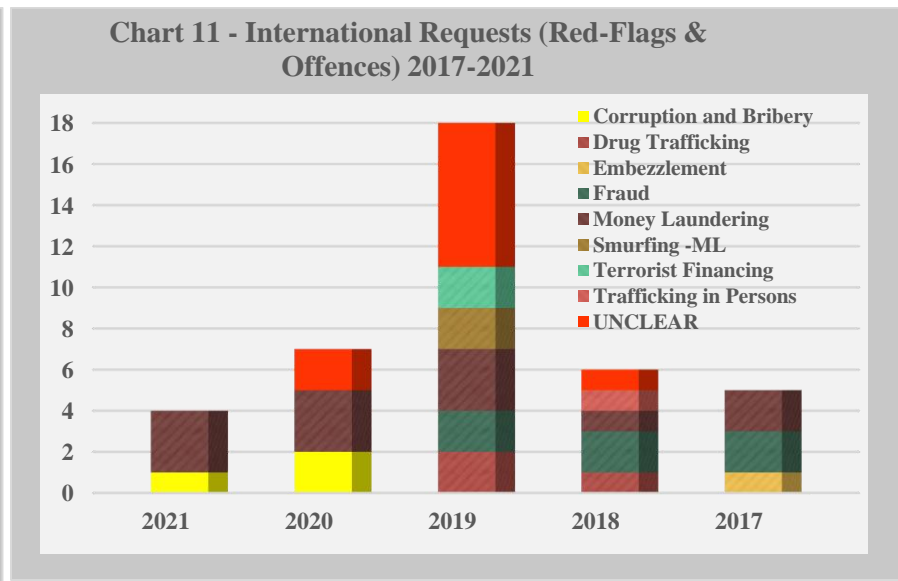
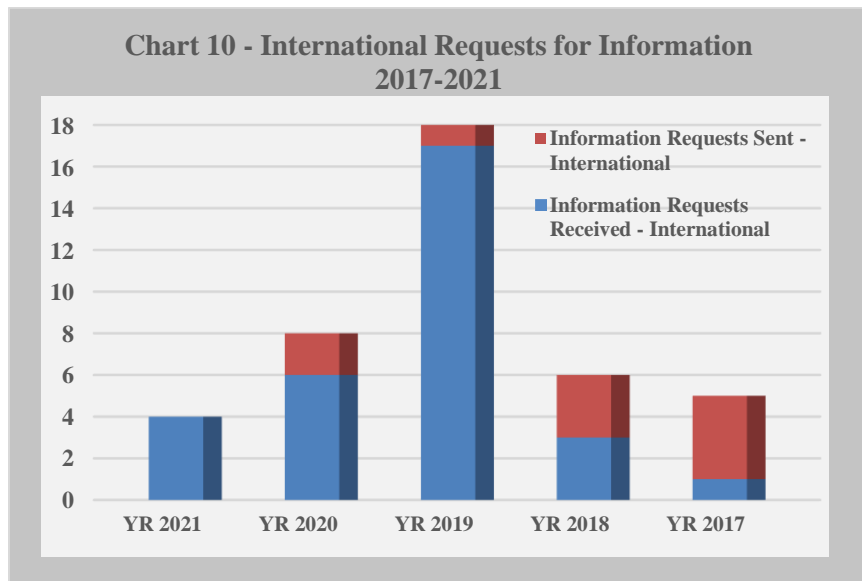




### Requests for Information

The number of requests received in 2021 was fewer than that received in 2020. Operations of counterpart FIUs within the region were affected by the pandemic in the same way as Guyana’s FIU. There were more requests for information in 2019 than in 2020 and 2021 combined.

The requests received in 2021 were based on a range of suspected offences and red flags, the most prominent of which relates to “Money Laundering”. **Chart -10** provides a summary view of requests sent and received while **Chart-11** provides an overview of the types of offences and activities that triggered requests for information.



### Responses to Requests

International cooperation also involves the sharing of information in the form of Responses to Requests and Spontaneous Disclosures. The emergence of the Covid-19 pandemic is believed to be responsible for the level of International Cooperation in 2021 being the lowest over



the past four years. FIU Guyana has provided more than three times as many responses to requests and spontaneous disclosures than it has received from other FIUs over the past four years.

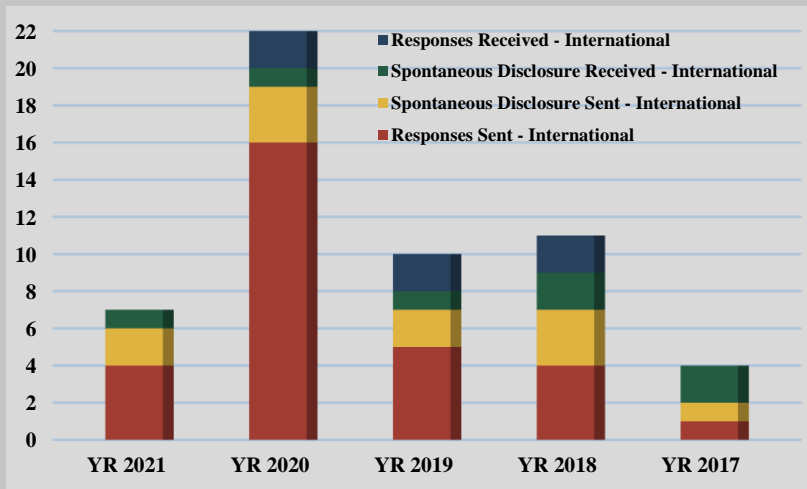
Despite the pandemic, the FIU was still able to respond positively to requests for information. **Chart-12** provides an overview of information exchanges between the FIU and international partners for the past five years.

### Offences and Red Flags associated with International Exchanges of Information

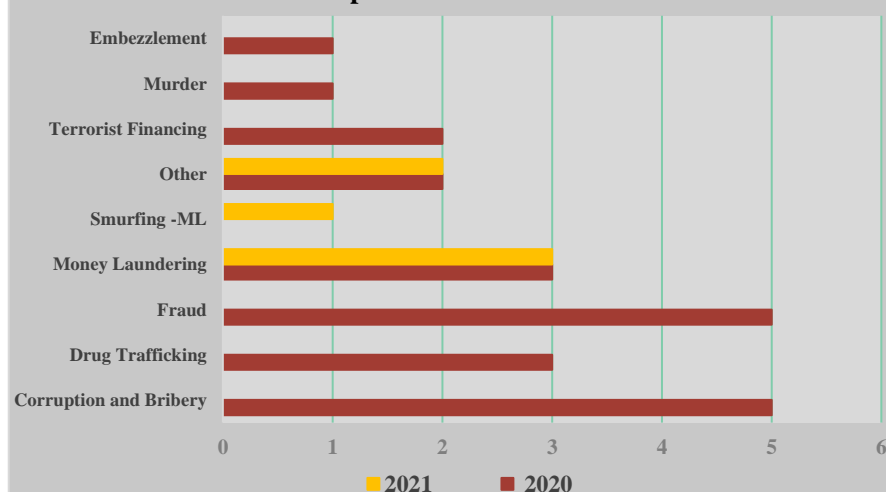
Suspected or actual criminal offences as well as red flags are mostly the reasons for sharing information among FIUs. The offences and red flags that resulted in information exchange are depicted in **Chart-13**.

Most of the information shared in 2021 were for suspected cases of *Money laundering*.

**Chart 12 - International Exchange of Information for 2017 - 2021**



**Chart 13 - International Exchange of Information - Responses and Disclosures**

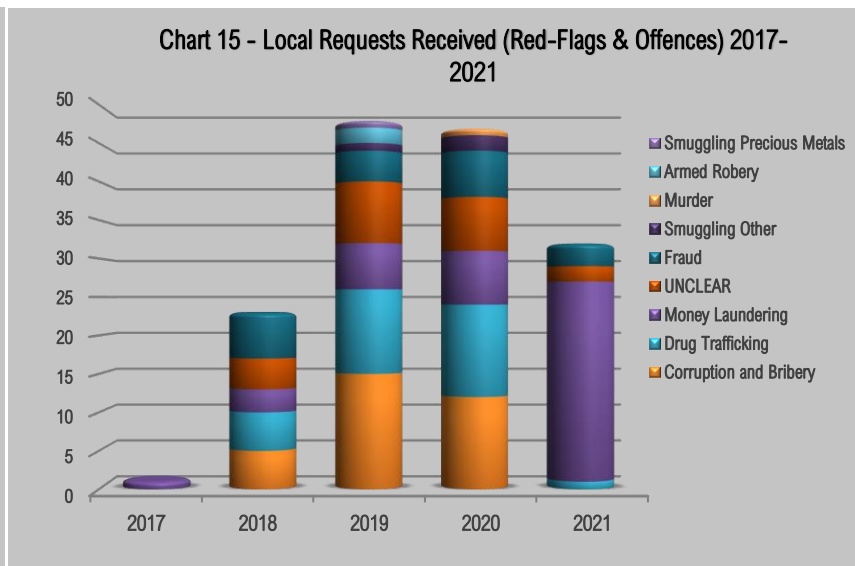
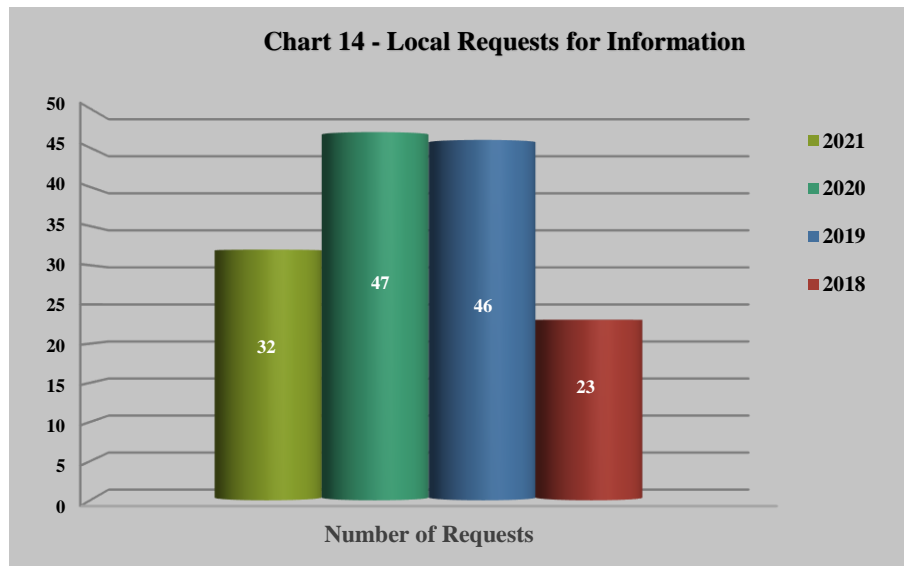


## Domestic Cooperation

FATF Recommendation 2 (National Cooperation and Coordination) requires countries to have effective mechanisms to facilitate cooperation, coordination and the exchange of information to combat money laundering, terrorist financing and financing of proliferation of weapons of mass destruction.

Guyana’s AMLCFT Act empowers the FIU to request and receive information from any reporting entity, supervisory agency, law enforcement agency, telecommunication provider and any other competent authority. These provisions along with MOUs provide a framework for effective exchange of information and cooperation domestically.

The principal organization established to investigate Money Laundering and Terrorist Financing in Guyana is the Special Organized Crime Unit (SOCU). The FIU, which is responsible for gathering intelligence and referring cases to LEAs, work closely with the SOCU to combat ML, TF and PF. In 2021 all but one request (31 out of 32) received by the FIU came from the SOCU. However, this approximates to a 30% reduction in the number of requests received from SOCU when compared with requests received in 2020. **Chart-14** gives an overview of requests received by the FIU for the period 2018-2021. In **Chart-15** the offences associated with the requests are highlighted. Twenty-six of the total requests received in 2021 were connected to ongoing investigation of suspected money laundering.



In addition to their obligation to file regulatory reports, reporting entities are also required to respond to specific requests for information by the FIU, as part of the intelligence gathering process. One hundred and sixty-three (163) requests were sent to reporting entities to which one hundred and sixty-two (162) responses were received. This represents ninety-nine percent (99%) rate of response and compares favorably to the eighty four percent (84%) attained in 2020. The average response time is approximately 20 days. The number of local requests for information for 2021 was significantly less than the number of requests made in 2019 and 2020.

**Table 8** provides a summary of local FIU requests for information for **2019** to **2021**.

**Table - 8**

<b>YEAR</b>	<b>NUMBER OF REQUESTS MADE</b>	<b>NUMBER OF RESPONSES RECEIVED</b>	<b>PERCENTAGE OF RESPONSES RECEIVED</b>
2019	663	641	97%
2020	287	240	84%
2021	163	162	99%

## Staff Training & Development

**Figure 6-** Types of Training Obtained by Staff of the FIU



The staff of the FIU benefitted from several courses / webinars during 2021. The significant majority was completed virtually due to restrictions from travel and gatherings caused by the Covid-19 pandemic. Collectively, forty-eight (48) training sessions were attended which dealt with several topics including Money Laundering and Financial Investigations, Counter Terrorism, Asset Tracing and Forfeiture, Virtual Assets, Risk Management and Planning, and training related to monitoring and management of Wildlife Crimes.

These sessions were sponsored and facilitated by agencies such as ECOFEL, UNODC, OECD, The World Bank, Caricom IMPACS, Interpol, NCSC, ILEA and the US Department of State, to name a few.

Travel restrictions and social distancing requirements caused many training providers to develop and offer training content virtually. Staff of the FIU were encouraged to make full use of the training opportunities during isolation.

## **FIU's Outlook for 2022**

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### **Continue to -**

- The FIU will focus in 2022 on ensuring its overall readiness for the Guyana's 4<sup>th</sup> Round Mutual Evaluation. The onsite visit for the evaluation is scheduled for September 2023.
- The FIU will be working closely with all other local stakeholders in ensuring the recommendations of the 2<sup>nd</sup> AMLCFT National Risk Assessment are effectively implemented.
- Continue to work closely with the Egmont Secretariat, our sponsors FIU Trinidad & Tobago and FIU British Virgin Islands, and the Office of the Attorney General and Ministry of Legal Affairs in Guyana's to attain membership to the Egmont Group.
- Develop effective intelligence reports for dissemination with local law enforcement and international stakeholders.
- Address staff shortages to better deal with the increasing workload and demand for the services offered by the FIU to Law Enforcement.
- Ensure the FIU develops greater and more effective reach to the public through update to our website and establishment of a social media presence.
- Work at improving the quality and quantity of intelligence reports, typologies, and trend analysis.
- Improve database management and case management systems through additional training for Financial Analyst and IT personnel.
- FIU to continue to play its part in AMLCFT national efforts and strategy through participation in the AMLCFT & PF National Coordination Committee.

## Financial & Audit Reports

### Audit Opinion



### *Audit Office of Guyana*

*P.O. Box 1002, 63 High Street, Kingston, Georgetown, Guyana  
Tel: 592-225-7592, Fax: 592-226-7257, <http://www.audit.org.gy>*

AG:109/2022

2 June 2022

REPORT OF THE AUDITOR GENERAL  
TO THE MEMBERS OF THE FINANCIAL INTELLIGENCE UNIT  
ON THE STATEMENT OF RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED 31 DECEMBER 2021

#### *Opinion*

I have audited the Statement of Receipts and Expenditures of the Financial Intelligence Unit (FIU) for the year ended 31 December 2021, and notes to the financial statement, including a summary of significant accounting policies.

In my opinion, the Statement of Receipts and Expenditures presents fairly, in all material respects, the receipts and expenditures of the Financial Intelligence Unit for the year ended 31 December 2021, in accordance with Generally Accepted Accounting Principles (GAAPs).

#### *Basis for Opinion*

I conducted my audit in accordance with International Standards on Auditing (ISAs) issued by the International Federation of Accountants (IFAC), the International Standards of Supreme Audit Institutions (ISSAIs) and the Audit Act 2004. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of my report. I am independent of the Unit in accordance with the ethical requirements that are relevant to my audit of the financial statement in Guyana, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

*Responsibilities of Management and Those Charged with Governance for the Financial Statement*

Management is responsible for the preparation and fair presentation of the financial statement in accordance with GAAPs, and for such internal control as management determines is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is responsible for assessing the Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Unit or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Unit's financial reporting process.

*Auditor's Responsibilities for the Audit of the Financial Statement*

My objectives are to obtain reasonable assurance about whether the financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statement.

As part of an audit in accordance with ISAs and ISSAIs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to date of auditor's report. However, future events or conditions may cause the Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



AUDIT OFFICE  
63 HIGH STREET  
KINGSTON  
GEORGETOWN  
GUYANA

Statement of Receipts and Expenditures

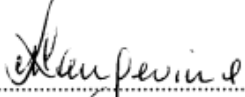
**FINANCIAL INTELLIGENCE UNIT**


**STATEMENT OF RECEIPTS AND EXPENDITURES**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>PARTICULARS</b>	<b>NOTES</b>	<b>2021</b>	<b>2020</b>
		<b>G\$</b>	<b>G\$</b>
<b><u>RECEIPTS</u></b>			
Government of Guyana	4	130,870,130	123,659,420
<b><u>EXPENDITURE</u></b>			
Employment Cost	5	103,026,040	97,064,025
Office Materials and Supplies	6	2,183,885	1,443,652
Vehicle expenses (Fuel, Lubricants, Repairs and Maintenance	7	864,824	707,731
Repairs & Maintenance ( Building and Equipment)	8	6,121,797	4,108,884
Telephone and Internet Charges	9	943,933	905,969
Cleaning and Sanitation	10	183,000	-
Subsidies and Contributions to International Organisations	11	12,087,833	14,386,682
Training & Professional Services	12	325,725	-
Others	13	1,582,398	5,042,477
Capital Expenditure	14	3,550,695	-
<b>TOTAL EXPENDITURE</b>		<b>130,870,130</b>	<b>123,659,420</b>

Approved for Issuance on June 2, 2022 by:

  
.....  
**MATTHEW LANGEVINE**  
**DIRECTOR**

  
.....  
**SURENDRA L. BOODHOO**  
**ACCOUNTANT**

The accompanying notes form an integral part of this Statement.

## **Financial Intelligence Unit**

### **Notes to the Financial Statement** **For the year ended 31 December 2021**

#### **1. Background**

The Financial Intelligence Unit (FIU) of Guyana is an autonomous body responsible for requesting, receiving, analyzing and dissemination of suspicious transaction reports and other information relating to money laundering, terrorist financing or the proceeds of crime. It was established and operates within the ambit of the Anti- Money laundering and Countering the Financing of Terrorist Act Cap. 10:11 (AMLCFT Act No.13 2009) as amended by the AMLCFT (Amendment) Act No.17 of 2018.

#### **2. Key functions of the Financial Intelligence Unit**

The Financial Intelligence Unit's establishment is governed by Section 9 of the AMLCFT Act and is an agency responsible for requesting, receiving, analyzing and dissemination of suspicious transaction reports and other information relating to money laundering, terrorist financing or the proceeds of crime.

- The Financial Intelligence Unit compiles reports for competent and law enforcement authorities if there are reasonable grounds to suspect that transactions involve money laundering, proceeds of crime or terrorist financing.
- Extends legal assistance to foreign jurisdictions with respect to production orders property tracking, monitoring, and forfeiture or confiscation orders.
- Requests and receives information from any reporting entity, any supervisory agency and any law enforcement agency, any other competent authority in Guyana or elsewhere for purposes of the AMLCFT Legislation.
- May enter into any agreement or arrangements with any Intentional or domestic government institution or agency regarding the exchange of information.

#### **3. Basis of Accounting**

The cash basis was used in the preparation of the financial statement for FIU.

#### **4. Receipts from Government of Guyana**

##### **Current 2020**

Allocation of \$144,846,000 was approved in the 2020 Budget to finance the re-current expenditure of the FIU. The total amount expended for 2020 was \$123,659,420.

##### **Capital 2020**

There was no approved Budget in 2020 to finance capital expenditure for the FIU.

##### **Current 2021**

Allocation of \$152,051,000 was approved in the 2021 Budget to finance the re-current expenditure of the FIU. The total amount expended for 2021 was \$127,319,435.

##### **Capital 2021**

Allocation of \$4,000,000 was approved in the 2021 Budget to finance General capital expenditure for Furniture and Equipment. The total amount expended for 2021 was \$3,550,695.

#### **5. Employment Cost**

Description	Amount 2021 \$	Amount 2020 \$
Gross salaries, gratuity, and vacation allowances for twelve (12) employees	103,026,040	97,064,025
<b>Total</b>	<b>103,026,040</b>	<b>97,064,025</b>

#### **6. Office Materials and Supplies**

Description	Amount 2021 \$	Amount 2020 \$
Stationery, printing of business cards and letter heads and other office materials	2,183,885	1,443,652
<b>Total</b>	<b>2,183,885</b>	<b>1,443,652</b>

**7. Vehicle Expenses (Fuel, Lubricants, Repairs & Maintenance)**

Description	Amount 2021 \$	Amount 2020 \$
Fuel and lubricants for 2005 Toyota Hilux & 2017 Honda CRV	418,336	258,189
Repairs and maintenance for 2005 Toyota Hilux & 2017 Honda CRV	446,488	449,542
<b>Total</b>	<b>864,824</b>	<b>707,731</b>

**8. Repairs and Maintenance (Building and Equipment)**

Description	Amount 2021 \$	Amount 2020 \$
Repairs & Maintenance - Equipment	6,121,797	4,108,884
<b>Total</b>	<b>6,121,797</b>	<b>4,108,884</b>

**9. Telephone and Internet Charges**

Description	Amount 2021 \$	Amount 2020 \$
Telephone charges for 4 land lines and one cell phone	613,953	695,969
Internet charges for 10mbps secured internet service	329,980	210,000
<b>Total</b>	<b>943,933</b>	<b>905,969</b>

**10. Cleaning and Sanitation**

Description	Amount 2021 \$	Amount 2020 \$
Cleaning and sanitation.	183,000	-
<b>Total</b>	<b>183,000</b>	<b>-</b>

**11. Subsidies and Contributions to International Organisations**

Description	Amount 2021 \$	Amount 2020 \$
Caribbean Financial Action Task Force (CFATF) membership fees for 2020.	12,087,833	14,386,682
<b>Total</b>	<b>12,087,833</b>	<b>14,386,682</b>

**12. Training and Professional Services**

Description	Amount 2021 \$	Amount 2020 \$
Training and professional services.	325,725	-
<b>Total</b>	<b>325,725</b>	<b>-</b>

**13. Others**

Description	Amount 2021 \$	Amount 2020 \$
Advertisements placed in local newspapers, postages, petty-cash reimbursement, Hosting of NRA Workshop, etc.	1,582,398	5,042,477
<b>Total</b>	<b>1,582,398</b>	<b>5,042,477</b>

**14. Fixed Assets**

Fixed assets are assets in the custody of the FIU and are measured at Historical Cost.

Description	Amount 2021 \$	Amount 2020 \$
General- Furniture and Equipment	3,550,695	-
<b>Total</b>	<b>3,550,695</b>	<b>-</b>

FINANCIAL INTELLIGENCE UNIT (GUYANA)  
C/O MINISTRY OF FINANCE  
49 MAIN AND URQUHART STREETS  
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