

# ANNUAL REPORT

2023 - 2024



**NATIONAL COORDINATING COMMITTEE**  
ON COMBATING MONEY LAUNDERING  
AND FUNDING OF TERRORISM

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and Funding of Terrorism, 2024.

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*The National Coordinating Committee on Combating Money Laundering and Funding of Terrorism (NCC) was established within the Ministry for Finance through Subsidiary Legislation S.L. 373.02.*

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## **Objectives of the NCC**

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- *Ensure full transparency on Malta's Anti-Money Laundering and Countering of Terrorism Financing and Counter-Proliferation Financing risks.*
- *Comprehensive, coordinated and communicated strategy for managing these risks.*
- *Effective execution of and follow-through on decisions made.*
- *Effective ongoing cooperation and intelligence sharing among stakeholders.*



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## Overview

This report provides a description of all the work the NCC has been coordinating together with the supervising authorities and relevant government entities to enhance the country's fight against money laundering (ML), terrorism financing (TF) and proliferation financing (PF) from 1 April 2023 until the 31 March 2024. This is in line with article 11 of Subsidiary Legislation 373.02, that states that the NCC *'shall compile and transmit an annual report on its activities to the Minister'*.

During these twelve months, the NCC has:

- concluded the 2021 – 2023 National Anti-Money Laundering (AML), Counter Terrorism Financing (CTF) and Targeted Financial Sanction (TFS) Strategy,
- Concluded and published the 2023 National Risk Assessment (NRA),
- started developing an action plan that addresses the findings of the 2023 NRA,
- organised several training events for law enforcement and competent authorities.

The NCC is supported by a Secretariat that provides the necessary technical and administrative support to the NCC, assisting in the proper implementation of its functions, particularly in the execution of decisions made by the NCC.

## Background

The NCC is the governing body responsible for the general oversight of the AML/CFT/CPF policy and, therefore, is in charge of defining, overseeing, and coordinating the implementation of the national AML/CFT strategy. The NCC is responsible for promoting effective collaboration between regulators and law enforcement agencies and, for monitoring interaction between them.

The responsibilities and functions of the NCC are set in the Prevention of Money-laundering Act (Cap. 373) and in Subsidiary Legislation 373.02, which also includes the drawing up and implementation of a National Strategy to combat ML, TF and PF. The need for this entity was identified in the 2018 National Risk Assessment which highlighted the need for better coordination among the competent authorities.

The NCC has become a useful platform for all authorities to interact with each other and strengthen cooperation between them. The NCC is also providing a holistic picture of how to identify the national discrepancies, target Malta's AML/CFT gaps and facilitate effective proposals for the successful mitigation of risks.

## NCC Board Members

The NCC has been fully established for over five years. During the period of the report, the below members sat on the board of the NCC as prescribed by the National Coordinating Committee on Combating Money Laundering and Funding of Terrorism Regulations, Subsidiary Legislation 373.02.

NCC Chairperson, Permanent Secretary, Ministry for Finance and Employment – **Mr Paul Zahra**<sup>1</sup>

Chairperson of the Asset Recovery Bureau – **Judge Emeritus Dr Joseph David Camilleri**

Governor of the Central Bank of Malta – **Prof Edward Scicluna**

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<sup>1</sup>The role of the NCC chairperson is presently held by Mr Paul Zahra, who in June 2022 was appointed as Permanent Secretary of the Ministry for Finance and Employment following Mr Alfred Camilleri's retirement.

Commissioner, Malta Tax and Customs Administration<sup>2</sup> – **Mr Joseph Caruana**

Chairperson of the Financial Intelligence Analysis Unit – **Mr Kenneth Farrugia**<sup>3</sup>

Chairperson of the Malta Financial Services Authority – **Mr Jesmond Gatt**

Chairperson of the Malta Gaming Authority – **Dr Ryan Pace**

Commissioner Malta Police Force – **Mr Angelo Gafa**

Permanent Secretary Ministry for Home Affairs, Security, Reforms and Equality – **Ms Joyce Dimech**<sup>4</sup>

Permanent Secretary Ministry for Justice and Reform of the Construction Sector – **Mr Johan Galea**

Attorney General – **Dr Victoria Buttigieg**

Executive Secretary of the NCC – **Dr Pauline Saliba**<sup>5</sup>

During the period of this report, the NCC Board met on the following dates to discuss policies and to address the necessary changes needed:

- 8 May 2023: 09.30 – 11.00 hrs
- 28 July 2023: 09.00 – 11.30 hrs
- 18 December 2023: 16.15 – 17.00 hrs
- 19 February 2024: 15:00 – 17:00 hrs

## The 2021-2023 National AML/CFT/TFS Strategy

The responsibilities and functions of the NCC are set in law. Subsidiary Legislation 373.02, gives the responsibility to the NCC to draw up a national strategy to combat ML/TF and PF and co-ordinate any action to be taken to develop, implement and review the national strategy. By 2023, the 2021-2023 National AML/CFT/TFS Strategy reached its final period of implementation.

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<sup>2</sup> The Office of the Commissioner for Revenue was rebranded to Malta Tax and Customs Administration in May 2023.

<sup>3</sup> Mr Kenneth Farrugia was appointed to this position in July 2023. The position has been vacant since December 2022.

<sup>4</sup> Ms Joyce Dimech temporarily took over as Permanent Secretary of the Ministry for Home Affairs, Security, Reforms and Equality in September 2023. This role was previously held by Mr Emanuel Psaila.

<sup>5</sup> Dr Pauline Saliba took over the role of Executive Secretary of the NCC in March 2023. The role was previously held by Dr Helga Buttigieg Debono.

Subsidiary Legislation 373.02<sup>6</sup> gives the responsibility to the NCC to draw up a national strategy to combat ML, TF, and PF, and co-ordinate any action to be taken to develop, implement and review the national strategy. This report presents the implementation of the required actions under the National AML, CFT, and TFS Strategy for 2021-2023<sup>7</sup>. The Strategy is available online in the following link: [National-AML\\_CFT-Strategy-Action-Plan-2021-2023.pdf \(gov.mt\)](#).

Along with the NCC, the additional stakeholders in the Strategy were:

- Financial Intelligence Analysis Unit (FIAU)
- Malta Financial Services Authority (MFSA)
- Malta Gaming Authority (MGA)
- Malta Business Registry (MBR)
- Malta Tax and Customs Administration (MTCA)
- Sanctions Monitoring Board (SMB)
- Malta Police Force (MPF)
- Office of the Attorney General (AGO)
- Office of the State Advocate (OSA)
- Malta Security Service (MSS)
- Asset Recovery Bureau (ARB)
- Office of the Commissioner for Voluntary Organisations (OCVO)
- Central Bank of Malta (CBM)
- National Statistics Office (NSO)
- Ministry for Finance and Employment (MFE)
- Malta Digital Innovation Authority (MDIA)
- Ministry for Justice (MfJ)

The Strategy was built on seven policy goals with a total of 79 actions. Each action had a designated entity responsible for achieving the milestones of these actions.

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<sup>6</sup> [LEĠIŻLAZZJONI MALTA \(legislation.mt\)](#)

<sup>7</sup> Referred to as 'Strategy' in this document.

### **Sub-committees emanating from the 2021-2023 National Strategy**

The National Strategy gave rise to seven sub-committees with each having a specific purpose. The participants of these sub-committees ranged from high-level representatives to technical representatives from law enforcement and competent authorities involved in the fight against ML, TF and PF. These sub-committees kept on meeting till the end of 2023 to discuss topics related to their remit. Below is a list of these sub-committees. More details about these sub-committees can be found under Annex A.

- Sub-committee for monitoring ministerial government legislative initiatives related to ML, TF and PF.
- Sub-committee on the decrease of the use of cash and cheques
- Sub-committee focusing on the risks and challenges presented by virtual financial assets (VFAs).
- Sub-committee that coordinates training and outreach initiatives related to ML, TF and PF.
- Sub-committee to improve the gathering of ML, TF and PF-related statistics.
- Sub-committee on the coordination of international participation on topics related to AML/CFT/CPF.
- Sub-committee on the 2023 NRA.

It is to be noted that the sub-committee focusing on decreasing the use of cash and cheques reached its purpose in 2022 by drawing up an Action Plan containing a list of recommendations on how to reduce the use of cash and cheques and increase the use of electronic means of payment. The Action Plan was consolidated in May 2022.

The sub-committee specialising on the update of the NRA materialised into several sectorial working groups to address different sectors. Details on the NRA and the work of these working groups can be found in the next section dedicated to the NRA.

Details on the meetings of the sub-committees held during the Strategy period is shown in Annex A.

## **2023 National Risk Assessment**

In 2021 Malta launched the 2023 National ML, TF, PF and TFS Risk Assessment. The 2023

NRA is the latest iteration of the process by Malta that seeks to identify threats and vulnerabilities in ML, TF as well as for the first time, PF and TFS related risks. The purpose of the NRA is two-fold:

- (i) to establish a common understanding among competent authorities, including supervisory authorities and law enforcement authorities, of the risks of ML, TF, PF and TFS, thereby improving and ensuring that risk-based mitigation measures are implemented nationally; and
- (ii) to ensure a strong risk understanding in the private sector with a view to enhancing the risk-based approach and alignment with the priorities, risks and recommendations identified in the NRA.

The 2023 NRA was coordinated by the NCC and has involved both authorities and the private sector in the form of the representative bodies of the different subject persons. The following table presents the competent and law enforcement authorities with a brief description, that were involved in the NRA.

Table 1: Key Ministries/ Departments/Authorities stakeholders in the NRA

National Coordinating Committee on Combating of Money Laundering and Funding of Terrorism (NCC)	Established within the Ministry for Finance and Employment (MFE) through Subsidiary Legislation S.L. 373.02. The NCC is the governing body responsible for the general oversight of AML/CFT policy. It is responsible for promoting effective collaboration between regulators and law enforcement agencies, and for monitoring interaction between them.
Financial Intelligence Analysis Unit (FIAU)	Responsible for the: <ul style="list-style-type: none"> <li>• collection, collation, processing, analysis and dissemination of information to combat ML and TF.</li> <li>• monitoring and enforcing compliance by Subject Persons with their AML/CFT obligations.</li> <li>• Monitoring compliance with the Use of Cash (Restrictions) Regulations.</li> <li>• Administering the Centralised Bank Account Register.</li> <li>• Provides training, guidance, and outreach.</li> </ul>
Malta Financial Services Authority (MFSA)	Regulator for financial services ensuring adequate systems and controls throughout all regulated entities / Manager of the Trust UBO Register – TUBOR.
Malta Gaming Authority (MGA)	Regulator of the various sectors of the gaming industry
Malta Business Registry (MBR)	Regulator for legal entities in Malta, responsible for their registration and legislative compliance.

	Responsible for the Beneficial Owner (BO) register.
Malta Tax and Customs Administration (MTCA)	Ensures compliance by all persons and entities with Malta's tax legislation.
Office of the Commissioner for Voluntary Organisations (OCVO)	Overseeing and licensing of non-profit and voluntary organisations.
Malta Customs Department	Monitoring the cross-border transportation of cash.
Commerce Department, Trade Licensing Unit	Responsible for licencing the importation, exportation or transshipment of military goods and dual used goods and licensing of dealers in precious metals and stones.
Malta Freeport Terminal	Malta Freeport Corporation/Authority is the regulator of the Malta Freeport. It issues licences to the operator; it is the landlord and is regulated by the Malta freeport act of 1989. Furthermore, it is responsible for the security of the Freeport within the parameters.
Agenzija Komunita Malta (Community Malta Agency)	Responsible for administering all Maltese citizenship-related matters.
Residency Malta Agency (RMA)	The Government entity responsible for managing and promoting Malta's residency-by-investment programme.
Malta Security Service (MSS)	Responsible for the gathering, analysis and dissemination of operational analysis.
Malta Police Force (MPF)	Specifically, the Financial Crimes Investigations Department, the Cybercrime Unit, the Blockchain Analysis Unit, the Immigration, and the anti-Drug Trafficking Unit.
Office of the Attorney General (AGO)	The constitutionally independent prosecution service of the Republic of Malta.
Office of the State Advocate (OSA)	The principal advisor to Government in matters of law and legal opinion.
Court Services Agency (CSA)	Caters for all civil and criminal proceedings.
Asset Recovery Bureau (ARB)	The functions of the Asset Recovery Bureau can be divided into three main categories: <ul style="list-style-type: none"> <li>- Tracing of assets</li> <li>- Asset Management</li> <li>- Assets Disposal</li> </ul>
Transport Malta (TM)	Manages Malta's Shipping registry and responsible for ensuring compliance by shipowners with Malta's laws and international obligations. The land and aviation industry were involved.
Civil Aviation	Oversees aviation operations and licencing.
Central Bank of Malta (CBM)	Oversees Malta's monetary and fiscal policies.
Ministry for Finance and Employment (MFE)	Responsible for the formulation of Malta's macroeconomic policies.
Sanctions Monitoring Board (SMB) - Ministry for Foreign and European Affairs and Trade	Responsible for ensuring the effective implementation of sanctions including proliferation financing. <p>The FIAU/MFSA/MGA cooperate with the SMB in ensuring that subject persons are compliant with orders issued under the National Interest Enabling Powers Act</p>

	(NIA), Regulations of the Council of the EU, and United Nations Security Council Resolutions related to terrorism, financing of terrorism, and financing of proliferation of weapons of mass destruction.
Identity Malta	Responsible for civil registrations, public deed registrations, issuance of passports, residence permits and electronic identity card.
Accountancy Board	Established in 1979 when the Accountancy Profession Act Cap 281 was enacted. The Board regulates the accountancy profession in Malta
Real Estate Licensing Board (RELB)	The role of the Licensing Board, set up in terms of the Real Estate Agents, Property Brokers and Property Consultants Act (Chapter 615 of the laws of Malta), is to regulate players within the real estate and property market in Malta by issuing appropriate licenses to applicants. The Board is also tasked with all matters relative to the provision and validity of such licenses.
National Statistics Office (NSO)	Responsible for the compilation of official statistics.

The methodology adopted was that of assessing the threats, and the vulnerabilities by analysing the likelihood and the impact, and the likelihood and exposure respectively, and the mitigating measures in place, to thereafter derive the residual risk. The analysis took also into consideration the approach adopted in the European Union Supranational Risk Assessment (EU SNRA), the recommendations in the 2019 Mutual Evaluation Report for Malta, the Post-Observation Period Report for Malta, and the reports by the European Banking Authority (EBA), FIAU strategic analysis and but above all, focused on constructive discussions with set-up working groups and discussions with the private sector representatives. The objective of the 2023 NRA was to gain from these discussions and from the analysis of data from several sources, a sufficiently granular appreciation of the actual threats and vulnerabilities faced by these sectors.

During 2023 a number of meetings were held with the working groups and the private sector representatives. There were overall five national working groups, that focused on the ML threats, ML vulnerabilities, TF working group and the PF and TFS working group as shown in the below table.

Table 2: National working groups

<b>National working groups</b>	<b>Chairperson</b>	<b>Participants</b>
ML threats	NCC	FIAU, MFSA, MBR, MGA, OCVO, MTCA, SMB, CBM, AGO, MPF, ARB, Malta Freeport Terminal, Court Services Agency
ML vulnerabilities	AGO	OSA, FIAU, MFSA, MBR, MGA, OCVO, MTCA, MPF, NCC
TF	MSS	AGO, CBM, FIAU, MPF, MFSA, MBR, SMB, OCVO, MTCA, NCC
PF and TFS	SMB	AGO, CBM, FIAU, MPF, MFSA, MBR, OCVO, MTCA, MSS, NCC

Different working groups were also set up to assess the threats and vulnerabilities presented by a particular sector or area of activity. Each working group was composed of those authorities which have the most in-depth knowledge of the given sector, with one of them also assigned to lead the group. The said process has been improved considerably when compared to the one leading to the 2018 NRA and has led to a more detailed and accurate assessment of what are the main threats, vulnerabilities, and overall risks that Malta faces with respect to ML, TF, PF and TFS. For financial institutions, Designated Non-Financial Businesses and Professions (DNFBPs) and Virtual Financial Asset Service Providers (VFASPs), nine sectoral working groups were formed:

Table 3: List of sectoral working groups

	<b>Chairperson</b>	<b>Participants</b>
<b><i>Financial sector working groups</i></b>		
Banks	FIAU	MFSA, Malta Bankers Association, core banks, CBM, NCC
Financial Institutions (money remitters, payment service providers, e-money institutions)	MFSA	CBM, College of Stockbroking, Financial Institutions Malta Association, FIAU, NCC
Investment		
Insurance	MFSA	FIAU, NCC, representative bodies
Pension schemes	MFSA	FIAU, NCC, College of Stockbroking, representative bodies
<b><i>DNFBPs working groups</i></b>		
Gaming	MGA	FIAU, NCC, private sector representatives.
TCSPs, Accountants, Auditors, Lawyers, and Tax Advisors	NCC	FIAU, MFSA, MBR, MTCA, Malta Institute of Accountancy,

		Chamber of Advocates, Accountancy Board, Malta Institute of Taxation, Institute of Financial Service Practitioners, private sector representatives
Dealing in High Value Goods	NCC	FIAU, MBR, Commerce Department (CD), Transport Malta, MTCA, Malta Ship Registry, Customs Department, private sector representatives.
Immovables, notaries and real estate agents	NCC	Real Estate Licencing Board (RELB), FIAU, MTCA, Notarial Council, private sector representatives (including Malta Developers Association).
<b><i>Virtual Financial Asset Service Providers (VFASPs), Virtual Financial Assets and new emerging technologies</i></b>	MFSA	FIAU, ARB, AGO, MPF, NCC, private sector representative bodies

Legal persons, the legal arrangements, the citizenship and residency by investment schemes, and the voluntary organisations fell under the category of ‘other instruments’. Their analysis fed into the ML threat working group and the vulnerabilities working group.

The private sector input was invaluable, particularly in view of their intimate understanding of their own product vulnerability. For this reason, several meetings have been scheduled with the private sector representative bodies to provide direct input into the NRA so as to better calibrate the findings and the final NRA output. Private sector representative bodies involved are shown below:

Table 4: Private sector representative bodies

Malta Bankers’ Association	Represents the interests of banks that are licensed to operate in Malta.
VFA agents’ forum	Business section dedicated to the Virtual Financial Assets (VFA) Agents operating under the VFA Act, Chapter 590 of the Laws of Malta which came into effect on the 1st of November 2018, was set up within the Malta Chamber of Commerce, Enterprise and Industry.
Institute of Financial Services Practitioners	An association of professionals working across the entire range of financial services.
Malta Asset Service Association	A channel of communication and to make representations to the Maltese Government and the Malta Financial Services Authority on legislative, regulatory and fiscal matters which amongst others, directly or indirectly, have

	an effect on the business and/or professional interests of its members.
Malta Insurance Association	A non-profit-making organisation that represents the views and common interests of all insurance companies in Malta.
Malta Association of Insurance Brokers	An association of most of the major insurance brokers in Malta.
Financial Institutions Malta Association	Local association representing licence financial institutions in Malta.
Chamber of Small and Medium Sized Enterprises	Malta's national organisation of independent private businesses.
Malta Chamber of Commerce, Enterprise and Industry	Actively represents companies from all economic sectors and ensure that entrepreneurs enjoy the best competitive environment and regulatory conditions possible for the conduct of business.
Used Vehicles Importers Association	Registered as an Employers' Association in terms of the Industrial Relations Act, Chapter 266 of the laws of Malta and represents the main used vehicles importers.
Malta Crafts Foundation	A public organisation, established in 2021, dedicated to enabling the preservation, appreciation and sustainability of Maltese artisanal products and skills.
Malta Maritime Law Association	The MMLA plays a key role in ensuring that the Maltese maritime legislative and regulatory infrastructure is constantly updated, revised, amended and improved in a pro-active and well-researched manner, in order to enhance qualitative standards as well as to further consolidate Malta's pre-eminent position as an international maritime services centre.
Institute of Financial Services Practitioners	An association of professionals working across the entire range of financial services
Malta Institute of Accountancy	Provide professional guidance, technical support and continued professional education to accountants.
Chamber of Advocates	Represents the warranted lawyers admitted to the Bar of Malta
Notarial Council of Malta	The Notarial Council is the official representative body of the Notarial College, composed of nine members, elected by the General Assembly of the Notarial College from among Notaries in the exercise of their profession composing the said College.
Malta Institute of Taxation	An independent and autonomous body made up of, and run by, tax practitioners which works to promote knowledge and good practice in the tax profession.
Malta Developers Association	Brings together the large majority of private real estate developers, estate agents and other interested parties under one single umbrella.
Malta Financial Services Advisory Council (MFSAC)	The MFSAC was formed in 2021 in part to develop the strategy for the financial services sector in Malta.

Apart from the bodies listed above, meetings were also held with individual firms of the representative bodies.

### **Publication of the 2023 National Risk Assessment**

The 2023 NRA was published in January 2024, and a copy of the document can be easily downloaded from the NCC website.<sup>8</sup> It is to be noted that the publication presents key findings from detailed restricted working papers.

The NCC coordinates the updating of the NRA every three years, in order to ensure that there is a continuously updated risk-based approach by the supervisory and law enforcement authorities.

Following the publication, the NCC organised various outreach sessions for both the public and the private sector. More details on the outreach sessions on the 2023 NRA can be found in the section dedicated to training and outreach in this document.

## **The 2024-2026 National AML/CFT/TFS Strategy**

The 2023 NRA requires a strategic platform that aims at effectively addressing and mitigating these risks. During 2023 further to reaching the final stages of the 2023 NRA, the NCC together with all the stakeholders worked on developing an action plan that aims to address and mitigate the identified threats and vulnerabilities in the areas of ML, TF, PF and TFS evasion. The objective of the Strategy for 2024-2026 is: To proactively address risks through enhanced coordination and supervision by authorities to be able to address and mitigate the identified threats and vulnerabilities in the areas of ML, TF, PF and TFS evasion.

### **Overarching Strategic Policy Goals**

The Strategy for 2024-2026 will have the following strategic goals:

#### **Policy goal I: Adhering with international standards and fostering risk-based international cooperation**

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<sup>8</sup> <https://www.ncc.gov.mt/>

The legislative framework will be constantly updated to ensure the maximum possible adherence with international and European standards (Financial Action Task Force and EU directives), as well as other best practices worldwide. All agencies shall proactively engage in international cooperation aiming at achieving maximum impact in line with risks identified.

### **Policy goal II: Risk-based approach**

Policies and activities should be risk-based and prioritized according to the findings of the 2023 National Risk Assessment and an updated and ongoing risk understanding, all focusing on potential international abuse of Malta's system.

### **Policy goal III: National co-ordination**

All activities, domestic and international (including training and outreach) will be proactive and fully coordinated by the NCC where appropriate, through designated sub-committees, fostering the maximum possible information exchange. Outcomes will be measured on a regular basis to ensure the utmost effectiveness of both preventative and oppressive measures.

### **Policy goal IV: Preventative measures**

Supervisors should focus on preventing criminals and their associates, as well as proceeds of crime from entering Malta's system, and also by applying effective, dissuasive, and proportionate sanctions, and other public-private partnerships to achieve these goals, while ensuring competitiveness, and minimizing de-risking policies, focusing on the enforcement of the Use of Cash (Restrictions) Regulations<sup>9</sup>, and supervision of:

- Financial institutions
- Company service providers (CSPs) and tax advisors
- Gaming operators

### **Policy goal V: Money laundering**

Detecting investigating and prosecuting ML will be of the highest priority. Especially with regard to complex cases, those involving predicate offences commensurate to Malta's risk profile, including professional money laundering promoted by domestic enablers, especially with regard to:

- Legal persons with no sufficient link in Malta and overly complex corporate structures

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<sup>9</sup> [LEGIŻLAZZJONI MALTA \(legislation.mt\)](https://legislation.mt/LEGIŻLAZZJONI/MALTA)

- The company service providers
- The tax advisors
- Laundering through high-value movables and immovable property
- The ‘medium-high’ residual ML risk in financial institutions,
- the recognition notice framework in the gaming sector
- Trade-based ML

### **Policy goal VI: Confiscation**

Effective risk-based and proportionate detection, freezing and management of all assets (including virtual) subject to potential criminal or non-conviction-based confiscation, the collection of tax from criminal activities, will all be prioritized, and their effectiveness will be measured, to ensure that criminals and money launderers do not benefit directly or indirectly from their activities.

### **Policy goal VII: Terror financing and sanction evading**

TF, PF and sanction evading risks will be carefully monitored on a risk-based approach to ensure Malta is not abused.

### **Meetings held on the Strategy**

Given the importance of having a sound and sustainable strategy to help further in the objective of combating ML, TF, and TFS-related risks, the NCC Secretariat coordinated meetings on every proposed action plan to assess whether all the objectives of the 2023 NRA were met and that the actions presented could be concretely measured. By the end of 2023, a total of 28 meetings that were all followed up with bilateral correspondence, were held with the stakeholders of this Strategy, the NCC Secretariat and AML/CFT consultant Mr Yehuda Shaffer. Details of the meetings held on this Strategy with the entities are shown in Annex B. A high-level meeting was held on 18 December 2023 with the top management of all the stakeholders to discuss the draft of the National Strategy. The final document will be published in the first quarter of 2024.

## Training and Outreach Sessions organised by the NCC

During the past twelve months, the NCC continued organising several training and outreach events mainly to officials from various authorities and entities in the public sector. The purpose of these training sessions was to enhance the level of knowledge and expertise in various fields. Below are details of all the training and outreach sessions that were organised by the NCC during the period of this reporting document. A table summarising the training sessions organised by the NCC is presented in Annex C.

### **Training on the presentation of evidence in Court**

On 17 April 2023, the NCC organised a training session for officials from the Malta Tax and Customs Authority, and Police Inspectors from the Financial Crimes Investigations Department of the Malta Police Force on how to present evidence in a Court of Law. The training session was delivered by both foreign and international experts and was attended by 37 officials from the above-mentioned departments. The first part of the session delved into topics related to financial intelligence and fiscal information. The second part included a simulation exercise based on a case study.

### **Training on the Financial Action Task Force (FATF) Recommendations and TF**

On 20 April 2023, the NCC organised a training session on the FATF Recommendations and TF to lawyers from the Office of the Attorney General. The session was attended by 43 lawyers and focused on various aspects including:

- the FATF methodology and its relevance for prosecutors,
- the 11 Immediate Outcomes (IOs) and their relevance to detection, investigation, and prosecution, with TF case studies.

### **Detection of assets forum**

Following a successful two-day session held in September 2022 titled Interagency Cooperation in Financial Investigations, a follow-up session was held on 21 April 2023 titled Detection of Assets Forum. This forum was attended by 113 officials from various public entities including the Financial Intelligence Analysis Unit, the Malta Tax and Customs Administration, the Office of the Attorney General, the Malta Police Force and the Asset Recovery Bureau. Some of the topics covered included:

- Overview of the legal framework for the detection of assets,
- The Financial Intelligence Analysis Unit's and the Police's role in the detection of assets in parallel financial investigations,
- International best practices,
- Auditing methods to ascertain legitimate/illegitimate wealth,
- Detection of assets outside Malta,
- Panel discussion on the use of Open-Source Intelligence for the detection of assets.



*Figure 1: Detection of Assets Forum – 21 April 2023*

### **Training on financial investigations to Police officers from the Financial Crimes Investigations Department**

In May as well, the NCC organised a two-day training session for police officers from the Financial Crimes Investigations Department on financial investigations. The training session was held on 15 and 19 May and was attended by 62 police officers of different ranks. The training was delivered by both foreign and national experts on various topics which included:

- Basic concepts and terms in the formation of companies and beneficial ownership.
- Basic concepts of property and ownership in Maltese law concerning movable and immovable properties.
- Information from Transport Malta supporting financial investigations.
- Basic concepts of tax – Value Added Tax, income tax and tax fraud.

## **Training on Trusts and other Legal Arrangements**

On 18 May, the NCC organised a one-day training session on Trusts and other Legal Arrangements focusing mainly on ML/TF and sanction-evading risks. The training session was attended by 106 individuals from various public entities which included the Financial Intelligence Analysis Unit, the Malta Financial Services Authority, the Malta Gaming Authority, the Malta Business Registry, the Sanctions Monitoring Board, the Malta Tax & Customs Administration, the Office of the Attorney General, the Malta Police Force, and the Office of the Commissioner for Voluntary Organisations. The training session delved into topics such as:

- Trusts in Malta law and regulation.
- AML obligations with regards to trusts and trustees and expected changes on recommendation 25.
- Typologies of ML/TF and sanction evading through legal arrangements.
- A hands-on demonstration of how to search on TUBOR.
- Legal Arrangements from a tax perspective.

The session ended with a panel discussion on the findings of the NRA in relation to Legal Arrangements.



*Figure 2: Training on Trusts and other Legal Arrangements - 18 May 2023*

### **Training on freezing and confiscation of proceeds of crime**

In June 2023, the NCC organised a three-day training session dedicated specifically to proceeds of crime. The session took place on the 15, 16 and 19 of June and was attended by 103 participants from various public entities which benefitted from this training. These include officials from the Office of the State Advocate, the Office of the Attorney General, the Malta Police Force, the Malta Tax & Customs Administration, and the Asset Recovery Bureau. The first day focused on the collection of tax from proceeds of crime while the second and third days delved into non-Conviction based confiscation and freezing and confiscation orders issued per the Proceeds of Crime Act.<sup>10</sup>

### **Lecture on the updated FATF Methodology**

On the 10 and 11 July, the NCC organised a training session for various public officials to inform them of the updates in the FATF Methodology. The first day was dedicated to officials from the Malta Police Force, the Office of the Attorney General, the Asset Recovery Bureau, and the State Advocate. The second day was dedicated to officials from the supervisory and regulatory sector which included officials from the Financial Intelligence Analysis Unit, the Malta Financial Services Authority, the Malta Gaming Authority, the Malta Tax and Customs Administration, the Sanctions Monitoring Board, the Malta Business Registry, the Office of the Commissioner for Voluntary Organisations, the Real Estate Licencing Board, as well as officials from the Departments of Commerce and that of Contracts.



*Figure 3: Lecture on the updated FATF Methodology - 10 and 11 July 2023*

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<sup>10</sup> [Chapter 621 of the Laws of Malta – Proceeds of Crime Act](#)

### **Training on Asset Recovery to Prosecutors**

On the 13 and 14 July, the NCC organised a two-day training session for lawyers from the Office of the Attorney General on ML and asset recovery. The session was attended by 30 lawyers and was delivered by foreign experts on ML and asset recovery. The training session delved into topics such as:

- Criminal confiscation and asset forfeiture in the UK under Parts 2 and 5 of the Proceeds of Crime Act 2002 focusing on restraint and confiscation, and enforcement and confiscation investigations.
- Corporate criminal liability.
- Mutual Legal Assistance requests in the context of ML.
- Proving property is ‘criminal’; Anwoir and circumstantial evidence.

The second half of the second day of the session was dedicated to discussing various case studies to help the prosecutors in similar cases.

### **An outreach and a training session on Legal Persons**

On 31 July 2023, the NCC, in collaboration with the Malta Business Registry organised an outreach session to the private sector on legal persons. The one-day session, titled ‘A theoretical and practical insight on legal persons’ was attended by 69 participants from various private entities. The session was delivered by several foreign and local speakers whose expertise ranged according to the entity they were representing. The topics discussed during the session included:

- Best practices on assessing risks regarding legal persons.
- Red flags, indicators, and findings.
- General updates on the local and international legal framework related to legal persons.
- Discussion of case studies.



*Figure 4: Training session on Legal Persons - 1 August 2023*

Another session took place the following day, that is, on 1 August 2023, however, this session was delivered to officials from the public sector. 135 participants from various entities attended the session. These include the Financial Intelligence Analysis Unit, the Malta Financial Services Authority, the Malta Business Registry, the Malta Gaming Authority, the Malta Tax & Customs Administration, the Sanctions Monitoring Board, the Office of the Attorney General, the Malta Police Force, the Commerce Department, the Department of Contracts, the Malta Security Services, the Office of the Commissioner for Voluntary Organisations, and the Asset Recovery Bureau.

### **Advocacy training for prosecutors**

In September 2023, the NCC organised a two-day training session for lawyers from the Office of the Attorney General. The session took place on the 13 and 14 September and focused on assisting lawyers with prosecuting cases in Court. Two high-profile lawyers from the United Kingdom were brought to Malta to deliver the training session. The first day was dedicated to trainee prosecutors while the second day was delivered to senior lawyers within the Office of the Attorney General. The training session involved a court-like set-up where the attendees were given a specific case, which they had to study before attending the session. During the session, the prosecutors were given the opportunity to act as prosecutors and they were guided on how to cross-examine the defendant.

A follow-up session was then held on 1 December 2023 where this time the prosecutors were asked to cross-examine a witness, and they also had to give their closing submissions. Since the training sessions were deemed very helpful by the lawyers from the above-mentioned Office, the NCC is planning further sessions in 2024.



*Figure 5: Advocacy training for the AGO - 13 and 14 September 2023*

### **Sharing of best practices in financial investigations**

Between 23 and 25 October 2023, the NCC organised morning sessions for officials from the Asset Recovery Bureau on sharing of best practices in financial investigations. During the training session, representatives from the Financial Intelligence Analysis Unit, the Malta Tax and Customs Administration and the Malta Police Force, gave presentations and shared best practices with the officials from the Asset Recovery Bureau to assist them mostly with regard to searching and recovering assets. Discussions also ensued on how each entity can assist the Asset Recovery Bureau with its work.

### **Understanding, identifying, and analysing risks related to TF and sanctions**

Between 23 and 25 October 2023, in the afternoons, the NCC organised training sessions for officers from the Financial Crimes Investigations Department of the Malta Police Force on risks related to TF and to sanctions. The session was attended by 66 police officers of different ranks. The first afternoon focused on TF while the second and third afternoons focused on sanctions. The training session was delivered by foreign and local experts and discussed several topics among which include the below:

- International standards on the criminalization of TF.
- TF typologies and Malta's TF risk assessment.
- Overview of the various sanction regimes and sanctions regimes applied in Malta.

The session also involved discussions on various case studies and ended with a panel discussion on lessons learned from past experiences.



*Figure 6: Training to the Police on risks related to TF and sanctions 23 - 25 October 2023*

### **Training on TF to the Office of the Attorney General**

On 17 November, the NCC organised a training session for lawyers from the Office of the Attorney General on how to understand, identify, and analyse TF risks. The session was delivered by a foreign AML/CFT expert, and the topics discussed included:

- International standards on the criminalization of TF.
- TF legislation in Malta.
- TF risks in Malta.

The session also included a discussion of a case study.

A follow-up session was held on 18 January 2024 where the above topics were revisited and discussed in more detail. Moreover, the session also focused on how to prosecute TF cases in court through case examples and an open discussion with the participants.

## **Training on the Blockchain and Crypto assets**

In November 2023, the NCC organised a four-day training session on the Blockchain and crypto-assets. The session took place between 20 November and 23 November and was delivered by three foreign experts on the subject. The training session was attended by 101 participants from various public entities including the Financial Intelligence Analysis Unit, the Malta Gaming Authority, the Malta Tax and Customs Administration, the Sanctions Monitoring Board, and the Asset Recovery Bureau. Topics discussed during the session included:

- Introduction to the crypto ecosystem – Blockchain, entities, anonymity, smart contracts, and assets services, including identification and classification.
- Main characteristics and differences of crypto assets, stablecoins, and Non-Fungible Tokens (NFTs).
- Main Legal and Regulatory Definitions – globally and nationally.
- Use of blockchain analytical tools for supervisory purposes – practical examples and difficulties.
- The use of crypto-assets, stablecoins, NFTs and DeFi/Smart Contracts for sanction Circumvention Purposes and tax evasion.

The training session also included workshops on supervision and enforcement, sanction circumvention, and incoming requests for information.



*Figure 7: Training on the Blockchain and Crypto-assets 20 - 23 November 2023*

## **Training Session on Crypto Assets for Prosecutors**

To enhance the investigation and prosecution of crypto-related cases, the NCC organised a training session for prosecutors from the Office of the Attorney General from 19-21 February 2024. Led by an international expert, the training heavily featured practical, hands-on case studies covering the application of regulatory frameworks, investigation of VFASP information, and production of court evidence. Members from the Malta Police Force's Blockchain Analysis Unit were also involved, sharing insights through their own case studies and discussion of best practices.

### **Information Session on Act VI of 2024 for the Malta Police Force**

The NCC organised an information session for members from various branches of the Malta Police Force. The session was held on 15 March 2024 and focused entirely on Act VI of 2024 which brought amendments to various laws concerning the proceeds of crime. The training was delivered by a senior lawyer from the Office of the State Advocate and an international AML/CFT expert. The core of the session began with a detailed overview of Act No. VI of 2024, which was followed by a dedicated question-and-answer period. The latter part of the session delved into the practical implications of the Act, with specific attention given to the quantification of the proceeds of crime and concluded with examples illustrating these quantifications before the final concluding remarks.

### **Outreach Event to the Private and the Public Sector on the newly published 2023 NRA**

Following the publication of the 2023 NRA in January 2024, the NCC organised an outreach event on 12 and 13 February to present the document and its main findings to both the private and public sectors. The outreach consisted of four separate sessions: three sessions for the private sector held on 12 February, and one session for the public sector on 13 February.

The private sector sessions were divided as follows:

- The first session was dedicated to the Financial Services Sector.
- The second focused on professionals working in the DNFBP sector.
- The third targeted stakeholders in the Gaming sector and VFASPs.

These sessions aimed to present the process, key findings, and main outcomes of the 2023 NRA, along with practical implications and recommendations arising from the assessment.

The public sector session, attended by representatives from various public entities, focused on presenting risks, vulnerabilities, and gaps that require attention. It also highlighted practical measures, such as the need to adopt a risk-based approach.



*Figure 8: Outreach Session on the 2023 NRA to the Financial Services Sector - 12 February 2024*

## Annex A: Sub-committee meetings

### Sub-committee for monitoring legislative initiatives related to ML and TF

**Chair:** Dr Chris Soler – State Advocate

**Members:**

- Ministry for Justice and Reform of the Construction Sector
- Ministry for Home Affairs, National Security and Law Enforcement
- Ministry for the Economy and Industry
- National Coordinating Committee on Combating Money Laundering and Funding of Terrorism
- Financial Intelligence Analysis Unit
- Malta Financial Services Authority
- Office of the Attorney General
- Malta Police Force
- Malta Tax and Customs Administration
- Office of the Commissioner for Voluntary Organisations
- Malta Business Registry
- Malta Gaming Authority
- Asset Recovery Bureau
- Sanctions Monitoring Board

**Meetings:**

Date:	Time
30 March 2021	15:00 – 16:00
17 May 2021	11:00 – 13:00
27 May 2022	11:00 – 12:15
1 August 2022	12:00 – 13:15
27 October 2022	15:00 – 16:30

## **Sub-committee focusing on training and outreach related to AML/CFT/TFS**

**Chair:** Executive Secretary of the NCC Secretariat

**Members:**

- National Coordinating Committee on Combating Money Laundering and Funding of Terrorism
- Financial Intelligence Analysis Unit
- Malta Financial Services Authority
- Office of the Attorney General
- Malta Police Force
- Malta Tax and Customs Administration
- Office of the Commissioner for Voluntary Organisations
- Malta Business Registry
- Malta Gaming Authority
- Commerce Department
- Asset Recovery Bureau
- Sanctions Monitoring Board

**Meetings held:**

Date:	Time
30 March 2021	11:30 – 12:30
15 October 2021	13:00 – 14:00
17 June 2022	09:00 – 10:00
8 May 2023	14:15 – 15:15

## **Sub-committee on the coordination of international participation on topics related to AML/CFT/CPF**

**Chair:** Dr Daniel Frendo – Senior Manager within the Legal Affairs of the Financial Intelligence Analysis Unit

### **Members:**

- National Coordinating Committee on Combating Money Laundering and Funding of Terrorism
- Malta Financial Services Authority
- Malta Police Force
- Malta Tax and Customs Administration
- Office of the Commissioner for Voluntary Organisations
- Malta Business Registry
- Malta Gaming Authority
- Office of the Attorney General
- Asset Recovery Bureau
- Sanctions Monitoring Board

### **Meetings:**

Date:	Time
29 March 2021	11:00 – 12:15
22 April 2021	09:30 – 11:00
24 May 2021	14:00 – 15:30
16 February 2022	14:00 – 15:00
3 November 2022	12:30 – 13:30
23 March 2023	13:00 – 14:00
9 August 2023	11:00 – 12:00

## **Sub-committee focusing on the decrease of use of cash and cheques**

**Chair:** Mr Mark Sammut – Director of Performance and Evaluation at the Ministry for Finance and Employment

### **Members:**

- Ministry for Finance and Employment
- Central Bank of Malta
- Malta Tax and Customs Administration
- National Coordinating Committee on Combating Money Laundering and Funding of Terrorism

### **Meeting dates:**

Date:	Time
30 March 2021	10:00 – 11:00
9 April 2021	12:00 – 13:30
18 May 2021	12:00 – 14:00
23 July 2021	09:00 – 10:30
14 September 2021	09:00 – 10:30
18 October 2021	09:00 – 10:30
9 November 2021	09:00 – 10:30
14 December 2021	09:00 – 10:30
11 January 2022	09:00 – 10:30
25 January 2022	08:30 – 10:00
1 March 2022	08:30 – 10:00
4 May 2022	09:00 – 10:30
19 May 2022	09:00 – 10:30

## **Sub-committee focusing on the risks and challenges presented by virtual financial assets**

Chair: Mr Herman Ciappara - Head of Fintech Supervision of the Malta Financial Services Authority

Members:

- National Coordinating Committee on Combating Money Laundering and Funding of Terrorism
- Financial Intelligence Analysis Unit
- Malta Financial Services Authority
- Office of the Attorney General
- Malta Police Force
- Office of the Commissioner for Revenue
- Asset Recovery Bureau
- National and International experts

Meetings:

Date:	Time
30 March 2021	13:00 – 14:00
7 April 2021	12:00 – 13:00
13 May 2021	14:00 – 15:00
9 June 2021	14:00 – 15:30
1 March 2022	13:00 – 15:00
8 April 2022	10:30 – 12:00
3 May 2022	14:00 – 15:30
17 June 2022	10:00 – 11:30

## **Sub-committee to improve the gathering of money laundering, terrorism financing and proliferation financing-related statistics**

**Chair:** Mr Etienne Caruana – Director General of the National Statistics Office

**Members:**

- National Coordinating Committee on Combating Money Laundering and Funding of Terrorism
- Financial Intelligence Analysis Unit
- Malta Financial Services Authority
- Office of the Attorney General
- Malta Police Force
- Malta Tax and Customs Administration
- Office of the Commissioner for Voluntary Organisations
- Court Services Agency
- Malta Business Registry
- Malta Gaming Authority
- Asset Recovery Bureau
- Sanctions Monitoring Board

**Meetings:**

Date:	Time
9 April 2021	10:00 – 12:00
1 October 2021	09:00 – 12:00

The NSO was then invited to all the preparatory meetings that were held for the 2023 NRA to better understand the statistical needs that will have to start being collated on a regular basis.

## Annex B: List of meetings held with stakeholders in relation to the Draft 2024 – 2026 National AML/CFT/TFS Strategy

No. of meeting	Date of the meeting	Participants of the meeting
1	12 September	MTCA, FCID, AGO, and ARB
2	18-20 September	prioritisation of ML investigations with the FCID in Malta
3	26 September	MBR
4	27 September	OCVO
5	28 September	MSS
6	28 September	MFSA, FIAU
7	29 September	Prioritisation of ML investigations at the FCID including the FIAU
8	3 October	AGO
9	4 October	MBR
10	6 October	FCID
11	18 October	MGA
12	20 October	OCVO
13	30 October	FIAU
14	15 November	MBR
15	17 November	MSS
16	23 November	FIAU, MFSA
17	29 November	FIAU, MFSA
18	5 December	RELB
19	5 December	AGO
20	5 December	FCID
21	6 December	MGA
22	6 December	ARB
23	7 December	MTCA
24	7 December	Trade Licensing Unit
25	12 December	SMB

26	15 December	TF working group of the 2023 NRA
27	18 December	High-level meeting with the heads of the authorities
28	19 December	MBR

## Annex C: Details of training organised by the NCC Secretariat during the period of this report

Date	Subject of the activity	Issues covered	No of participants	Type of participants
17-Apr-23	Training on the presentation of evidence in Court	<p>Item I: Production of financial intelligence (STR, Foreign FIU intel, FIU Analysis) as Evidence in Malta (FIAU)</p> <p>Item II: Financial intelligence and fiscal information as evidence in court – comparative view (Yehuda Shaffer)</p> <p><u>Workshop limited to officials that appear in court</u></p> <p>Item III: Rules of Evidence in court in relation to tax information (AGO)</p> <p>Item IV: Simulation exercise based on a case study and possible questions (Yehuda Shaffer - moderator)</p> <p>Item V: Effective cooperation procedures in tax investigations and prosecutions (MPF)</p> <p>Item VI: Concluding remarks (Yehuda Shaffer)</p>	37	MTCA MPF

Date	Subject of the activity	Issues covered	No of participants	Type of participants
20-Apr-23	FATF recommendations and Terrorist Financing	<p>Introduction to the FATF methodology and its relevance for prosecutors (Yehuda Shaffer)</p> <p>The FATF recommendations – theory and practice in Malta (Yehuda Shaffer)</p> <p>The 11 IOs and their relevance to detection, investigation and prosecution (Yehuda Shaffer)</p> <p>Recent developments in the Recommendations and the IOs (Yehuda Shaffer)</p> <p>Legislation related to IOs 9 and 10 in Malta (AGO)</p> <p>TF risks in Malta (FIAU)</p> <p>IO9, IO10/The role of prosecutors in tackling TF – challenges and best practices (Yehuda Shaffer)</p> <p>TF case studies – abuse of NPOs, Targeted Financial Sanctions, use of hawala systems (Yehuda Shaffer, SMB, MPF &amp; AGO)</p>	43	AGO

Date	Subject of the activity	Issues covered	No of participants	Type of participants
21-Apr-23	Detection of assets forum	<p>Opening remarks – follow-up on the interagency workshops (Yehuda Shaffer)</p> <p>Overview of the legal framework on detection of assets (criminal and NCB) from the Prosecution’s perspective (AGO)</p> <p>Presentation on the current situation in terms of statistics (ARB) Role of ARB (including the role of the liaison officer) and case study (ARB)</p> <p>Police’s role in detection of assets in parallel financial investigations (MPF)</p> <p>FIAU’s role in detection of assets (FIAU)</p> <p>International best practices (Yehuda Shaffer)</p> <p>Auditing methods to ascertain legitimate / illegitimate wealth (MTCA)</p> <p>Detection of assets outside Malta – panel discussion (FIAU, MTCA, ARB, MPF &amp; AGO)</p> <p>Use of OSINT for the detection of assets – panel discussion (MFSA, FIAU, MPF, MTCA &amp; ARB)</p> <p>Mock case (moderator Yehuda Shaffer)</p>	113	FIAU AGO MTCA ARB

Date	Subject of the activity	Issues covered	No of participants	Type of participants
15-May-23	<p>Training on financial investigations to FCID</p> <p>Day 1: Knowledge of databases and documentation supporting financial investigations</p>	<p>General overview on the AML obligations: Customer Due Diligence and reporting obligations (FIAU)</p> <p>Basic concepts and terms in formation of companies and beneficial ownership (MBR)</p> <p>Practical session on using the Application Programming Interface (API) and how to ascertain the ultimate beneficial owner (MBR and Yehuda Shaffer)</p> <p>Basic concepts of property and ownership in Maltese law with regards to movable and immovable properties (AGO)</p> <p>Information from Transport Malta supporting financial investigations – Valletta registered ships (Registrar of Ships)</p> <p>Information from Transport Malta supporting financial investigations – registration of small ships (Transport Malta)</p> <p>Information from Transport Malta supporting financial investigations – Motor vehicles (Transport Malta)</p> <p>How can FIAU assist FCID in financial investigations (FIAU)</p> <p>Mock case (Yehuda Shaffer)</p>	62	MPF

Date	Subject of the activity	Issues covered	No of participants	Type of participants
18-May-23	Trusts and other Legal Arrangements - basic concepts on ML/TF and sanction evading risks	<p>Basic concepts of trusts (MFSA)</p> <p>Trusts in Malta law and regulation (MFSA)</p> <p>AML obligations with regards to trusts and trustees, and expected changes on recommendation 25 (FIAU)</p> <p>Typologies of ML/TF and sanction evading through legal arrangements (Yehuda Shaffer)</p> <p>Searching TUBOR – a hands-on demonstration (MFSA)</p> <p>Legal arrangements – the tax perspective (MTCA)</p> <p>Panel discussion on the findings of the NRA in relation to legal arrangements – panel discussion (NCC, MFSA, FIAU, SMB)</p>	106	FIAU, MFSA, MGA, MPF, MTCA, OCVO, MBR, SMB, AGO,
19-May-23	<p>Training on financial investigations to FCID</p> <p>Day 2: Collecting evidence in a financial investigation in relation to the fiscal aspect</p>	<p>Basic concepts of tax – Value Added Tax (MTCA)</p> <p>How to investigate fictitious invoicing (MTCA)</p> <p>Basic concepts of income tax and tax fraud (MTCA)</p> <p>Fiscal documentation that needs to be obtained in different types of financial investigation (MTCA, moderator Yehuda Shaffer)</p> <p>Practical exercise (Yehuda Shaffer)</p>	53	MPF

Date	Subject of the activity	Issues covered	No of participants	Type of participants
15-Jun-23	Training session I: Collection of tax from the proceeds of crime	<p>International standards, best practices, and challenges regarding collecting tax from criminal proceeds in relation to IO 8 (Yehuda Shaffer)</p> <p>Overview on the general background on taxation of criminal proceeds (MTCA)</p> <p>Assistance by the MTCA to the MPF in financial crime investigations from a tax perspective (MPF)</p> <p>Mock case (moderator Yehuda Shaffer)</p>	103	OSA, AGO, MPF, MTCA, ARB,
16-Jun-23	Training session II: Freezing orders and confiscation orders issued in accordance with the Proceeds of Crime Act and the Non-Conviction Based confiscation	<p>NCB forfeiture: What it is and how it works in Malta under Part VI of the PoCA (Stef Cassella)</p> <p>Examples of how NCB forfeiture has been used successfully in other countries, particularly in international cases (Stef Cassella)</p> <p>ML and freezing and confiscation under PoCA (AGO)</p> <p>Presentation on the MoU and SOP in Malta on the NCB forfeiture (AGO)</p> <p>Presentation of cases (AGO, moderator Stef Cassella)</p>		

Date	Subject of the activity	Issues covered	No of participants	Type of participants
19-Jun-23	Training session III: Freezing orders and confiscation orders issued in accordance with the Proceeds of Crime Act and the Non-Conviction Based confiscation	<p>Confiscation Orders and third-party rights (substantial and procedural) in criminal confiscation and in NCB (Stef Cassella)</p> <p>Freezing and confiscation orders imposed by the courts on legal persons including the role of the administrator (ARB)</p> <p>Challenges in the civil courts in Malta regarding property rights after criminal confiscation (OSA)</p> <p>Presentation of cases by AGO (Moderators: Stef Cassella and Yehuda Shaffer)</p>		
10-Jul-23	Lecture on the FATF methodology	<p>Introduction on the FATF methodology (Yehuda Shaffer)</p> <p>12:45 – 13:15 IO 1 (Recommendations 1, 2, 33 and 34, and elements of R.15)</p> <p>13:15 – 13:45 IO 2 (Recommendations 36 - 40 and also elements of Recommendations 9, 15, 24, 25 and 32)</p> <p>13:45 – 14:30 IO 7 (Recommendations 9-21, 26, 27, 34 and 35, and also elements of Recommendations 1, 29 and 40)</p> <p>IO 8 (Recommendations 1, 4, 32 and also elements of Recommendations 15, 30, 31, 37, 38, and 40)</p> <p>IO 9 (Recommendations 5, 30, 31 and 39, and also elements of Recommendations 1, 2, 15, 32, 37 and 40)</p> <p>IO 10 and 11 (Recommendations 1, 4, 6, and also elements of Recommendations 14, 15, 16, 30 to 32, 37, 38 and 40) and</p>	76	FIAU, MFSA, MPF, MTCA, SMB, AGO, MSS, ARB, OCVO,

Date	Subject of the activity	Issues covered	No of participants	Type of participants
		(Recommendation 7 and elements of Recommendations 1, 2 and 15)		
11-Jul-23	Lecture on the FATF methodology: regulatory and supervisory authorities	<p>Introduction - the FATF methodology (Yehuda Shaffer)</p> <p>IO 1 (Recommendations 1, 2, 33 and 34, and elements of R.15)</p> <p>IO 2 (Recommendations 36 - 40 and also elements of Recommendations 9, 15, 24, 25 and 32)</p> <p>IO 3 (Recommendations 9-21, 26, 27, 34 and 35, and also elements of Recommendations 1, 29 and 40)</p> <p>IO 4 (Recommendations 22, 23, 28, 34 and 35 and elements of Recommendations 1, 29 and 40)</p> <p>IO 5 (Recommendations 24 and 25, and also elements of Recommendations 1, 10, 37 and 40)</p> <p>IO 6 (Recommendations 29 to 32 and also elements of Recommendations 1, 2, 4, 8, 9, 15, 34 and 40)</p> <p>IO 10 (Recommendation 8)</p>	50	FIAU, MFSA, MGA, MTCA, SMB, MBR, OCVO, CD, DoC, RELB,

Date	Subject of the activity	Issues covered	No of participants	Type of participants
13-Jul-23	Day 1: Training session: Asset Recovery and Money Laundering a UK perspective	<p>Criminal confiscation and asset forfeiture in the UK under Parts 2 and 5 of the Proceeds of Crime Act 2002 (“PoCA”) (focusing on restraint and confiscation, and enforcement and confiscation investigations) (Martin Evans KC)</p> <p>Malta’s freezing and confiscation regime with practical examples (AGO)</p> <p>Asset forfeiture in the UK under Part 5 of PoCA with a focus on civil recovery, cash and account freezing orders and forfeiture (Martin Evans KC)</p> <p>Corporate criminal liability (Martin Evans KC)</p> <p>Mutual Legal Assistance requests in the context of Money Laundering (AGO)</p> <p>Case study by prosecutors</p>	30	<p>AGO</p> <p>16 officials from the below entities attended the lecture on Corporate Criminal Liability that was held on Thursday 13th July between 13:30 and 14:45:</p> <p>FIAU, MPF, MFSA, MBR</p>
14-Jul-23	Day 2 Training session: Asset recovery and Money Laundering - The UK perspective	<p>Money Laundering in the UK under PoCA (Martin Evans KC)</p> <p>Proving property is ‘criminal’; Anvoir and circumstantial evidence (Martin Evans KC)</p> <p>FATF recommendations in particular IO7 and IO8 (Yehuda Shaffer)</p> <p>Case studies by prosecutors – moderators Mr Yehuda Shaffer, Martin Evans KC</p>		

Date	Subject of the activity	Issues covered	No of participants	Type of participants
01-Aug-23	Training session: A theoretical and practical insight on legal persons	<p>Opening remarks (MBR)</p> <p>Updates on AMLA, AMLR, AMLD (FIAU)</p> <p>Recommendation 24 and updates (for ex. foreign legal persons) (Yehuda Shaffer)</p> <p>Assessing risks regarding legal persons – best practices (Mr Yehuda Shaffer)</p> <p>Indicators and findings – (MBR)</p> <p>Red flags, indicators, and findings – (FIAU)</p> <p>Insolvency and AML (MBR)</p> <p>Beneficial ownership: theory and practice case examples (FIAU)</p> <p>Beneficial ownership: theory and practice case examples (MBR)</p> <p>Case studies – panel speakers FIAU &amp; MBR, moderator Yehuda Shaffer</p>	135	FIAU, MFSA, MGA, MTCA, MBR, SMB, AGO, OCVO, ARB, MPF, MSS, CD, DoC
13-Sep-23	Day 1 - Advocacy Training for Prosecutors (Trainees)	<p>General introduction</p> <p>Case analysis session</p> <p>Oral advocacy exercise (Group 1)</p> <p>Workshop (Groups 2 &amp; 3)</p> <p>Oral advocacy exercise (Groups 2 &amp; 3) / Workshop (Group 1)</p>	29	AGO
14-Sep-23	Day 2 - Advocacy Training for Prosecutors (Seniors)	<p>General introduction</p> <p>Case analysis session</p> <p>Oral practice exercise (in two Groups)</p> <p>Workshop Part 1; Workshop Part 2</p>		

<b>Date</b>	<b>Subject of the activity</b>	<b>Issues covered</b>	<b>No of participants</b>	<b>Type of participants</b>
23-Oct-23	Sharing of best practices on financial investigations	Day 1: How can MTCA assist the ARB and how can the ARB assist the MTCA in the auditing being carried out (MTCA)  How can the Police assist the ARB in financial investigations and how can the ARB assist the Police in financial investigations (FCID)	8	ARB
24-Oct-23		Day 2: How can FIAU assist the ARB on the sharing of information for asset detection especially in the 'big' cases and in ascertaining unexplained wealth (FIAU)  Best practices on the detection of assets (Yehuda Shaffer)		
25-Oct-23		Day3: Workshop: case studies discussed		
23-Oct-23	Day 1: Terrorist Financing: Understanding, identifying, and analysing TF risks	Item I: International standards on criminalization of TF (Yehuda Shaffer)  Item II: TF typologies (Yehuda Shaffer)  Item III: Malta's TF risk assessment (Pauline Saliba)  Item IV: Case study for discussion (Yehuda Shaffer)	66	MPF
24-Oct-23	Day 2: Sanctions: Understanding, identifying, and analysing risks in relation to sanctions	Item I: Overview of the various sanction regimes (Yehuda Shaffer)  Item II: Sanctions regime applied in Malta, obligations of subject persons, and role of the SMB (MPF)  Item III: Case study (MPF)  Item IV: Lessons learned - panel discussion (Moderator: Yehuda Shaffer)		

Date	Subject of the activity	Issues covered	No of participants	Type of participants
25-Oct-23	Day 3: Sanctions: Understanding, identifying, and analysing risks in relation to sanctions	<p>Item I: Typologies of sanction evading (Yehuda Shaffer)</p> <p>Item II: Malta's 2023 National Risk Assessment findings on sanction evading (Pauline Saliba)</p> <p>Item III: Case study (MPF)</p> <p>Item IV: Lessons learned – panel discussion (Yehuda Shaffer, moderator)</p>		
17-Nov-23	Terrorist Financing: Understanding, identifying, and analysing TF risks	<p>Item I: International standards on criminalization of TF (Yehuda Shaffer)</p> <p>Item II: TF legislation - Malta (Yehuda Shaffer)</p> <p>Item III: Malta's TF risk assessment (Pauline Saliba)</p> <p>Item IV: Case study for discussion</p>	16	AGO
20-Nov-23	Day 1: Basic Blockchain & Crypto Infrastructure	<p>Item I: Introduction to Crypto Ecosystem – Blockchain, Entities, Anonymity, Smart Contracts, Assets, Services – identification and classification</p> <p>Item II: Part I: Crypto Assets, Stable Coins, NFTs - Main characteristics, differences</p> <p>Item III: Part II: Crypto Assets, Stable Coins, NFTs - Main characteristics, differences</p> <p>Item IV: Service Providers – Centralized and Decentralized</p>	101	FIAU MGA MTCA SMB ARB

Date	Subject of the activity	Issues covered	No of participants	Type of participants
21-Nov-23	Day 2: Blockchain & Crypto Regulatory & Legal Aspects	<p>Item I: Introduction: Reading the Blockchain</p> <p>Item II: Part I: Main Legal and Regulatory Definitions – globally and nationally</p> <p>Item III: DAC8 (CARF)</p> <p>Item IV: International cooperation regarding crypto assets from an ARB perspective</p> <p>Item V: Use of blockchain analytical tools for supervisory purposes – practical examples and difficulties</p> <p>Item VI: Supervising application of Travel Rule – Status Quo and Expectations</p>		
22-Nov-23	Day 3: Blockchain & Crypto trends & typologies & Professional workshops	<p>Item I: Part I: The Use of Crypto-Assets, Stable coins, NFTs and DeFi/Smart Contracts for ML/TF Purposes – Trends, Typologies</p> <p>Item II: Part II: The Use of Crypto-Assets, Stable coins, NFTs and DeFi/Smart Contracts for ML/TF Purposes – Trends, Typologies</p> <p>Item III: Part I: The Use of Crypto-Assets, Stable coins, NFTs and DeFi/Smart Contracts for Sanction Circumvention Purposes – Trends, Typologies</p> <p>Item IV: Part II: The Use of Crypto-Assets, Stable coins, NFTs and DeFi/Smart Contracts for Sanction Circumvention Purposes – Trends, Typologies</p> <p>Workshop I – supervision and enforcement</p> <p>Workshop II: Sanctions circumvention</p>		

Date	Subject of the activity	Issues covered	No of participants	Type of participants
23-Nov-23	Day 4: Blockchain & Crypto trends & typologies & Professional workshops	<p>Item I: The Use of Crypto-Assets, Stable Coins, NFTs and DeFi/Smart Contracts for Tax Evasion Purposes – Trends, Typologies</p> <p>Workshop I: Intelligence Analysis / Tax</p> <p>Workshop II: The use of crypto assets for tax evasion purposes involving all agencies for the detection of assets</p> <p>Workshop III - incoming requests for information and how to extract information and how to analyse this information from a tax perspective</p>		
01-Dec-23	Advocacy Training to Prosecutors	<p>Item I: Discussion about the aim of the cross-examination</p> <p>Item 2: Cross-examination oral exercise</p> <p>Item 3: Closing-submissions oral exercise</p> <p>Item 4: Workshop</p>	13	AGO
18-Jan-2024	Follow-up session on terrorism financing	<p>Item I: International standards on criminalization of TF (Yehuda Shaffer)</p> <p>Item II: TF legislation - Malta (Yehuda Shaffer)</p> <p>Item III: Case study for discussion</p>	19	Lawyers from the Office of the Attorney General
19-Feb-2024	Day 1: Crypto Assets for Prosecutors	<p>Item I: Introduction to the topic – theoretical aspect (Mr. Amit Levin)</p> <p>Item II: Hands-on practical introduction (Mr. Amit Levin)</p>	43	Lawyers from the Office of the Attorney General

Date	Subject of the activity	Issues covered	No of participants	Type of participants
20-Feb-2024	Day 2: Crypto Assets for Prosecutors	<p>Item 1: How to apply existing regulatory frameworks to crypto currency (Mr Yehuda Shaffer)</p> <p>Item II: Case study focusing on an example of case on indictment (Mr. Amit Levin)</p> <p>Item III: Case study focusing on Best Practices and how to investigate information received from the VFASPS (Mr Amit Levin)</p> <p>Item IV: Case study focusing on best evidence rule addressing this from the exchange point of view (Mr Amit Levin)</p> <p>Case study on how to produce evidence in Court by the AGO</p> <p>Panel discussion (Mr Shaffer, Mr Levin &amp; MPF)</p>		
21-Feb-2024	Day 3: Crypto Assets for Prosecutors	<p>Workshop – case analysis (Mr Amit Levin)</p> <p>Hypothetical case study (MPF)</p> <p>Lessons learned from the above case studies and concluding remarks (Mr Yehuda Shaffer, Mr Amit Levin)</p>		
15-Mar-2024	Information session on Act VI of 2024	<p>Item 1: Overview of ACT No. VI of 2024 – an act to amend various laws relating to the proceeds of crime.</p> <p>Item II: Implications of Act No. VI of 2024, including on the quantifications of the proceeds of crime (Mr Yehuda Shaffer).</p> <p>Item III: Examples of quantifications of the proceeds of crime (Mr Yehuda Shaffer)</p>	43	Officers from the Malta Police Force

## List of abbreviations

AML/CFT	Anti-money laundering / Counter-Terrorism Financing
AMLA	EU Anti-Money Laundering Authority
AMLD	Anti-Money Laundering Directive
AMLR	Anti-Money Laundering Regulation
ARB	Asset Recovery Bureau
BO	Beneficial Ownership
CARF	Crypto Assets Reporting Framework
CBM	Central Bank of Malta
CD	Commerce Department
CeFi	Centralised Finance
CPF	Counter-Proliferation Financing
DAC8	EU Directive introducing tax transparency rules for crypto assets
DeFI	Decentralised Finance
DoC	Department of Contracts
DNFBPs	Designated Non-Financial Businesses and Professions
EBA	European Banking Authority
EU SNRA	European Union Supra-National Risk Assessment
FATF	Financial Action Task Force
FCID	Financial Crimes Investigations Department
FIAU	Financial Intelligence Analysis Unit
ICOFT	Inter-Agency Committee on Financing of Terrorism
IO	Immediate Outcome
MBR	Malta Business Registry
MFE	Ministry for Finance and Employment
MFSA	Malta Financial Services Authority
MJR	Ministry for Justice and Reform of the Construction Sector
MGA	Malta Gaming Authority
ML	Money Laundering
MONEYVAL	The Council of Europe Committee of Experts on the Evaluation of anti-money laundering Measures and the Financing of Terrorism
MoU	Memorandum of Understanding

MPF	Malta Police Force
MSS	Malta Security Service
MTCA	Malta Tax and Customs Administration
NCB	Non-Conviction Based
NCC	National Coordinating Committee on Combatting Money Laundering and Funding of Terrorism
NFT	Non-Fungible Token
NRA	National Risk Assessment
NSO	National Statistics Office
AGO	Office of the Attorney General
OCVO	Office of the Commissioner for Voluntary Organisations
OSA	Office of the State Advocate
PF	Proliferation Financing
PoCA	Proceeds of Crime Act
RELB	Real Estate Licensing Board
SOP	Standard Operating Procedures
SMB	Sanctions Monitoring Board
SNRA	Supra-National Risk Assessment
TF	Terrorism Financing
TFS	Targeted Financial Sanctions
VFA	Virtual Financial Assets
VFASPs	Virtual Financial Assets Service Providers