

ANNUAL REPORT

2022 -2023



NATIONAL COORDINATING COMMITTEE
ON COMBATING MONEY LAUNDERING
AND FUNDING OF TERRORISM

© The National Coordinating Committee on Combating Money Laundering
and Funding of Terrorism, 2023.

Maison Demandols
South Street, Valletta.
VLT 1102,
Malta.

Telephone: (+356) 2599 8517
Website: www.ncc.gov.mt
E-mail: ncc@gov.mt

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LETTER OF TRANSMITTAL TO THE MINISTER FOR FINANCE AND EMPLOYMENT

Hon. Minister for Finance and Employment

30, Maison Demandols,
South Street,
Valletta, VLT 1102.

Hon. Clyde Caruana,

As the Chairperson of the National Coordinating Committee on Combating Money Laundering and Funding of Terrorism, and in accordance with Article 11 of the National Coordinating Committee on Combating Money Laundering and Funding of Terrorism Regulations, Subsidiary Legislation 373.02, I have the honour to transmit to you in your capacity as Minister responsible for Finance, a copy of the Annual Report on the operations of the National Coordinating Committee on Combating Money Laundering and Funding of Terrorism, and the supporting Secretariat for the year ended 31 March 2023.

Mr Paul Zahra
Permanent Secretary
Ministry for Finance and Employment

List of abbreviations

AML/CFT	Anti-money laundering and counter-terrorism financing
ARB	Asset Recovery Bureau
BO	Beneficial Ownership
CBM	Central Bank of Malta
CPF	Counter-Proliferation Financing
FATF	Financial Action Task Force
FIAU	Financial Intelligence Analysis Unit
FUR	Follow-up Report
ICRG	International Co-operation Review Group
IO	Immediate Outcome
MBR	Malta Business Registry
MDIA	Malta Digital Innovation Authority
MER	Mutual Evaluation Report
MFE	Ministry for Finance and Employment
MFSA	Malta Financial Services Authority
MfJ	Ministry for Justice
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
MPF	Malta Police Force
MSS	Malta Security Service
MTCA	Malta Tax and Customs Administration
NCC	National Coordinating Committee on Combatting Money Laundering and Funding of Terrorism
NRA	National Risk Assessment
NSO	National Statistics Office
OAG	Office of the Attorney General
OCfR	Office of the Commissioner for Revenue
OCVO	Office of the Commissioner for Voluntary Organisations
ODA	Official Development Assistance
SMB	Sanctions Monitoring Board
TF	Terrorism Financing
VAT	Value Added Tax

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2022 was a challenging and successful year for the NCC and Malta as a whole. On the 23rd of June 2021, Malta made a high-level political commitment to work with the FATF and MONEYVAL to strengthen the effectiveness of its anti-money laundering and counter-terrorism financing regime (AML/CFT), a diplomatic way of saying that Malta got listed. It was a very negative outcome for Malta, and it was terrible news for all the stakeholders of the NCC. However, Malta immediately decided that this listing had to be a lesson to be learned by all the stakeholders. Under the coordination of the National Coordinating Committee on the Combating of Money Laundering and Funding of Terrorism (NCC), all the stakeholders immediately decided to turn a negative outcome into an eventual positive opportunity that would serve the country well not only in the foreseeable future but over the longer term.

In fact, during 2022, the NCC and the authorities involved have incessantly worked persistently to address the FATF national action plan in a sustainable and effective way. All this hard work paid off because Malta got out of the so-called grey list in June 2022.

The NCC with its stakeholders is now looking ahead with more confidence. This confidence is sustained by the conviction and evidence that what was implemented is robust, durable, and well-attuned to meet current and future challenges. To ensure this sustainability, the NCC will continue to ensure that Malta's framework and structures are effective and continuously based on a risk-based approach.

This document presents the actions taken by the NCC in the period between April 2022 and March 2023.

Background

The NCC is the governing body responsible for the general oversight of the AML/CFT policy and, therefore, is in charge of defining, overseeing, and coordinating the implementation of the national AML/CFT strategy.

It is responsible for promoting effective collaboration between regulators and law enforcement agencies and, for monitoring interaction between them. The objectives of the NCC are:

- Ensuring full transparency on Malta's AML/CFT risks
- Comprehensive, coordinated and communicated strategy for managing the risks
- Effective execution of and follow-through on decisions made
- Effective ongoing cooperation and intelligence sharing among stakeholders.

The responsibilities and functions of the NCC are set in the Prevention of Money-laundering Act (Chap. 373) and in Subsidiary Legislation 373.02 on the NCC, which also includes the drawing up and implementation of a National Strategy to combat money laundering, terrorism financing and proliferation financing. 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. The NCC has been fully established for over four years and the NCC board meets regularly to discuss policies and to address the necessary changes needed. The members of the board include:

- Permanent Secretary, Ministry for Finance and Employment – **Mr Paul Zahra**¹
- Chairperson of the Asset Recovery Bureau – **Judge Emeritus Dr Joseph David Camilleri**
- Governor of the Central Bank of Malta – **Prof Edward Scicluna**
- Commissioner, Office of the Commissioner for Revenue² – **Mr Joseph Caruana**
- Chairperson of the Financial Intelligence Analysis Unit – *currently vacant*³
- 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 – **Mr Emanuel Psaila**
- Permanent Secretary Ministry for Justice – **Mr Johan Galea**
- Attorney General – **Dr Victoria Buttigieg**

¹Mr Paul Zahra is the Chairperson of the NCC

² Presently, the office has been rebranded to Malta Tax and Customs Administration.

³ Mr Jesmond Gatt held this position until December 2022. The position was vacant during the writing of this report because the process of appointing a new Board of Governors was still in progress.

Developments in the NCC Board Members

NCC Chairperson

In 2022, the NCC experienced a change in the role of its chairperson. The role of chairperson was previously held by Mr Alfred Camilleri, the former Permanent Secretary of the Ministry for Finance and Employment. Mr Camilleri held such a position since the inception of the NCC back in 2018 until his retirement from public service in June 2022. In his role as chairperson of the NCC and Malta's head of delegation for MONEYVAL⁴, Mr Camilleri ensured that there is commitment and sustainability by all the key authorities in Malta's actions in addressing the FATF action plan.

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 Camilleri's retirement. Mr Zahra has been working within the Malta Public Service since 1984, and he held roles as Permanent Secretary in various Government Ministries since 2001. Before being appointed as Permanent Secretary of the Ministry for Finance and Employment, Mr Zahra held the position of Permanent Secretary in the Ministry for the Economy, European Funds and Lands. Mr Zahra also sits on several other Government boards and committees, and he is qualified in finance, management, and law.

Mr Kevin Mahoney

Mr Mahoney was the Permanent Secretary for the Ministry of Home Affairs, National Security and Law Enforcement. Since NCC's inception, Mr Mahoney was a board member and held this position until he was nominated as the Permanent Secretary on Coordination and Implementation at the Office of the Prime Minister. In April 2022, his position was filled by Mr Emanuel Psaila who currently holds the position of Permanent Secretary for the Ministry of Home Affairs, Security, Reforms and Equality.

Prof John Mamo

Prof Mamo was the chairperson of the Malta Financial Services Authority. He held this position since 2018 and therefore he was also a board member since the inception of the NCC. Prof Mamo's term as chairperson and NCC board member ended in February 2023. The position of chairperson of the Malta Financial Services Authority is now being held by Mr Jesmond Gatt. Mr Gatt was appointed as chairperson of the Malta Financial Services Authority in February 2023.

⁴ The Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism - MONEYVAL is a permanent monitoring body of the Council of Europe entrusted with the task of assessing compliance with the principal international standards to counter money laundering and the financing of terrorism and the effectiveness of their implementation, as well as with the task of making recommendations to national authorities in respect of necessary improvements to their systems.

Executive Secretary

During the past year, the NCC also underwent a change to its position of Executive Secretary. This position was previously held by Dr Helga Buttigieg Debono who highly contributed to the work that was done by the NCC. Dr Buttigieg Debono held this position from the inception of the NCC until January 2023. The position has now been filled by Dr Pauline Saliba.

Dr Saliba has a long-standing career within the public sector. After spending fifteen years in the Economic Policy Department of the Ministry for Finance, in 2018, Dr Saliba took a position as a senior manager within the NCC Secretariat. In 2020, Dr Saliba was promoted to Chief Economics Officer and held this position until she took her role as Executive Secretary and Head of the Secretariat in March 2023. With regard to educational achievements, Dr Saliba primarily graduated from the University of Malta in 2003 with a Bachelor of Commerce with Honours in Economics. Subsequently, she read her Master of Science degree in Development Finance at the University of London, where she graduated in 2006. Moreover, in 2018, Dr Saliba defended her doctoral thesis entitled “The Role of the EU's Official Development Assistance (ODA) in Fostering Economic Growth in Sub-Saharan African Countries.”

The National Anti-Money Laundering, Countering-Financing of Terrorism and Targeted Financial Sanctions Strategy 2021-2023

Subsidiary Legislation 373.025 gives the responsibility to the National Coordinating Committee on Combating Money Laundering and Terrorism Financing (NCC) to draw up a national strategy to combat money laundering (ML), terrorism financing (TF) and proliferation financing (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/TFS Strategy for 2021-2023⁶. The Strategy is available online in the following link: [National-AML_CFT-Strategy-Action-Plan-2021-2023.pdf \(gov.mt\)](https://www.gov.mt/ncc/AML-CFT-Strategy-Action-Plan-2021-2023.pdf).

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.

Sub-committees emanating from the National Strategy

The National Strategy gave rise to seven sub-committees with each having a specific purpose. The participants of these sub-committees range from high-level representatives to other more technical representatives from several supervisory authorities and public entities involved in the fight against money laundering, terrorism financing and proliferation

⁵ [LEĠIŻLAZZJONI MALTA \(legislation.mt\)](https://legislation.mt)

⁶ Referred to as 'Strategy' in this document.

financing. During the years 2022-2023, these sub-committees kept on meeting 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 money laundering and terrorism financing.
- 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
- Sub-committee that coordinates training and outreach initiatives related to money laundering, terrorism financing and proliferation financing.
- Sub-committee to improve the gathering of money laundering, terrorism financing and proliferation financing-related statistics.
- Sub-committee on the coordination of international participation on topics related to anti-money laundering, counter-terrorism financing, and counter-proliferation financing
- Sub-committee on the update of the National Risk Assessment

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 drafted in May 2022.

The sub-committee specialising on the update of the National Risk Assessment materialised into several sectorial working groups to address different sectors such as Company Service Providers, Designated Non-Financial Businesses and Professions, Legal Entities and Legal Arrangements, Virtual Assets Service Providers, and high-value goods. Details on the National Risk Assessment and the work of these working groups can be found in the section dedicated to the National Risk Assessment of this report.

MONEYVAL and the FATF

In April 2021, MONEYVAL’s 1st enhanced follow-up report (FUR)⁷ of Malta analysed the progress of Malta in addressing the deficiencies that were identified in the 2019 Mutual Evaluation Report (MER)⁸ with regard to the country’s technical compliance with the 40-Financial Action Task Force (FATF) recommendations. Re-ratings are given where sufficient progress has been made. The report also analyses the progress made in implementing new requirements relating to FATF recommendations which have changed since Malta’s MER was adopted (Recommendation 15). Following this assessment, Malta has been rated as being ‘largely compliant’ or ‘compliant’ with all the 40 FATF Recommendations.

With regard to the effectiveness of Malta’s AML/CFT framework, Malta’s 2019 MER concluded that Malta achieved the ratings of effectiveness indicated in the table below:

Table 1: Ratings of effectiveness for Malta in the 2019 MER

Immediate Outcome	1	2	3	4	5	6	7	8	9	10	11
MER Rating	ME	SE	LE	ME	ME	ME	LE	LE	ME	ME	SE

Effectiveness ratings can be either a High- HE, Substantial- SE, Moderate- ME, or Low – LE, level of effectiveness

Consequently, Malta was placed under enhanced follow-up and in the FATF International Co-operation Review Group (ICRG) process, and was expected to register tangible and significant progress for all those Immediate Outcomes (IOs) in which Malta obtained a moderate or a low level of effectiveness – that is, IOs 1 (on risk, policy and coordination), 3 (on Supervision), 4 (on Preventive measures), 5 (on Legal persons and arrangements), 6 (on Financial intelligence), 7 (on ML investigation and prosecution), 8 (on Confiscation), 9 (on TF investigation and prosecution), and 10 (on TF preventive measures and financial sanctions).⁹

During the ICRG process, Malta’s progress was comprehensively assessed by the FATF’s ICRG. By June 2021, the ICRG concluded that the vast majority of the recommended actions contained in the 2019 MER report were largely, or fully, addressed.

Nevertheless, due to a limited number of recommended actions that were deemed by the FATF to have been partly addressed, in June 2021 Malta was listed as a country under increased monitoring by FATF in relation to IO.5 and IO.6. The NCC worked incessantly with the authorities to report to the FATF on the sustainable effective results that Malta reached. One year later, the FATF considered that Malta addressed the pending recommended actions and the FATF action items and removed Malta from the list of jurisdictions under FATF increased monitoring (‘grey list’) in June 2022.

⁷ [Malta's progress in strengthening measures to tackle money laundering and terrorist financing \(fatf-gafi.org\)](https://www.fatf-gafi.org/en/publications/assessments-and-reviews/assessments-and-reviews-reports/malta-2021)

⁸ [Malta's measures to combat money laundering and terrorist financing \(fatf-gafi.org\)](https://www.fatf-gafi.org/en/publications/assessments-and-reviews/assessments-and-reviews-reports/malta-2019)

⁹ Full detail of the FATF methodology is obtained from: [FATF Methodology for assessing compliance with the FATF Recommendations and the effectiveness of AML/CFT systems \(fatf-gafi.org\)](https://www.fatf-gafi.org/en/publications/assessments-and-reviews/assessments-and-reviews-reports/malta-2021)

2023 National Risk Assessment

The process leading to a new National Risk Assessment (NRA) for Malta was launched in 2021. The said process is being coordinated by the National Coordinating Committee and sees the involvement of several authorities. These include:

- Financial Intelligence Analysis Unit,
- Malta Business Registry,
- Malta Financial Services Authority,
- Malta Gaming Authority,
- Malta Police Force,
- Office of the Attorney General,
- Customs Department,
- Malta Security Service,
- Asset Recovery Bureau,
- Commerce Department,
- Office of the Commissioner for Revenue,
- Central Bank of Malta,
- Sanctions Monitoring Board,
- Office of the Commissioner for Voluntary Organizations,
- Malta Security Service,
- Transport Malta,
- Shipping Registry.

The private sector, in the form of the representative bodies of the different subject persons, was also involved during the process. In addition, Malta has contracted the services of a foreign renowned consultant to assist it with the NRA process. A series of meetings were held in the first half of 2021 to:

- agree and set out the methodology to be followed in the carrying out of the said risk assessment,
- agree on the constitution of different Working Groups and their composition, and
- explain to all interested parties their role within the said process.

Different working groups have been set up to assess the threats and vulnerabilities presented by a particular sector or area of activity. Each working group is composed of those authorities who have the most intimate knowledge of the given sector, with one of them also assigned to lead the group. The first stage of the assessment process saw the collection, collation, and analysis of relevant data by the said authorities, who also drew up preliminary findings on the basis thereof. In the second stage, the preliminary findings were shared with the private sector through the respective representative body for discussion. The resulting feedback was considered by the working group to assess whether it is justified and warrants a review of the preliminary findings, or whether the preliminary findings can be adopted as is, by the working group. A series of recommendations as to how to address the identified risks are also to be included in the final report. The process is currently being concluded.

Between 2018 and the undertaking of the process for the 2023 NRA, Malta has also carried out a series of sector-specific risk assessments. These include risk assessments focusing on:

- virtual financial assets
- terrorism financing
- organised crime
- the shadow economy
- corruption
- concealment of beneficial ownership
- the laundering of the proceeds of tax crimes

Specifically, the risk assessment on concealment of beneficial ownership, and the risk assessment on the laundering of the proceeds of tax crimes were carried out in the last quarter of 2021 and were key in the FATF de-listing process.

Complemented by a series of strategic analyses undertaken by the FIAU, the results of these assessments are also being considered in the process for the 2023 NRA. The key results of some of the above can also be accessed through the following link: <https://ncc.gov.mt/resources/#sectorial-risks-link>.

Training 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 increase 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 between April 2022 and March 2023.

Training to officials from the Office of the Commissioner for Revenue on Money Laundering and Tax Evasion

Between the 8th and 10th of June 2022, the NCC organised a three-day training session on Money Laundering and Tax Evasion for officials from the Office of the Commission for Revenue. The training session was attended by 59 participants which included Tax and VAT auditors, inspectors, and accountants. The training session was delivered by three international experts on the subject and covered topics such as:

- An overview of cryptocurrencies and Non-Fungible Tokens
- Discussions on case studies related to missing trader intra-community fraud, local tax evasion and cryptocurrency
- Money laundering and corporate structures
- Case studies reflecting the dimensions of fighting tax evasion from suspicion, and detection through dept judgement and conviction



Figure 1 Training to officials from the Office of the Commissioner for Revenue on Money Laundering and Tax Evasion – 8 June 2022

Training on Trade-Based Money Laundering to several government entities

Between the 20th and the 23rd of June 2022, the NCC organised a four-day training session on trade-based money laundering. The training session primarily targeted officials from the Department of Customs, however, officials from other government departments and entities also attended the first and last days of the training. These two days saw the participants of officials from the Financial Intelligence Analysis Unit, the Malta Financial Services Authority, the Office of the Commissioner for Revenue, the Malta Police Force, the Office of the Attorney General, and the Sanctions Monitoring Board. The training sessions were delivered by international experts and covered the below topics:

- General concepts and methodologies of trade-based/service-based money laundering
- The relationship between bribery, corruption, and trade-based money laundering
- Trade-based money laundering in relation to precious metals and stones
- International standards on the relationship between funding of terrorism, trade-based money laundering and service-based money laundering.

The training session was concluded with a panel discussion on the topic with the participation of senior officials from different departments.



Figure 2 – Panel discussion on trade-based money laundering – 24 June 2022

Training to Prosecutors on Money Laundering and Tax Evasion

On the 21st and 22nd of July 2022, the NCC organised a two-day training session on money laundering and tax evasion for prosecutors from the Office of the Attorney General. The training session was led by two international experts on the subjects. The session was attended by 31 prosecutors and covered several topics which include:

- Money Laundering and tax evasion as a predicate offence in criminal proceedings
- FATF and tax evasion – criteria of what constitutes an administrative tax assessment and a criminal tax investigation in Malta

- Overview of international systems through case studies
- Confiscation and bona fide third-party rights
- Exchange of best practices

Interagency Cooperation in Financial Investigations Workshop

On the 26th and 27th of September 2022, the NCC organised a workshop with the scope to enhance cooperation among several government entities involved in financial investigations. This workshop was attended by officials from the Financial Intelligence Analysis Unit, the Office of the Commissioner for Revenue, the Malta Police Force, the Office of the Attorney General, the Office of the State Advocate and officials from the Asset Recovery Bureau. During the session, various case studies provided by the Financial Intelligence Analysis Unit and the Police were discussed. The discussions were led by international experts. At the end of the workshop, a high-level meeting was scheduled with the top management of all the entities involved to discuss the aftermath of the workshop and any identified gaps. It was also agreed that a follow-up session on the detection of assets was needed. This was scheduled for April 2023.

Training to Specialised Police Branches in Financial Investigations

Between the 28th and the 30th of September 2022, the NCC organised a three-day training session on financial investigations for Police officers from several specialised branches of the Malta Police Force which include the Economic Crimes Squad, Anti-Money Laundering Squad, Anti-Terrorism Squad, Major Crimes Squad, Drugs Squad, Vice Squad, Immigration section, and the Cyber-Crime Unit. 66 Police officers attended this training session.

The training session was led by international experts with the participation of officials from the Financial Intelligence Analysis Unit, the Office of the Commissioner for Revenue, the Office of the Attorney General and the Asset Recovery Bureau who gave presentations on the subject. Topics discussed include:

- Detecting assets and interagency cooperation
- Overview and discussion on money laundering legislation
- Analysis of case studies.



Figure 3 – Training to specialised branches of the Malta Police Force in Financial Investigations – 28 September 2022.

Training session on Crypto Assets and Taxation

To increase knowledge of Crypto Assets in relation to taxation, at the end of November 2022, the NCC organised a training session on the subject for officials from the Office of the Commissioner for Revenue. The training session was spread over three days, starting on the 30th of November 2022, and ending on the 2nd of December 2022, and was led by an international expert on crypto assets. The training session was attended by 23 officials and delved into several topics which include:

- What are crypto assets, non-fungible tokens and blockchain
- Definitions, classifications, and taxation of crypto assets
- Money laundering and terrorism financing risks of crypto assets and their relevance to taxation
- Crypto-related laws and regulations: the Markets in Crypto Assets regulation and the Crypto Asset Reporting Framework of the Organisation for Economic Co-operation and Development.



Figure 4- Training session on crypto assets and taxation – 30 November 2022

Training Session on Crypto Assets to the Prosecutors

A two-day training session was also organised for the prosecutors from the Office of the Attorney General on crypto assets. This session took place on the 27th of February and the 3rd of March 2023, and it was attended by 40 prosecutors. The training session was led by two international experts on crypto assets and an expert on money laundering and terrorism financing. The purpose of the training session was to give a better insight to the prosecutors on crypto assets in relation to investigations, prosecution, and confiscation. Officials from the Asset Recovery Bureau were also involved in the training session. The topics covered included:

- Best evidence rule and court procedures
- Money laundering risks, anti-money laundering standards, and reporting standards focusing on virtual assets service providers
- Transaction analysis
- Terrorism financing and investment fraud blockchain analysis
- Investigations and prosecutions involving cryptocurrency and wallets



Figure 5 – Training on crypto assets to prosecutors from the Office of the Attorney General – 27 February 2023.

Follow-up session on Crypto Assets and Taxation

After the training session on crypto assets and taxation which was organised in 2022, the Office of the Commissioner for Revenue felt the need that a follow-up session was necessary on the subject. Given this, the NCC organised another session this time involving more experts on the topic. The session took place between the 28th of February and the 2nd of March 2023, and it was attended by 30 officials from the Office of the Commissioner for Revenue. This second session delved deeper into the topic of crypto assets and how these can be taxed. A technical expert also provided training on how to open a hot wallet, how to send and receive digital currency, and how to carry out blockchain analysis. Other topics included:

- Understanding Centralized and Decentralized Finance
- Identification of audit risks related to crypto wallets
- How to find hidden funds on the blockchain



Figure 6 – Follow-up session on crypto assets to the officials from the Office of the Commissioner for Revenue – 28 February 2023

Identifying the Beneficial Owner and Anti-Money Laundering and Counter-Terrorism Financing Obligations

On the 20th of July 2022, the NCC organised an outreach session on identifying the beneficial owner of legal persons and legal arrangements. The session was open to both the public and the private sector and was attended by over 400 participants. The outreach session was led by national and international experts in the field and concluded with a panel discussion which mostly involved sharing of good practices on how particular situations are to be tackled.



Figure 7 – Outreach session on identifying the beneficial owner and anti-money laundering and counter-terrorism financing obligations – 20 July 2022.

Sub-committee for monitoring legislative initiatives related to money laundering and terrorism financing

Chair: Dr Chris Soler – State Advocate

Members:

- Ministry for Justice, Equality and Governance
- 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
- Office of the Commissioner for Revenue
- Customs Department
- 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 anti-money laundering, counter-financing of terrorism and counter-proliferation financing

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
- Office of the Commissioner for Revenue
- Customs Department
- 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

Sub-committee on the coordination of international participation on topics related to anti-money laundering, counter-financing of terrorism and counter-proliferation financing

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

- Office of the Commissioner for Revenue
- Customs Department
- 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 2022	13:00 – 14:00

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
- Office of the Commissioner for Revenue
- 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 June 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
- Office of the Commissioner for Revenue
- Customs Department
- 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 th 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.

