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Edisaun | *Edition*

Relatóriu kada-tinan | *Annual Report*

2017



Unidade de
Informação
Financeira





Relatóriu kada-tinan | *Annual Report*

2017



Konteúdo | Contents

Akrónimu no Abreviasaun	3	<i>Acronyms and Abbreviations</i>	3
Lia-Menon Husi Diretora Ezekutiva	5	<i>Message of Executive Director</i>	5
Lian-maklokek	8	<i>Introduction</i>	8
Kapítulu 1	11	<i>Chapter 1</i>	11
UIF: Missaun, Knaar-fukun, Organizasaun no Governasaun		<i>UIF: Mission, Core Mandate, Organization and Governance</i>	
1.1 Knaar-fukun		1.1 <i>Core Mandate</i>	
1.2 Organizasaun no Governasaun		1.2 <i>Organization and Governance</i>	
Kapítulu 2	19	<i>Chapter 2</i>	19
Rezultadu no Pontu Importante sira iha 2017		<i>Achievements and Highlights of 2017</i>	
2.1 Obrigasaun Hato'o Relatóriu		2.1 <i>Reporting Obligations and Typologies</i>	
2.1.1 Relatóriu Tranzasau Suspeita		2.1.1 <i>Suspicious Transaction Reports</i>	
2.1.2 Relatóriu Tranzasau Numeráriu		2.1.2 <i>Cash Transaction Reports</i>	
2.1.3 Hakat-fronteira ho Transportasaun Numeráriu no TPN		2.1.3 <i>Cross-border Transportation of Cash and BNI</i>	
2.1.4 Tipolojia		2.1.4 <i>Typologies</i>	
2.2 Implementasaun Medida Preventiva		2.2 <i>Implementation of Preventative Measures</i>	
2.2.1 Forum Responsável Conformidade		2.2.1 <i>Compliance Officers Forum</i>	
2.2.2 Programa Sensibilizasaun		2.2.2 <i>Awareness Rising Program</i>	
2.3 Dezenvolvimentu Kapasitasaun UIF		2.3 <i>UIF Capacity Development</i>	
2.4 Dezenvolvimentu Koperasaun		2.4 <i>Cooperation Development</i>	
2.4.1 Koperasaun no Kordensau Nasionál		2.4.1 <i>National Cooperation and Coordination</i>	
2.4.2 Koperasaun Internasionál		2.4.2 <i>International Cooperation</i>	
Kapítulu 3	47	<i>Chapter 3</i>	47
Dezafiu no Prioridade		<i>Challenges and Priorities</i>	
APENDIKS	49	<i>APPENDICES</i>	49
1. Entidade Sujeita tuir Lei ABK/KFT		1. <i>Reporting Entities as Required under AML/CFT Law</i>	
2. Membru CNCBC		2. <i>Members of CNCBC</i>	
3. Categoria Infrasaun Orijin Designadu Tuir GAFI nia Rekomendasau		3. <i>Designated Predicate Offence Categories (FATF Recommendations)</i>	
4. Glossáriu		4. <i>Glossary</i>	

Akrónimu no Abreviasaun | *Acronyms and Abbreviations*

3

Akrónimu no Abreviasaun
Acronyms and Abbreviations

ABK/KFT	Anti-Brankeamentu Kapitál no Kombaté Finansiamentu Terrorizmu
AML/CFT	<i>Anti-Money Laundering and Combating the Financing of Terrorism</i>
AK LEA	Autoridade Kompetente <i>Law Enforcement Authorities</i>
ATO CEB	Ajénsia Troka Osan <i>Currency Exchange Bureau</i>
ANR NRA	Avaliasaun Nasional ba Risku <i>National Risk Assessment</i>
BCTL	Banco Central de Timor-Leste
BK ML	Brankeamentu Kapitál <i>Money Laundering</i>
BNCTL	Banco Nacional de Comércio Timor-Leste
CNCBC	Comissão Nacional para a Implementação de Medidas Destinadas ao Combate ao Branqueamento de Capitais e ao Financiamento do Terrorismo (<i>Portuguese abbreviation for National Commission of AML/CFT</i>)
FT	Finansiamentu Terrorizmu <i>Financing of Terrorism</i>
GAFI FATF	Grupo de Ação Financeira <i>Financial Action Task Force</i>
GAP APG	Grupo Ásia Pásifiku Anti-Brankeamentu Kapitál <i>Asia Pacific Group on Money Laundering</i>
RAM MER	Relatóriu Avaliasaun Mútua <i>Mutual Evaluation Report</i>
OTO MTO	Operador Transfere Osan <i>Money Transfer Operators</i>
ISSD ODTI	Instituisaun Seluk Simu Depóritu <i>Other Depository Taking Institutions</i>
PJR PGO	Prokuradoria Jeral Republika <i>Prosecutor General Office</i>

PCIC	Polícia Científica e de Investigação Criminal (<i>Scientific Police and Criminal Investigation</i>)
PPATK	<i>Pusat Pelaporan dan Analisis Transaksi Keuangan</i> (Abbreviation for Indonesian FIU)
PEN NSP	Plano Estratégico Nacional <i>National Strategic Plan</i>
RDTL	República Democrática de Timor-Leste
RTS STR	Relatório Tranzasaun Suspeita <i>Suspicious Transaction Report</i>
RTN CTR	Relatório Tranzasaun Numeráriu <i>Cash Transaction Report</i>
UIF FIU	Unidade de Informação Financeira - <i>The official name for the "Financial Intelligence Unit" of Timor-Leste</i>
TPN BNI	Título Portadór Negosiável <i>Bearer Negotiable Instrument</i>
DTM DCT	Deklarasaun Transporte Moeda <i>Declaration of Cash Transportation</i>
PACED	Projeto de Apoio à Consolidação do Estado de Direito nos PALOP e em Timor-Leste <i>Project to Support the Consolidation of the Rule of Law in PALOP and Timor-Leste</i>
PALOP	Países Africanos de Língua Oficial Portuguesa <i>Portuguese Speaking African Countries</i>
PPE PEP	Pessoas Politicamente Expostas <i>Political Exposed Persons</i>



Lia-menon husi Diretora Ezekutiva | *Message from the Executive Director*

5

Lia-menon Diretora Ezekutiva
Executive Director's Message

Ho konsiderasaun no ksolok mak ha'u apresenta relatóriu datoluk Unidade de Informação Financeira nian ba tinan remata iha loron 31 Dezembru 2017, hodi kumpri rekizitu legal hatu'ur iha Dekretu-lei nú.16/2014 loron 18 Juñu, konabá hato'o relatóriu kada-tinan ba Sr. Governador Banco Central Timor-Leste, halo publikasaun no mós hato'o kópia ba autoridade competente sira iha nível nasional.

Tinan 2017 nu'udar kontinuasaun progressu no hakle'an esperiensa ba instituisaun UIF no nia funsionáriu sira. Relatóriu ne'e subliña progressu balu ne'ebé reflete missaun UIF nian nu'udar ajénsia sentral independenti no kredível iha prosessu kombate brankeamentu kapitál no finansiamentu terrorizmu no mós knaar-fukun sira, inklui serbissu hamutuk ho autoridade nasional no organizasaun internasional sira.

Relatóriu ne'e haklaken organizaun no governasaun UIF nian, knaar no atividade ne'ebé hala'o ona durante 2017 no mós planu asaun ba tinan 2018 ne'ebé inklui esforssu sira atu continua hasa'e koñesimentu públiku no halo akordu ba harossan ho autoridade sira nivel nasional no internasional.

UIF haknaar-an nu'udar entidade independenti ida iha Banco Central laran, nune'e hodi UIF nia naran no liu hosi biban ida ne'e, hato'o agradese sasukat laiha ba apoiu hosi Banco Central liu-hosi fomesimentu facilidade knaar nian, apoiu IT, no ba biban Banco Central fo hodi diskuti assuntu

It is with considerable pleasure that I present the third annual report of the Unidade de Informação Financeira (UIF), for the year ended 31 December 2017, to comply with provisions of the Decree Law no.16/2014 of 18 June, concerning submission of annual report to Governor of Banco Central de Timor-Leste as well as to publish and to transmit copies of said report to national competent authorities.

2017 was a year of continuing growth and deepening of experience for the management and staff of the UIF. This report highlights progress against the UIF's mission – to be an independent and credible centre for combatting money laundering and combatting the financing of terrorism – and its core mandates, which include cooperating closely with other domestic and international organisations. This report also describes the UIF's organisation and governance, its activities and achievements during 2017, as well as its plans for 2018 which include further efforts to raise public awareness and signing of MOUs to cooperate with a wider range of international jurisdictions.

The UIF operates as an autonomous unit within the Central Bank, and I take this opportunity to thank the management of the Central Bank for their ongoing support through the provision of office facilities, IT technical support, and the opportunity to discuss matters of mutual concern with my Central Bank colleagues.

ruma ne'ebé konsidera preokupasaun mútua. Ha'u hakarak espessa apresiasaun UIF nian ba Chefe sira responsável area konformidade hosi banku komersial sira no instituisaun finanseira seluk ba kolaborasaun no koperasaun diak. La haluha mós apresiasaun ba UIF nia parseiru sira iha nivel nasional no internasional ne'ebé kontribui ativamente ba dezvoltamentu institucional UIF nian.

Molok remata, hau hakarak rekoñese serbissu maka'as, dedikasaun no kompromissu hosi staff tékniku UIF nian ne'ebé hatudu nafatin ba meta UIF nian. Liu hosi sira nia hakaas-an ne'e, UIF haknaar-an diak liu tan hodi bele kontribui ba esforssu nasional Repúblika Demokrática Timor-Leste nian iha prosessu luta hassoru aktu kriminal brankeamentu kapitál no finansiamentu terrorizmu.

I would also like to express the UIF's appreciation to the compliance managers at the commercial banks and non-bank financial institutions for their ongoing collaboration and cooperation. Also to staff at the UIF's partners, both the national authorities and our international partners who continue to actively contribute to the UIF's institutional development.

Finally, I wish to acknowledge the UIF's members of staff for their hard work and commitment to the UIF's goals. Through their efforts, the UIF is ever better positioned to play its role in helping the Democratic Republic of Timor-Leste to fight money laundering and the financing of terrorism.

Maria José J. Sarmento
Diretora Ezekutiva | Executive Director

Dili, 27-04-2018



Lian-maklokek | Introduction

Nu'udar relatóriu kada-tinan ne'ebé UIF apresenta, ami sei hahú ho rezumu badak konabá Unidade de Informação Financeira no mós progressu relevante konabá Kuadru Legál balu hanesan rezultadu implementasaun planu estratéjiku nasional anti-brankeamentu kapitál no finansiamentu terorismu Timor-Leste nian.

Tuir Lei nu. 17/2011, 28 Dezembru ne'ebé mak estabese Rejime Legál konabá Prevensaun no Kombate Brakeamentu Kapitál no Finansiamentu Terrorizmu (ABK/KFT), kria UIF iha Banco Central de Timor-Leste (BCTL) nia laran, nu'udar Ajénsia Nasional ida atu simu no analiza Relatóriu Tranzasau Suspeita (RTS); informasaun seluk ne'ebé relevante ho brankeamentu kapitál, krimi orijin sira, no finansiamentu terorizmu; no mós disseminasaun rezultadu analiza ba Ministériu Públiku (Prokuradoria Jerál Repúlika). Hanesan koñesimentu global, natureza krimi sira ne'e hanesan krimi transnasionál, nune'e UIF kria hanesan Unidade Intelijénsia Finanseira Timor-Leste ne'ebé hola parte iha komitmentu Nasional hodi kontribui ba kontra brankeamentu kapitál, finansiamentu terorizmu no mós atu kumpri GAFI nia Rekomendasun-29 ne'ebé rekere Nasaun membru APG sira atu estabese FIU ida hodi serbi nu'udar sentru nasional ba objetivu temi ona iha leten.

Iha nível Nasional, Timor-Leste continua halo esforsu tomak atu kumpri obrigasaun internasional hirak hatuur iha akordu ne'ebé asina ona hosi Nasaun hotu iha area ABK/KFT, no mós implementa nafatin objetivu sanulu ne'ebé trasa ona iha Planu Estratéjiku Nasional (PEN) 2016 - 2020, hodi responde ba defisiensia ne'ebé identifika iha Avalíasaun Nasional ba Risku (ANR) - 2015 no Relatóriu Avalíasaun Mútua - 2012 ne'ebé prodúz husi APG.

As this is the Annual Report released by the UIF, we shall begin by providing a brief overview of the Unidade de Informação Financeira and of the particular progress concerning the national legal and regulatory framework that Timor-Leste has made in implementing its anti-money laundering and combating financing of terrorism national strategic plan.

The UIF was created within the Banco Central de Timor-Leste ("BCTL") under Law no. 17/2011 of 28 December, which establishes the Legal Regime for the Prevention Money Laundering and Combating of Terrorist Financing ("AML/CFT") as a national agency for the receipt and analysis of suspicious transaction reports (STR); other information relevant to money laundering, associated predicate offences¹ and terrorist financing; and for the dissemination of the result of that analysis to the Public Ministry (Prosecutor General's Office). As the nature of these types of crimes are in many cases transnational, the creation of the UIF, which is the Financial Intelligence Unit (FIU) of Timor-Leste, is part of the nation's commitment to contributing to the fight against money laundering and terrorist financing crimes in compliance with the key requirement of FATF² Recommendation 29, which requires the APG³ member countries to establish a FIU that serves as a national centre for said purpose.

At the national level, Timor-Leste continues to make efforts to honour the international agreements signed by the countries in the AML/CFT area, as well as to implement the ten strategic objectives in the National Strategic Plan (NSP) 2016 - 2020⁴ to address the deficiencies identified in the National Risk Assessment (NRA) - 2015 and in the Mutual Evaluation Report - 2012 produced by the APG/ML.

¹ The predicate offence is the primary offence from which the criminal proceedings are derived.

² Information on the Financial Action Task Force (FATF) is available at www.fatf-gafi.org

³ The Asia Pacific Group on Money Laundering (APG) is the FATF regional-style body of which Timor-Leste has been a member since July 2008.

⁴ The NRA and NSP are available at <https://www.bancocentral.tl>

Ba objetivu ida ne'e mak Timor-Leste kontinua hadia sistema liu hosi aprovasaun Lei; Dekretu-Lei; no Instrusaun relevante balu. Durante periudu 2017, iha rezultadu progressu balu hodi tipifika krimi orijin sira ne'ebé seidak kobre iha Lei ABK/KFT; reforsa medida preventiva; kontrolu no mekanizmu kordenasaun; hodi reforsa instituisaun relevante sira, liu-hosi aprovasaun Lei hanesan tuir mai ne'e:

- Lei nu. 2/2017, 25 Janeiro, Prevensaun no Kombate Tráfiku - Droga;
- Lei nu. 3/2017, 25 Janeiro, Prevensaun no Kombate Tráfiku - Umanu;
- Dekretu-Lei nu. 7/2017, 22 Marsu, Serbissu Rejistu no verifikasaun Negósiu;
- Lei nu. 10/2017, 17 Maiu, Kompañia Komersial;
- Dekretu-Lei nu. 16/2017, 17 Maiu, Rejistu Kompañia;
- Instrusaun BCTL nu. 4/2017, 28 Marsu, Inportassaun no Exportassaun Osan Numeráriu;
- Instrusaun BCTL nu. 05/2017, 25 Agustu, Identifikasaun Kliente, Retensaun Dokumentus, no Komunika Tranzasau.

Ida ne'e hanesan pasu importante atu hametin esforsu Timor-Leste nian iha prosessu kombate brankeamentu kapitál, finansiamentu terrorizmu no krimi orijin sira, hodi bele proteje integridade instituisaun finanseira no ekonomia Timor-Leste, no mós atu kumpri tratadu no konvensaun internasionál sira.

For this purpose, Timor-Leste progressively passed laws, decree-laws⁵ and instructions⁶. During the period of 2017, major achievements were made to criminalise the remaining predicate offences that had not been covered by the AML/CFT Law, to enhance preventative measures, to control and coordinate mechanisms, and to reinforce the relevant institutions through the approval of:

- *Law no. 2/2017 of 25 January on the Prevention and Combating of Drug Trafficking,*
- *Law no.3/2017 of 25 January on the Prevention and Combating of Human Trafficking,*
- *Decree-Law no. 7/2017 of 22 March on Business Registration and Verification Services,*
- *Law no. 10/2017 of 17 May, on Commercial Companies,*
- *Decree-Law no. 16/2017 of 17 May on Company Registration,*
- *BCTL Instruction no. 4/2017 of 28 March on the Importation and Exportation of Cash, and*
- *BCTL Instruction no. 05/2017 of 25 August on Customer Identification, Document Retention and Communication of Operations.*

This is an important step in enhancing Timor-Leste's efforts in the fight against money laundering, terrorist financing and relevant predicate offences in order to protect the integrity of the financial institutions and economy of Timor-Leste, and to gain compliance with international treaties and conventions.

⁵ Laws and decree laws can be accessed on the RDTL Government website at <http://www.mj.gov.tl/jornal/>

⁶ Regulations and Instructions are regulatory instruments issued by BCTL and are available at <https://www.bancocentral.tl>.



Kapítulu 1 **Chapter** 1

**UIF: Missaun,
Knaar-fukun,
Organizasaun no
Governasaun | UIF:
Mission, Core Mandate,
Organization and
Governance**

Missaun UIF nian mak kontinua nu'udar Sentru independente ida no kredível atu fornese kualidade intelijénsia ba nia parseiru sira, ativu realiza sensibilizasaun ba públiku konabá ABK/KFT ho topiku sira-seluk ne'ebé hanesan, no mós promove koperasaun efetivu iha rai-laran no internasional hodi luta kontra brankeamentu kapitál, finansiamentu terrorizmu no krimi orijin hotu.

The mission of the UIF is to continue to be an independent and credible centre, supplying high quality intelligence information to partners, actively promoting public awareness-raising programmes concerning AML/CFT-related topics, prioritising the reporting of entities to promote their compliance with applicable legal obligations, and promoting effective domestic and international cooperation in the fight against money laundering, terrorist financing and associated predicate offenses.

1.1

Knaar-fukun | Core Mandate

Tuir Lei ABK/KFT Artigu 4, knaar-fukun UIF nian mak, simu informasaun intelijénsia relevante ho hamutin osan ka brankeamentu kapitál (BK), finansiamentu terrorizmu (FT) no krimi orijin sira, analiza, no dissemina ba Ministériu Públiku - Prokuradoria Jerál Repúblika. Natureza no funsaun UIF nian regula ho Dreketu-Lei nú. 16/2014, 18 juñu no regula mós estrutura organizasaun nu'udar entidade independenti ida iha Banco Central laran. UIF nia jestaun operasionál tenki independenti ho objetivu atu aplika kbiit, devér, no funsaun hotu ne'ebé iha, inklui autonomia iha desizaun saida deit relaciona ho knaar: simu no analiza informasaun relevante no dissemina informasaun relevante ba autoridade competente sira.

Atu bele alkansa objetivu no missaun UIF nian, Dekretu-Lei nu. 16/2016, Artigu 2 no 6, tau obrigasaun ba UIF atu hala'o knaar hanesan tuir mai:

1. Simu RTS konabá hamutin osan (brankeamentu) ho rezultadu produktu krimi no informasaun relevante seluk husi entidade sujeita sira;
2. Halo análise adekuada ba informasaun ne'ebé simu ona no rekolla informasaun adisionál;
3. Dissemina rezultadu análise, bainhira iha razaun suspeita ne'ebé forte katak tranzasaun finansiamentu ida iha indikasaun ba atividade BK/FT;

In accordance with Article 4 of the AML/CFT Law, the core mandate and functions of the UIF is to receive intelligence information relevant to money laundering (ML), the financing of terrorism (FT) and associated predicated offenses, to analyse, and to disseminate the results of these analyses to the Public Ministry (the Prosecutor General's Office). The nature and functions of the UIF are determined by Decree-Law No 16/2014 of 18 June, which also regulates the organisational structure and management of the UIF as an independent unit within the Central Bank. The UIF is independent in its operational management for the purpose of enforcing its powers, duties and functions, including full autonomy in decisions to receive, analyse and disseminate relevant information to competent authorities.

To achieve the mission objective, the UIF is required under Articles 2 and 6 of Decree Law no. 16/2016 to execute the following actions:

1. *To receive STRs related to the laundering of the proceeds of crime or terrorist financing and other relevant information from the reporting entities,*
2. *To undertake the proper analysis of STRs and request additional information if necessary,*
3. *To disseminate the results of analysis, whenever strong grounds for suspicion exist that certain financial transactions are indicative of ML or TF activity;*

4. Simu RTN no formuláriu deklarasaun lori osan numeráriu tama sai fronteira husi autoridade Aduaneira;

5. Kolabora ho Autoridade Judisiál no autoridade sira seluk ne'ebé iha kompeténsia ABK/KFT bainhira simu pedidu informasaun inklui pedidu konabá apoiu tékniku perisial;

6. Kordena no propoin mekanismu akordu koperasaun ho autoridade relevante iha nível nasional, nune'e mós ho UIF internasionál sira konabá troka informasaun hodi combate BK/FT iha forma efetivu no eficiente;

7. Koopera ho autoridade relevante hodi promove sensibilzasaun públiku nune'e permiti ema hotu iha koñesimentu baziku konabá ABK/KFT;

8. Aplika sansaun administrativa bainhira iha infrasaun ruma komete husi entidade sujeita hirak ne'ebé seidak iha autoridade regulasaun no supervizaun;

9. Mantein sistema baze-dadus apropriadu hodi armazena informasaun hirak ne'ebé simu, analiza no dissemina ba autoridade competente.

Artigu 21 hosi Lei ABK/KFT, fo mós kbiit eskruzivu ba UIF atu assessu informasaun ka halo pedidu informasaun adisional hosi fonte oi-oin (entidades sujeita sira, autoridade polisia, autoridade supervizaun, no instituisaun estadu seluk) ne'ebé iha autoridade atu prevene no combate krimi orijin sira hodi bele ezekuta funsaun ho efetivu no eficiente.

Ses-hosi knaar-fukun no funsaun iha leten, Diretor Ezekutivu UIF mós membru CNCBC tuir alterasaun Rezolusaun Governu nu. 18/2016, 29 Juñu. Ne'e signifika katak, UIF iha obrigasaun atu serbissu hamutuk no besik liu tan ho autoridade competente hotu hodi kontribui ba dezvoltimentu no mantein rede Timor-Leste nian atu identifika no combate atividade brankeamentu kapitál, finansiametu terrorizmu no krimi orijin relevante sira, ho objetivu atu kumpri Timor-Leste nia obrigasaun internasionál, liu-liu hanesan membru APG/ML nian.

4. To receive CTRs and declaration forms of cross-border cash transportation from the Customs Authority;

5. To collaborate with judicial authorities and other LEAs with expertise in AML/CFT matters upon receiving any request for information, including requests for technical support;

6. To coordinate and propose cooperation agreement mechanisms with the relevant authorities at the national level and international FIUs in order to combat ML/FT in an effective and efficient way,

7. To cooperate with the relevant authorities to promote public awareness raising to guarantee the public has a basic knowledge of AML/CFT,

8. To apply administrative sanctions if infractions are committed by those reporting entities that are not subject to any supervision of regulatory and supervisory authorities, and

9. To maintain a secure database system for storing information and received analyses, and disseminating them to the relevant authorities.

Furthermore, Article 21 of the Law granted the exclusive power to UIF to access information and/or to request additional information from a variety of sources (reporting entities, police authorities, judicial and supervisory authorities, other state institutions) vested with the authority to prevent and combat related predicate crimes, in order to execute its function effectively and efficiently.

Aside from the above core mandate, the Executive Director of UIF is also definitive member of the CNCBC⁷ in accordance with the amended Government Resolution no. 18/2016 of 29 June. This means UIF is required to closely cooperate with other competent authorities to contribute to the building and maintaining of a network in Timor-Leste that is directed to identify and combat money laundering activities, terrorist financing and relevant predicate offences, and which also has the purpose of fulfilling Timor-Leste's international obligations in particular the obligation of Timor-Leste as a member of the APG/ML.

⁷ Comissão Nacional para a Implementação das Medidas Destinadas ao Branqueamento de Capitais e ao Financiamento do Terrorismo ("CNCBC"), is a national coordination mechanism as provided in the RDTL Government Resolution no. 10/2014 and as amended by Resolution no. 18/2016 of 29 June.

1.2

Organizasaun no Governasaun *Organisation and Governance*

Haktuir Artigu 3, Dekretu-Lei nu. 16/2014, autoridade a'as-liu iha Unidade de Informação Financeira mak Diretor Ezekutivu, ne'ebé sei responsável ba jestaun operasionál hotu no mós atividade loron-loron nian.

Iha realizasaun atividade operasionál, UIF lao-tuir politika, prosedimentu, no protokolu administrativa BCTL nian, inklui orsamentu ba operasionál ne'ebé haktuir iha Artigu 8 hosi Dekretu-Lei katak kustu finanseiru ne'ebé nesessáriu hodi dezempeña atividade operasionál UIF nian hotu, tenki inklui iha orsamentu kada-tinan Banco Central Timor-Leste nian hodi hetan aprovasaun. Dever BCTL nian ne'e kobre mós fornimentu serbissu-fatin, ekipamentu eskritóriu no apoiu em jerál ba administratsaun, lojistika, aprovizionamentu no mós serbissu seluk. Iha sorin seluk, UIF iha obrigasaun atu apresenta relatóriu kada-tinan ne'ebé kobre atividade hotu durante tinan ida laran ba Governador BCTL. Relatóriu kada-tinan ne'e mós sei publika no transmite ba autoridade competente sira ne'ebé iha kompeténsia ABK/KFT.

Entidade ne'e hahú funsionamentu operasional iha loron 26 setembru 2014, ho pessoal na'in rua deit hafoin iha tinan-klaran 2016 to'o 31 Dezembru 2017, dever instituisaun nian suporta ho funsionáriu nain tolu ho nivél-officer no mós kontinua hetan suporta tekniku hosi funsionáriu IT fornese husi BCTL. Iha Janeiru 2017, Diretora Ezekutiva ofisiálmente nomeia Tékniku ida hodi asumi knaar hanesan Jestor Operasionál. Desizaun ba delegasaun kompeténsia ne'e hanesan passu importante ida atu fasilita knaar UIF nian hala'o ho diak, liu-liu atu asegura knaar no responsabilidade Diretor Ezekutivu nian lao nafatin iha tenpu saida deit.

Funsaun fukun UIF nian fahe ba fatin (divizaun) tolu hanesan: Administrasaun no knaar Tékniku ba RTS, Formasaun no Habelar Informasaun ba Públiku, Kopersaun. Alén área refere, UIF hetan mós apoiu Tékniku Informátiku hosi BCTL.

1. Divizaun Administrasaun RTS no Tékniku mak área ida ne'ebé dezempeña funsaun principal UIF nian no responsável ba administrasaun

The highest authority in the Unidade de Informação Financeira is the Executive Director, as provided in Article 3 of Decree Law no. 14/2016, who shall be responsible for overseeing the operational management and daily activities of the UIF.

In performing operational activities, the UIF follows all the administrative policies, procedures and protocols of BCTL, including the provision of an operational budget pursuant to Article 8 of Decree Law that all financial costs required for said activities shall be incorporated into the annual budget of BCTL for approval. BCTL additionally, provides office space and all needed equipment for UIF operations, and fully supports the UIF in relation to administration, logistics, corporate strategy, procurement and other services. On the other side, UIF has obligation to present to Governor of BCTL an annual report containing all activities performed during the year in accordance with Article 9 of the same Decree Law. The annual report shall be published and be transmitted to the authorities with relevant AML/CFT competences.

This entity officially commenced its operation on 26 September 2014 with two personnel only and started from mid of 2016 to 31 December 2017 the duties of the entity are performed with the full support of three officer-level staff members and continuous technical support from the IT staff provided by BCTL. In January 2017, the Executive Director officially designated a technical officer to assume the job of Operational Manager. The decision of delegation of competence was an important step in facilitating the smooth operation of the UIF, particularly by ensuring that the powers and functions under the Director's responsibility can be performed at all times without delay.

The functions of the UIF are separated into three main areas. These are: The STR Administration and Technical Division, The Training and Awareness-Raising Division, and the Cooperation Division. Also relevant is our IT Support, which is provided to the UIF by BCTL.

1. The STR Administration and Technical Division performs the UIF's core functions, and

RTS no mós informasaun relevante ne'ebé simu husi entidade sujeita sira konabá BK/FT; analiza no rekolla informasaun adisionál nune'e mós hatama (input) dados ba sistema baze-dados. Relatóriu hotu-hotu ne'ebé simu sei halo validasaun atu asegura informasaun mínimu nesessáriu inklui ona iha relatóriu. Hafoin, sei halo analiza, inklui verifika se iha ligasaun ruma ho dados ezistenti iha no informasaun intelijénsia, buka informasaun hosi autoridade competente sira, inklui informasaun hosifonte públiku no mós hosi FIU internasionál ruma. Área ida ne'e mós responsável ba produsau estatística no tipolojia atu tau hamutuk dados estatística tuir RTS sira ne'ebé simu, no mós atu fornese informasaun hanesan orientasaun no tipolojia ba autoridade supervizaun no entidade sujeita sira. Tipu relatóriu analiza tipolojia nian sei prepara ba referénsia internál, no relatóriu hirak ne'e bele sai mós mata-dalan ida ne'ebé nesessáriu ba revizaun polítika autoridade supervizaun nian.

2. Formasaun no Habelar Informasaun ba Públiku mak hanesan funsaun ida tuir Dekretu-Lei nu. 16/2014 Artigu ne'ebé fo kbiit ba UIF atu kordena ho autoridade competente sira hodi promove programa sensibilizasaun ba públiku konabá ABK/KFT. Programa ne'e importante tebes hanesan asaun estratéjia UIF nian ida. Divizaun ne'e mak responsável ba implementasaun programa interna no organizasaun formasaun no workshop habelar informasaun ba públiku.

3. Divizaun Koperasaun sei propoin akordu koperasaun no troka informasaun ho entidade domestika no internasionál sssira atu kumpri Artigu 11 husi Dekretu-Lei nu. 16/2014. Artigu ne'e rekere UIF atu halo akordu tantu ho UIF internasionál no mós kolabora ho autoridade judisiál sira iha nível nasional inklui autoridade seluk ne'ebé iha kompeténsia ba ABK/KFT. Haré ba assuntu koperasaun ho insitituisaun seluk iha importánsia significativu hodi permiti entidade ne'e implementa knaar tuir knaar legál, nune'e Divizaun ida ne'e essencial tebes.

4. Apoiu Tékniku Informátiku ne'e krusial tebes ba funsaun hotu-hotu UIF nian atu mantein baze-dados ne'ebé seguru no ekipamentu eletróniku hotu inklui fo assistensia iha prosessu dezenvolve sistema baze-dados apropriadu.

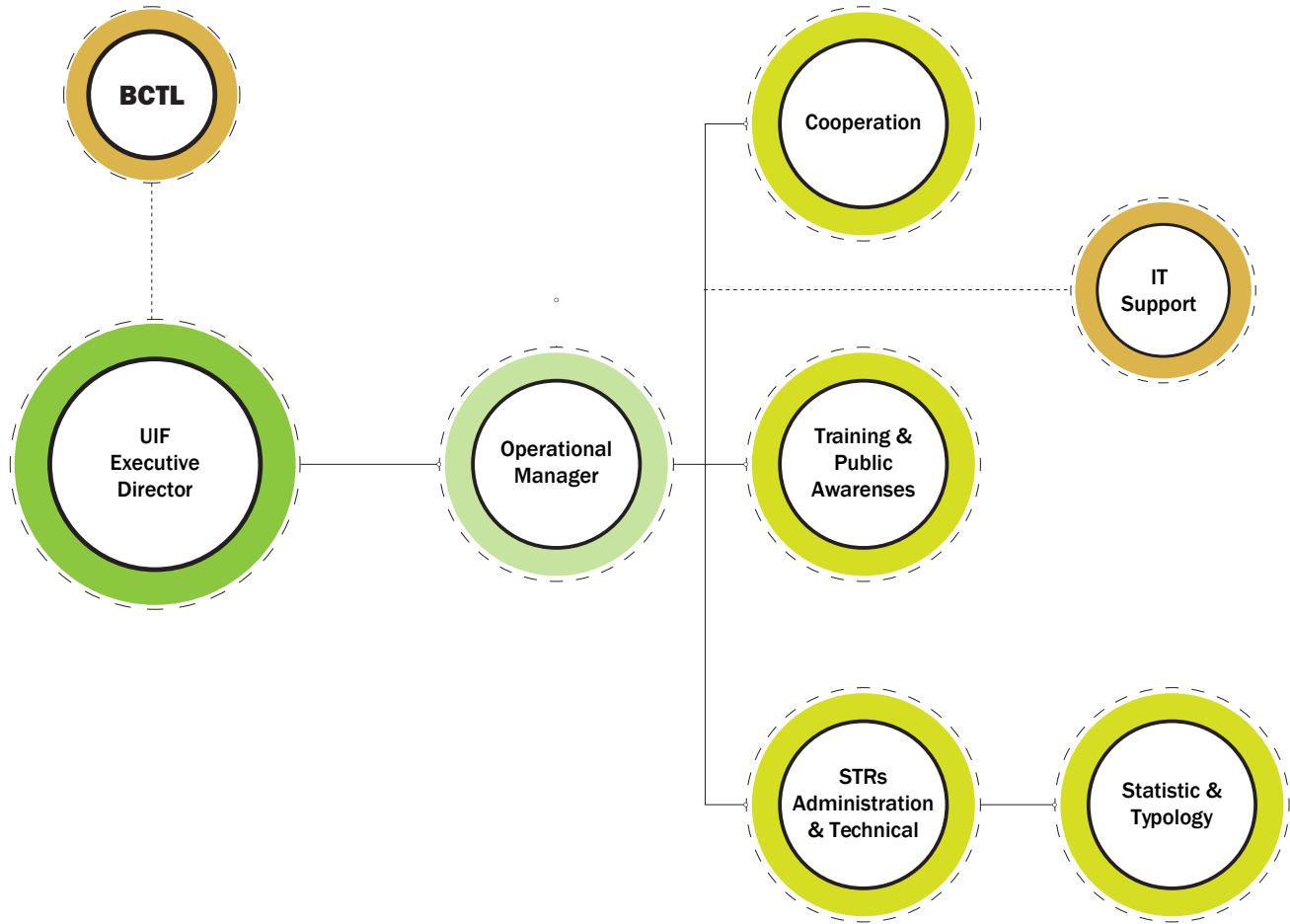
is responsible for the administration of STRs and other relevant ML/FT information received from different reporting entities, the analysis and collection of additional information, and the input of collected data into the database. All incoming reports are validated to ensure that minimum information required has been properly included in the report. Furthermore, a variety of analyses are carried out, including data matching against existing records and intelligence and open source information sharing with national law enforcement authorities and foreign counterparts. The same division is also responsible for the production of statistics and typologies to extract statistical data periodically from the STRs received, as well as for providing information on issues such as trends and typologies to the supervisory authorities and reporting entities. Analysis reports on typologies and transaction types are prepared for internal reference, and these reports may also serve as insights for the supervisory authorities' policy reviews.

2. The Training and Public Awareness Raising Division performs one of the UIF functions pursuant to Article 2, Decree Law no. 16/2014, which requires the UIF to coordinate with other competent authorities acting to disseminate general information related to AML/CFT. This Division will responsible for implementation of internal program and overall organisation of training and awareness raising workshops. and public are provided by means of promotional campaigns which incorporate brochures, newspaper articles and advertisements in mass media, and which are necessary to raise public awareness concerning the importance of AML/CFT.

3. The Cooperation Division which forges agreements for cooperation and information exchange with international and domestic entities was created to comply with Article 11 of Decree Law no. 16/2014. This article requires the UIF to enter into agreements with international FIUs and to collaborate with domestic judiciary authorities and other entities vested with AML/CFT competence. As cooperation with other institutions is of significant importance to this agency's implementation of its legal mandate, this division is essential.

4. IT Support is crucial to the overall functionality of the UIF, as it maintains a secure database, maintains all electronic devices, and provides assistance in the process of developing a appropriate database system.

Organizasaun Interna UIF, 31 Dezembru 2017 | Internal organization of UIF as of 31 December 2017



Tuir Artigu 20, Lei ABK/KFT nu. 17/2011, Diretor-Ezekutivu no funsióariu UIF hotu sujeitu ba devér espešial konfidensialidade konabá informasaun hirak ne'ebé hetan ona iha ámbitu serbissu nian, no sei uza tuir lei defini. Atu aseguira kumprimentu ba provizaun legál ne'e, funsióariu hotu antes atu asumi nia knaar, asina ona Termu Sijilo no Konfidesialidade hanesan medida adisionál ida tan ba kodigu konduta ne'ebé defini iha Rezolusaun BCTL nu. 32/2016, 3 Fevereiro, konabá Termu no Kondisaun aplikável ba funsióariu BCTL sira.

Tamba funsióariu UIF mós funsióariu BCTL, mak UIF adopta mós Valor Institucional BCTL nian habadak ho liafuan **TIMOR** ne'ebé representa “Transparénsia, Integridade, Mobilizasaun, Obrigasaun, Responsabilidade” ne'ebé mak esensial tebes ba funsióariu sira no ba UIF hanesan instituisaun.

Pursuant to Article 20 of Law no. 17/2011, the Executive Director and all staff members are subject to a special duty of confidentiality regarding all information obtained within the scope of their respective functions. In order to ensure compliance with said legal provision, all staff members prior to assuming duties, have signed a Term of Secrecy and Confidentiality as an additional measure to BCTL Code of Conduct defined in the BCTL Resolution no. 32/2016 of 3 February, concerning the Terms and Conditions applicable to BCTL Employees.

*Since all employees are BCTL as well as UIF staff, UIF also adopts similar BCTL institutional values abbreviated as **TIMOR** representing the words “**T**ransparency; **I**ntegrity; **M**obilization; **O**wnership; **R**esponsibility” which are essential for the daily work of employees and for the UIF as an institution.*





Murak Instiutisional | Institutional Values

T

TRANSPARENCY

Nu'udar ezemplu diak sosiedade no instituisaun atu banati-tuir ami, tamba ami nia prosedimentu no regra ne'e ami aplika interna no esternamente tuir forma universál, konsistente no rigoroza.
We are a role model for society and for the institutions, our procedures and rules are clear and applied in a rigorous, universal and consistent way, both internally and externally.

I

INTEGRITY

Atividade hotu-hotu ami hala'o ho laran moos no halo tuir sasukat aas étika no morál nian, kaer metin ba konfidensialidade no legalidade iha desizaun hirak ne'ebé maka envolve ami-nia interese no rekursus.
We exercise our business with honesty, high ethical and moral standards, respecting the confidentiality and legality in all action and decision involving our interest and resources.

M

MOBILIZATION

Ami mobiliza ami-nia aan hodi bele serbi didiak ba comunidade Timor-Leste nian, liu hosi ami-nia determinasaun no empenhu atu see-tilun hodi rona, aprende no presta serbissu asesoria nian.
We mobilize to provide the best service to the Timorese community, through the ability to consult listen and learn so committed.

O

OWNERSHIP

Ami demonstra ami-nia sentimentu de pertensa no envolvimentu, hodi hatuur-metin objetivus instituisaun nian maka nu'udar prioridade no komprova mós ami-nia disponibilidade atu bele hala'o tarefa hirak ne'ebé todan liu fali ida-bé instituisan fó mai ami hala'o.
We exhibit a sense of belonging and involvement, establishing as priority the objectives of the institution and showing availability to perform activities beyond the scope of our role.

R

RESPONSABILITY

Ami investe iha dezvoltamentu ba ami-nia kapasidade tékniku professional tomak ami haktuir kumprimentu ba ami-nia responsabilidade hirak ne'ebé mak atribui mai ami no proativamente ami rasik mós buka hatene didiak, liu hosi monitorizasaun permanente ba konsekuénsia hotu-hotu ne'ebé mak ami rasik nia desizaun no asaun sei hamosu ba.
We invest in expanding our technical and professional skill, deliver on the responsibilities that are assigned to us and that we proactively seek, through ongoing monitoring of the consequences of our decision and action.

Kapítulu 2 **Chapter** 2

**Rezultadu no Pontu
Importante sira iha
2017 | *Achievements
and Highlights of 2017***

UIF kontinua halo progressu hahú hosi nia funsionamentu iha Setembru 2014, hanesan entidade independenti ne'ebé mak kontribui ba esforsu nasional atu prevene no kombat BK no FT. Iha 2017, UIF kontinua simu relatóriu tranzasaun suspeita no relatóriu tranzasaun numeráriu hosi entidade sujeita sira, analiza, no dissemina ba Prokuradoria Jerál Republika, hodi fasilita investigasaun brankeamentu kapitál, finansiamentu terrorismu no krimi orijin sira iha forma efetivu no eficiente.

Hanesan ho tinan kotuk, rezultadu ne'ebé apresenta iha relatóriu ne'e barak liu iha relasaun ho suspeita (indísus) ba krimi brankeamentu kapitál no krimi orijin seluk deit, no la kobre indísus ruma konabá finansiamentu terrorismu.

Maski finansiamentu terrorismu sai nafatin preokupasaun bot ba comunidade internasional, no padraun GAFI nian foka nafatin assuntu ne'e, tuir ANR Timor-Leste nian identifika katak seidauk iha atividade terrorismu iha teritóriu nasional ne'ebé bele presija finansiamentu tantu hosi rai-laran no mós hosi rai-liur, inklui mós seidauk iha evidensia husi autoridade judusial sira ka fonte intelijénsia selukne'ebé indika katak iha atividade angariasau fundus ruma iha Timor-Leste atu suporta atividade terrorismu iha rejaun ne'e.

The UIF has continuously made progress since its establishment in September 2014, proving itself as an independent entity that is contributing to the national effort for the prevention and combating of ML and TF. During 2017, the UIF continued to receive suspicious transaction and cash transaction reports from reporting entities, which were then analysed and disseminated to the Prosecutor General's Office to help in the effective and efficient investigation of money laundering and associated predicate crimes.

Similar to previous years, the achievement presented in this report is mostly related to suspected crimes of money laundering and associated predicate offences only, and does not cover terrorist financing.

Although the financing of terrorism remains a serious concern for the international community and remains a major focus of the FATF's standards, the recent NRA of Timor-Leste has been identified that there was no domestic terrorist activity that might require funding from either local or foreign sources, and there has been no evidence through LEAs or other intelligence sources to indicate that funds are being raised in Timor-Leste to fund terrorist activities in the region⁸.

2.1

Obrigasaun Hato'o Relatóriu | Reporting Obligations

Iha rejime ABK/KFT Timor-Leste nian, instituisaun finanseira no non-financeira sira hotu, hanesan defini ona iha Artigu 3, Lei nu. 17/2011, iha obrigasaun atu hato'o relatóriu tranzasaun suspeita ba UIF tuir Artigu 23 husi Lei refere, no sira balu iha mós obrigasaun atu hato'o relatóriu tranzasaun numeráriu. Hanesan UIF iha funsaun sentral iha rede operacional ABK/KFT, divulgasaun informasaun hirak ne'e ba UIF fundamental tebes

Within the AML/CFT regime of Timor-Leste, all financial and non-financial institutions as defined in the article 3 of the Law no. 17/2011 are required to report suspicious transactions to UIF in accordance with article 23 of the same Law and some of them are also required to report large cash transactions. As the UIF plays a central role in the AML/CFT operational network, the disclosure of such information to UIF is fundamental to be analysed

⁸ The details of the National Risk Assessment (NRA) on ML/TF risk findings can be accessed at https://www.bancocentral.tl/uploads/documentos/documento_1476240298_6546.pdf.

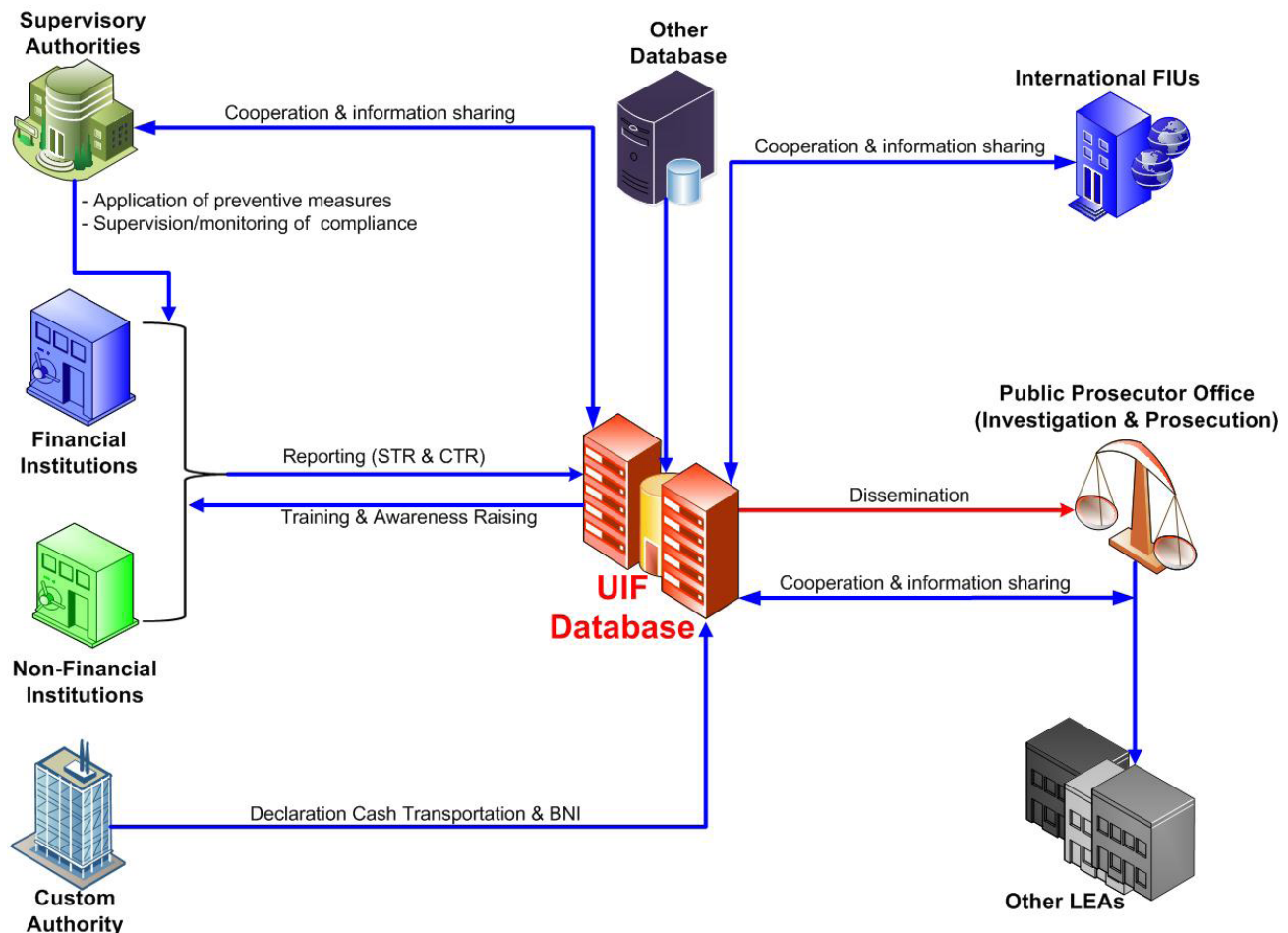
atu halo análize no bele fornese apoiu tekniku ba autoridade competente sira iha nível nasional, no permiti koperasaun no troka informasaun ho FIU sira iha nível internacional.

Ho aprovasaun Instrusaun BCTL nu. 05/2017, 25 Agustu konabá Identifikasaun Kliente, Retensaun Dokumentus, no Komunika Tranzasaun, Banku sira no (Instituisaun Seluk Simu Depózitu (ISSD) iha obrigasaun atu hato'o relatóriu tranzasaun numeráriu (RTN) ba UIF ho nia limiti hanesan ka bot liu US\$ 10,000.0. Maibé, apresentasaun relatóriu ne'e sei la kobre data estatística hosi instituisaun hirak ne'e tamba implementasaun rekizitu legal ne'e sei efetivu hosi 1 Janeiro 2018.

and to be able providing support to the work of competent authorities at national level as well as enable cooperation and information exchange with international FIUs.

With the approval of BCTL Instruction no. 05/2017 of 25 August on the Customer Identification, Record-Keeping and Transaction Report, banks and ODTs are also required to report CTRs to the UIF with a threshold amount equal to or above US \$10,000.00. However, the statistic data in the CTR section will not cover reporting data from those institutions considering the implementation of such requirement will start effective from 1 January 2018.

Prosessu analiza RTS no disseminasaun espontáneu | *The UIF business process and relationship with stakeholders*



3.1.1

Relatóriu Tranzasau Suspeita | *Suspicious Transaction Reports*

Iha tipu análice RTS oin-rua ne'ebé UIF sira utiliza hodi ezerse nia funsaun análice nian. Tipu análice ba dahuluk mak análice Operasionál hanesan utiliza informasaun ne'ebé iha ona ka hetan hosi fatin seluk atu identifika (ez. Ema, sasan, rede kriminal no asosiasaun sira) atu buka tuir ain-fatin hosi atividade ka tranzasaun partikular ruma, no halo ligasaun hodi hare possibilidade rezultadu produktu krimi BK, krimi orijin ruma ka FT. Tipu análice ba daruak mak análice Estratájika hanesan utiliza informasaun ne'ebé disponível ona iha UIF ka hetan hosi autoridade kompetente sira atu identifika tendénsia ne'ebé iha relasaun ho BK/FT. Informasaun hirak ne'e mós sei uza husi UIF no entidade estadu nian hodi determina ameasa no vulnerabilidade ba BK/FT. Análice estratájika bele ajuda estabese politika, no objetivu UIF nian, nune'e mós entidade sira seluk ne'ebé iha iha kompeténsia iha rejime ABK/KFT.

Durante períudu ne'e, UIF ezerse deit pratika análice operasionál. Atu assegura relatóriu hotu administra lo-lós, entidade ne'e deenzolve ona padraun prosedimentu operasionál atu orienta funsiónariu sira oin sá hala'o prosessu RTS, RTN no informasaun seluk ne'ebé mak tenki trata ho seguru iha baze-dadus UIF nian, no mós hala'o knaar analiza ho efetivu no efetivu.

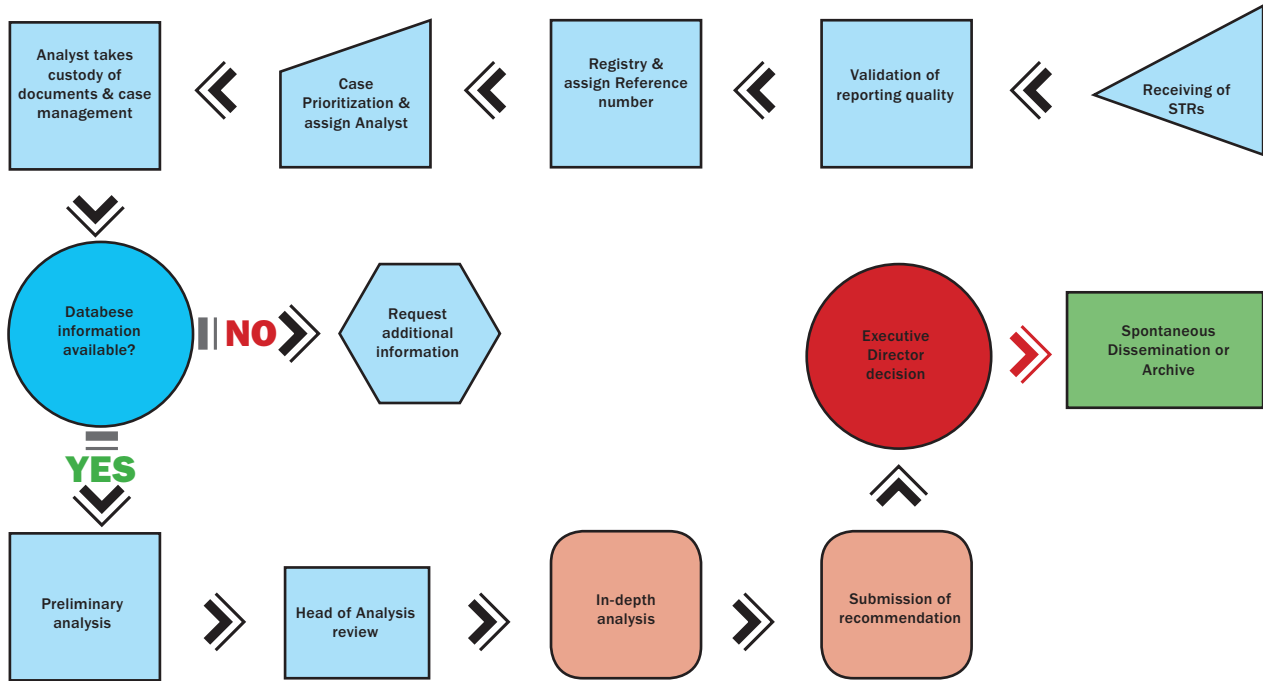
Relatóriu Tranzasau suspeita hotu ne'ebé UIF simu, sei hala'o análice operasionál no sei tuir presedimentu hotu hanesan apresenta tuir mai ne'e.

There are two types of analysis of STRs that most FIUs use to carry out their analyses functions. The first is operational analysis, which uses available and obtainable information to identify specific targets (e.g. persons, assets, criminal networks and associations), to follow the trail of particular activities or transactions, and to determine links between those targets and possible proceeds of crime, ML, predicate offences or TF. Secondly, strategic analysis uses available and obtainable information, including data that may be available at the FIU or be provided by other competent authorities, to identify ML and TF related trends and patterns. This information is then also used by the FIU or other state entities in order to determine ML and TF related threats and vulnerabilities. Strategic analysis may also help establish policies and goals for the FIU, or, more broadly, for other entities within the AML/CFT regime.

For the time being, the UIF only utilises operational analysis. To ensure that all reports are well administered, this entity developed standard operating procedures in order to guide staff on how to deal with the process of STRs, CTRs and other information that shall be treated safely in the UIF database, and to carry out analyses in an effective and timely manner.

All suspicious transaction reports received by UIF are subject to operational analysis, and go through the procedures presented in the diagram below.

Prosessu analiza RTS no disseminasaun spontáneu | *The process of STR analysis and spontaneous dissemination*



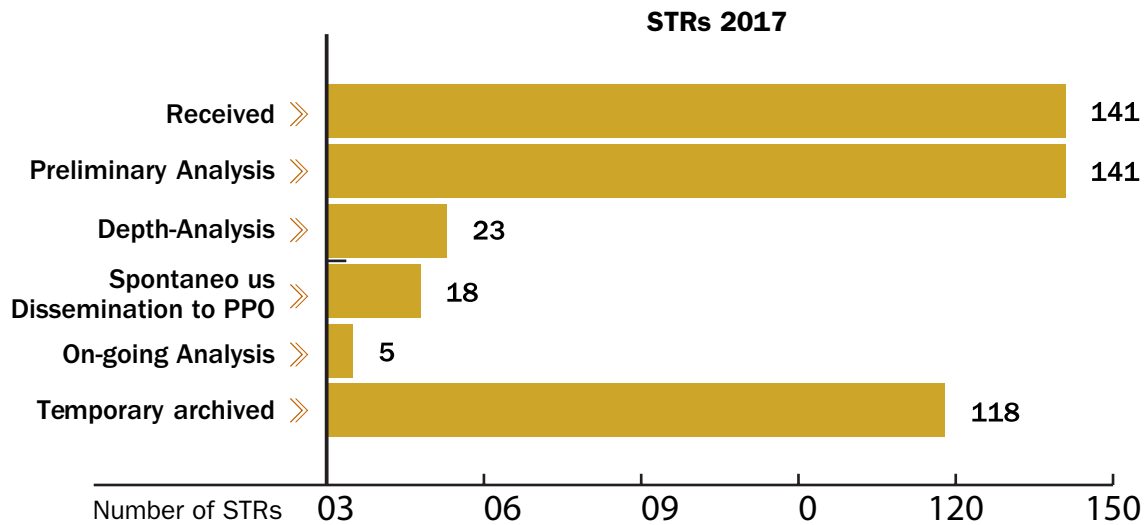
Durante periodu 2017, UIF simu RTS ho total 141 ho média 11 RTS kada-fulan. Ida ne'e indika aumentu pursentu 47.5 (%) kompara ho número RTS iha tinan 2016.

Iha funsaun simu relatóriu nian, total RTS 141 ne'ebé hato'o ba UIF liu hotu prosessu filtrajen rigorozu no análize dahuluk hodi identifika nível risku no faze ida ne'e indika katak RTS 23 iha suspeita maka'as ba brankeamentu kapitál no krimi orijin sira, nune'e kontinua hala'o analiza kle'an. Hosi RTS 23, RTS 18 mak dissemina spontaneamente ba PJR. RTS 5 mak iha hela prosessu análize kle'an, rekolla informasaun adisionál hala'o nafatin hodi bele kompleta análize. Rezultadu análize sei dissemina imediata iha tenpu saida-deit bainhira informasaun adisionál adekuaudu ona no tuir rekizitus indikator suspeita nian. Tuir mai, identifika RTS 118 ho

During the period of 2017, the UIF received a total of 141 STRs with an average of 11 STRs reported per month. This presented a significant increase of 47.5 percent (%) from the number of STRs received in 2016.

Under the receipt function, the 141 STRs reported to the UIF underwent a strict filtering process and preliminary analysis to identify risk levels, during which 23 STRs were identified as having strong indications of ML and predicate offences; these were then subjected to an in-depth analysis. Of these 23 STRs, 18 were disseminated spontaneously to the PGO. The remaining 5 STRs are currently undergoing in-depth analysis and additional information is being collected to support this analysis. Results will be disseminated as soon as the supporting information is adequate and meets the standard requirements of a document which has raised a high level of suspicion. A further

Relatóriu RTS iha 2017 | Number of STRs reported in 2017



nível risku ki'ik ba BK no krimi orijin sira no ida ne'e tama ba arkivu temporáriu no bainhira iha informasaun adisionál ruma ne'ebé iha relasaun ho RTS arkivadu, bele hahú hikas análize kle'an.

Kompara ho relatóriu tinan kotuk, persentajen tinan ne'e sa'e maka'as maibé UIF identifika katak kualidade RTS ladun diak no seidauk iha indikador sufisiente atu suspeita.

118 STRs were identified with a low risk of ML and related predicate offences. These were temporarily archived, as new STRs or additional information related to archived STRs might trigger an in-depth analysis later on.

In comparison to last year's reports, the percentage of STRs increased steadily, however, the UIF found that the quality of STRs reported is still very low in terms of indicators of suspicion in the reports.

Númeru tranzasaun no montante RTN kompara ho 2016 | Number of STRs received and processed in comparison with 2016

Suspicious Transaction Reports			
Reporting Entities	Action	2017	2016
Banks	Received	141	74
	Preliminary Analysis	141	74
	In-Depth Analysis	23	27
	Spontaneous Dissemination to PGO	18	16
	Ongoing Analysis	5	11
	Temporarily archived	118	47

Total RTS iha tabela leten mai hotu hosi Banku sira. Hanesan tinan kotuk, entidade sujeita sira-seluk inklui OTO kontinua la-hala'o sira nia obrigasaun hato'o RTS nune'e konsidera hanesan defisiensia ida ne'ebé afeta serbissu UIF nian.

Iha tinan ne'e, total infomasaun intelijénsia ne'ebé submete ba PJR mai hosi RTS arkivadu iha tinan kotuk no liga ho informasaun foun ne'ebé UIF identifika levanta suspeita maka'as.

The total STRs reported in the table above are all due to bank participation. Similar to last year, other reporting entities, including MTOs, continued their non-compliance with the obligation to file STRs, which is considered as one deficiency that affects the overall work of the UIF.

Within the year, the total intelligence information submitted to the PGO was triggered from STRs archived in the previous year with new information received which the UIF had identified as highly suspicious.

2.1.2

Relatóriu Tranzasau Numeráriu | Cash Transaction Reports

Tuir Lei ABK/KFT Artigu 3, negósiu Operadór Transfere Osan kategoriza hanesan instituisaun finanseira ne'ebé iha obrigasaun hato'o relatóriu oin rua, RTS ho RTN. Instrusaun BCTL nú. 01/2013, 27 Setembru, konabá Lisensa no Supervizaun, obriga OTO no nia ajénsia sira hotu atu implementa medida preventiva mínimu ABK/KFT nian hanesan tuir mai ne'e:

1. Halo identifikasaun kliente bainhira montante tranzasaun kiik liu hosi US\$ 500.00;
2. Mantein kópia identifikasaun kliente sira nian ba tranzasaun ho montante ekivalente ka bot liu US\$ 500.00;
3. Husu informasaun konabá orijin osan no razaun halo tranzasaun bainhira montante ekivalente ka bot liu US\$ 2,500.00;
4. Hato'o relatóriu ba UIF tranzasaun hotu ho montante hanesan ka bot liu US\$ 2,500.00;
5. Hato'o RTS ba UIF bainhira sira iha razaun suspeita forte katak fundu ka ne'e nu'udar rezultadu produktu krimi, ka iha indikasaun brankeamentu kapitál ka finansiamentu terrorizmu.

Iha OTO sia mak hetan lisensa husi BCTL atu halo atividade operasaun transfere osan iha Timor-Leste bainhira instrusaun ne'e hahú tama em vigor. Husi OTO sia ne'e, rua deit mak halo operasaun transferensia osan sai no tama, OTO hitu seluk halo deit operasaun transferensia osan sai ba Indonézia.

Durante tinan 2017, OTO sira hato'o RTN ho total 10,026 (transferensia tama hamutuk 2,224 no transferensia sai hamutuk 7,802). Kompara ho tinan kotuk, RTN 2017 sa'e pursentu 16 (%).

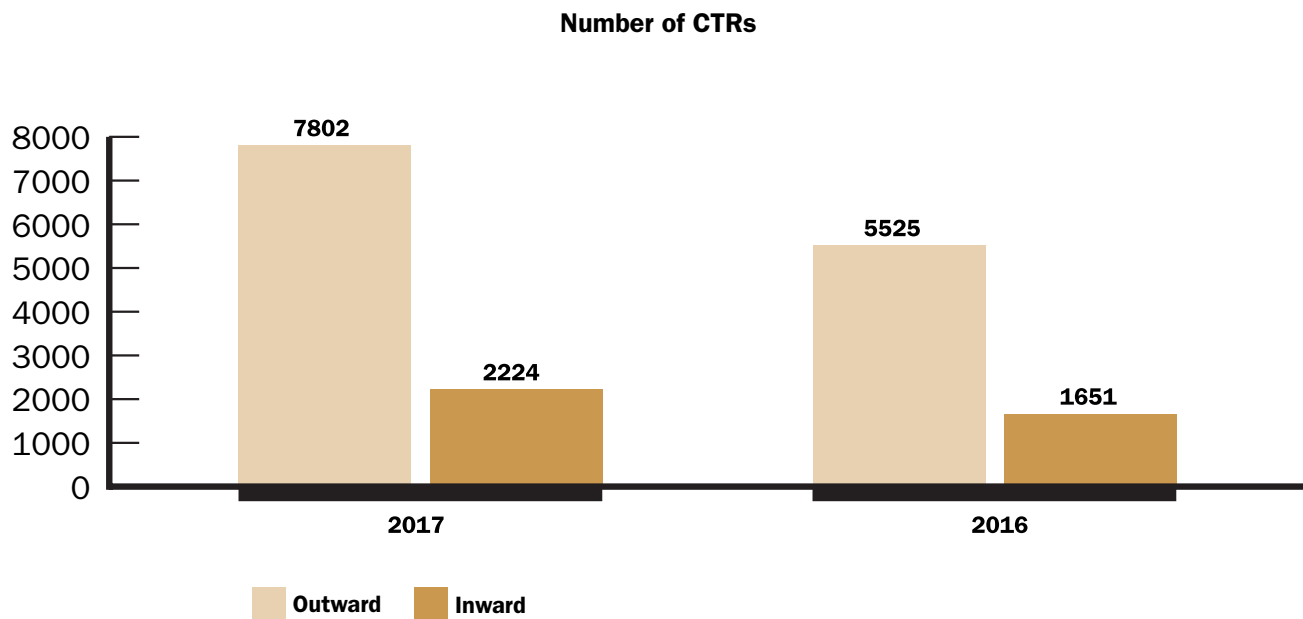
Pursuant to Article 3 of the AML/CFT Law, the business of Money Transfer Operators (MTOs) is categorised as a financial institution with STR and Cash Transaction Reports (CTR) reporting obligations. This was further enforced by BCTL's Instruction no. 01/2013 of 27 September on the Licensing and Supervision, which requires MTOs and their agents to implement minimum AML/CFT preventive measures as follows:

- 1. Undertake customer identification when the amount of the transaction is less than US\$500.00,*
- 2. To maintain a copy of the customer's identification for transactions equivalent to or above US\$500.00,*
- 3. To request information on the source of funds and the reason for conducting the transaction if the amount is equivalent to or above US\$2,500.00,*
- 4. To report to the UIF all transactions equal to US\$2,500.00 and above, and*
- 5. To report any suspicion to the UIF whenever they have reasonable grounds to suspect that the funds are the proceeds of a crime, or indicative of money laundering or the financing of terrorism.*

There are nine MTOs that have been given license to operate remittance services in Timor-Leste by BCTL since this instruction was put in force. Among these nine MTOs, only two MTOs provide outward and inward remittances, while seven of them provide outward remittances only to Indonesia.

During 2017, these MTOs reported a total of 10,026 CTRs (2,224 total reported inward remittances and 7,802 total reported outward remittances), up 16% from last year.

Númeru tranzasaun no montante RTN iha 2017 | *Number of transactions and amount of CTR 2017*



Númeru tranzasaun no montante RTN kompara ho 2016 | *Number of transactions and amount of CTR in comparison with 2016*

Transfers	2017		2016	
	CTRs	Amount (\$)	CTRs	Amount (\$)
Outward	7802	US\$48,571,465	5525	US\$ 32,336,335.21
Inward	2224	US\$ 8,492,108	1651	US\$ 6,077,135.59

2.1.3

Hakat-fronteira ho Transportasaun Numeráriu no TPN | *Cross-border Transportation of Cash and BNI*

Hanesan mós ho padraun internasional, Timor-Leste adopta ona sistema deklarasaun transporte osan numeráriu no Títulu ba Portadór Negosiável (TPN) eskritu iha hakat-fronteira sira bazeia ba Artigu 7 Lei ABK/KFT nu. 17.2011 ne'ebé tau obrigasaun katak ema hotu ne'ebé hala'o viajen tama ka sai hosi teritóriu Timor-Leste, lori osan numeráriu ka TPN ho limiti hanesan ka liu hosi US\$ 10,000.00 tenki kompleta formuláriu ne'ebé iha fronteira hot-hotu. Objetivu mak atu monitor no asegura katak ema kriminozu sira labele finansia sira nia atividade ka halo brankeamentu kapitál ba rezultadu produktu krimi iha hakat-fronteira ho transportasaun osan fíziku no TPN.

Autoridade Aduaneira continua aplika rekizitu legal hirak ne'e, no sira iha obrigasaun atu submete kópia deklarasaun refere ba UIF, maibé laiha rejistu deklarasaun ne'e ba ema (passajeiru) tama no sai. Bele iha possibilidade katak, iha duni ema ruma halo ona deklarasaun verbal, la-deklara informasaun, ka halo deklarasaun falsu, maibé iha 2017, Autoridade Aduaneira seidauk hato'o informasaun ruma ba UIF. Deklarasaun ida ne'e klassifika hanesan informasaun hosi autoridade sira ho kompeténsia aplika lei no fonte importante ida ne'ebé iha mós valor signifikativu atu suporta funsaun análise UIF nian.

Instrusaun BCTL nú. 04/2017, 28 Marsu, konabá Inportasaun no Esportasaun Osan Numeráriu, esensial tebes atu ajusta rekerimentu legal iha Lei ABK/KFT nu. 11/2017, no mós fornese medida adekuaudu hodi halo kontrolu no restrisaun movimentu hosi transportasaun osan fíziku iha hakat-fronteira. Instrumentu regulatoriu foun ne'e tau obrigasaun ba ema hotu (nasionál ka estranjeiru) ne'ebé mak hakarak importa ka esporta osan numeráriu ho montante hanesan ka bot liu US\$ 20,000.00 tenki hetan autorizasaun prévia eskrita husi BCTL no montante máximu labele liu hosi US\$ 150,000.00. Artigu 6.3 (b) husi Instrusaun ne'e rekere katak se pedidu autorizasaun ba importasaun no esportasaun rejeita husi BCTL tanba deskonfia (suspeita) iha ligasaun ho brankeamentu kapitál ka atividade finansiamentu terrorizmu, maka tenki prenda montante osan ne'e, no BCTL tenki prosessa faktu refere ba autoridade judisiál tuir Artigu 7 (3) hosi Lei ABK/KFT.

In line with the international standards, Timor-Leste has adopted written declaration system for cross-border transportation of cash and bearer negotiable instruments (BNI) as required under article 7 of the AML/CFT Law no. 17/2011 that any traveller in and out of the Timor-Leste territory transporting cash or BNI with a threshold equal to or above US\$10,000.00 must complete a written declaration form available at all borders). The purpose is to monitor and ensure that criminals cannot finance their activities or launder the proceeds of crimes through the physical cross-border transportation of cash and BNI.

The Customs Authority continues to apply this requirement and they are obligated to submit copies of such declaration to UIF however, no such declarations have ever been recorded in relation to either inbound or outbound travellers. Although it is possible that oral declaration has been made, non-declared information and/or any false declaration, but until 2017 the Customs Authority has never submitted them to UIF. This declaration is classified as law enforcement information and is an important source of information and significant value to support UIF work under analysis function.

Adding to the above, the recent BCTL Instruction no. 04/2017 of 28 March on the Importation and Exportation of Cash has been essential to adjust legal requirements under the AML/CFT Law no. 17/2011, as well as providing proper measures for control and restriction of the physical cross-border movement of cash. This new regulatory instrument requires that any person (nationals or foreigners) who wish to import or export cash with a threshold equal to or above US\$20,000.00 shall seek prior written authorisation from BCTL and that the maximum amount shall not more than US\$150,000.00. The provisions of article 6.3(b) of the same Instruction further requires that, in case a request for authorisation for importation and exportation of cash is refused by BCTL due to any suspected linkages with money laundering or terrorist financing activity, the amount shall be seized and BCTL shall process the fact to judiciary authority in accordance with article 7(3) of AML/CFT Law.

2.1.4

Tipolojia | Typologies

Tipolojia hanesan estudu no tékniku ida ne'ebé utiliza hodi identifika tendénsia ba brankeamentu kapitál no finansiamentu terrorizmu. Ida ne'e nu'udar meiu importante ba UIF sira atu bele fornese estudu tipolojia hodi informa entidade relevante sira konabáa tendénsia hosi tranzasaun finanseira.

A typology is a study and technique used to identify trends of money laundering and the financing of terrorism, and it is an important tool for FIUs to provide typology studies in order to inform the relevant entities of trends in financial transactions. The typologies shown in the table below were extracted from the STRs reported in 2017.

Tipolojia Brankeamentu Kapitál | Money Laundering Typologies

No.	Tipolojia Typologies
1	Depóztu ho valor boot no fonte osan la klaru; levantamentu numeráriu ho valor boot no irregulár <i>Large deposits with non-verifiable sources of funds and irregular large cash withdrawals</i>
2	Utiliza konta pessoal hodi movimenta rezultadu negósiu ho valor boot; no la koresponde ho perfíl kliente <i>Large transactions using personal accounts for business purposes which do not match with the customer's profile</i>
3	Simu tranferénsia Internasionál ho montante boot, imediatamente halo levantamentu ka transfere sai; no mós la konsistente ho perfíl kliente <i>Large international inward transfers that are immediately withdrawn or transferred and are not consistent with the customer's profile</i>
4	Depóztu valor boot no imediatamente halo transferensia sai <i>Large deposits with immediate international outward transfers</i>
5	RTS ne'ebé iha relasaun ho RTS anteriór arkivadu iha baze-dadus UIF <i>STRs related to previous STRs temporarily archived in the UIF database</i>
6	Tranzasaun valor boot movimenta hosi funsióriu públiku no iha ligasaun ho projetu Governu <i>Large transactions by public servants linked to Government projects</i>
7	Hack konta bankária internet no liu hosi phishing email hanesan fatin tranzitu hafoin muda ba estranjeiru <i>Hacking of internet banking accounts and phishing emails leading to transit accounts being moved overseas</i>
8	Transferensia tama hosi zona off-shore <i>Incoming transfers from offshore zones</i>
9	Tranzasaun sira iha ligasaun ho PEP <i>Transactions linked with high-risk customers (PEPs⁹)</i>
10	Other*

*Tipolojia seluk mak hanesan: kriminozu ne'ebé mak hetan ona sentensa ho kazu droga no fraude fiskal; tenta halo transferensia internasional no lakohi utiliza métodu tranferensia normal; titular konta bankaria ne'ebé halo transferensia involve iha jogu ilegál.

Estudu kazu ne'ebé mak fornese iha Relatóriu ne'e inventa deit ho intensaun atu hasa'e koñesimentu públiku em jeral no autoridade relevante sira konabá risku brankeamentu kapitál.

*Typologies include: criminals who have been sentenced for drugs and tax fraud overseas, attempted incoming international transfers that are unwilling to use normal transfer methods, and transfers made by bank account holders who engage in illegal gambling activities.

The case study of money laundering process provided in this report is a fabrication intended to raise awareness of the risk of money laundering to the relevant authorities and public as a whole.

⁹ Politically exposed persons (PEPs) are individuals who have been entrusted with prominent public functions as defined in Article 1(f) of Law no. 17/2011.

Funسیوناریو ida serbissu iha instituisaun Governu nian no haknaar-an nu'udar responsável Finanzas (Sr. A) ne'ebé iha obrigasaun atu depozita osan reseita impostu iha nia responsabilidade ba konta ofisial Governu nian, nia kria mós konta ida ba kompañia fiktísiu ida ho naran kuaze hanesan ho naran konta Governu nian.

Sr. A falsifika voucher pagamentu taxa nian nu'udar aktu fraudulentu ida hodi halo pagamentu taxa Governu ba fali konta kompañia fiktísiu nian.

Bainhira pagamentu taxa sira ne'e tama ona iha konta kompañia fiktísiu, Sr. A halo levantamentu numeráriu no mós halo pagamentu cheque ba nia kaben (Sra. B) no mós ba nia alin (Sr. C) hafoin sira na'in rua halo levantamentu numeráriu. Sra. B iha konta pessoal iha Banku B, no Sr. C kria mós konta ba kompañia fiktísiu ida iha Banku B hodi tenta halakon orijen hosi fundus ne'ebé rezultadu produ tu krimi,

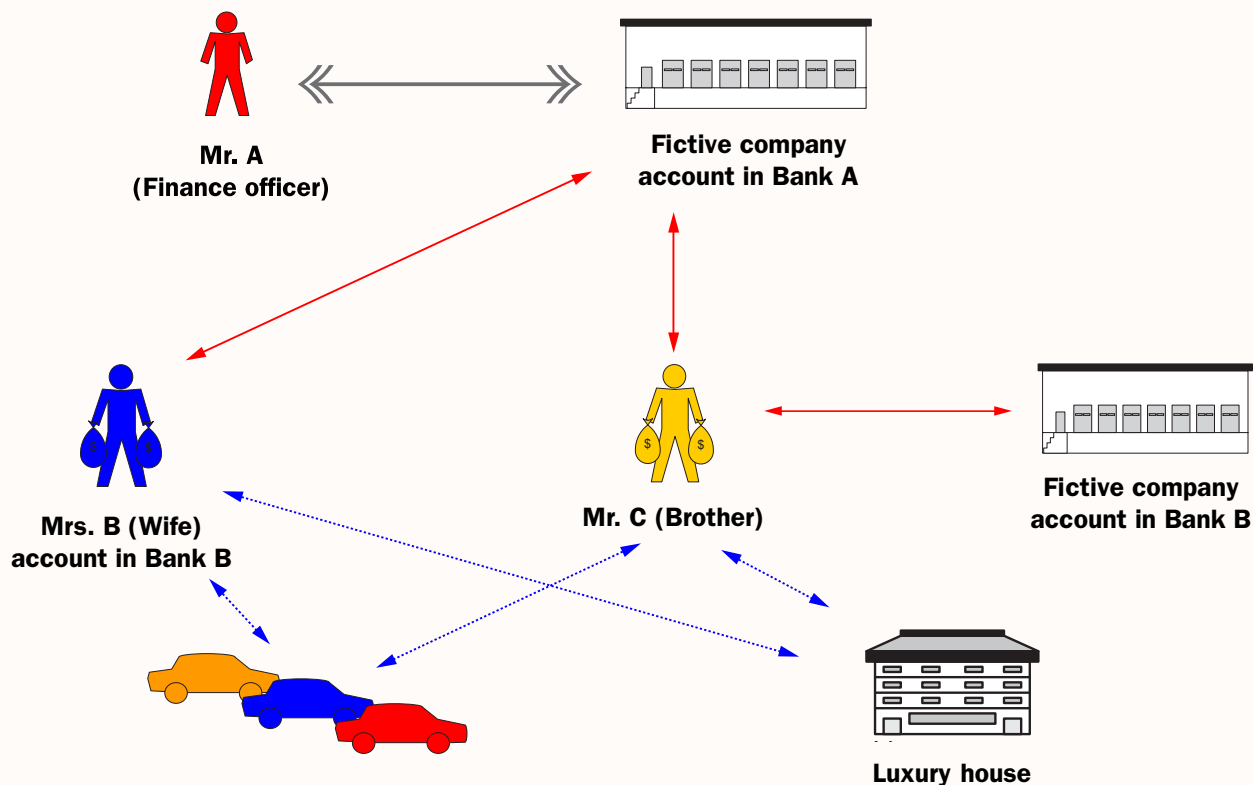
Sra. B ho Sr. C hatene katak Sr. A komete krimi ruma tanba nia salariu kada-fulan la justifika montante bot ne'ebé Sr. A fo ba sira na'in rua. Maibé Sra. B ho Sr. C kontinua fasilita hahalok ne'e hodi tau osan hirak ne'e iha sira nia konta privadu. Nune'e atu subar osan ilisitu, Sra. B ho Sr. C kontinua halo transferénsia no mós levantamentu numeráriu hodi sosa kareta no harii uma luxu.

A finance officer (Mr. A) working in a government institution who had obligation to deposit tax revenues collected under his responsibility to government bank account in Bank A, was then created a fictive company and opened a bank account with the account holder's name similar to the official government bank account.

Mr. A then falsified vouchers of tax payments in order to fraudulently direct the payments of taxes into the bank account of the fictive company.

After successfully receiving the payment of taxes into the fictive account, Mr. A withdrew some amount in cash and also gave paycheques to his wife (Mrs. B) and brother (Mr. C) and they were able to make cash withdrawals. Mrs. B has personal account in Bank B, and Mr. C had also opened an account for a fictive company in Bank B to disguise funds which in fact were proceeds of crime.

Mrs. B and Mr. C aware that Mr. A had committed a crime, as his salary obviously could not match the amount of money Mr. A gave to Mrs. B and Mr. C. However, Mrs. B and Mr. C still provided assistance by placing the money into their private accounts. Furthermore, to hide the illicit money, Mrs. B and Mr. C made further transfers and cash withdrawals to purchase a car and build a luxury house.



2.2

Implementasaun Medida Preventiva | Implementation of Preventive Measures

Durante período 2017, UIF kontinua halo esforssu hodi implementa planu asaun estratejiku hanesan, atu assegura implementasaun medida preventiva ABK/KFT ba instituisaun finanseira sira. Medida hirak ne'e, liu-liu involve ativamente iha Forum Responsável ba Conformidade no organiza programa sensibilizasaun ba instituisaun finanseira balu.

During the period of 2017, UIF continue made its efforts to put in practice the strategic action plans, between others, to enhance implementation of the AML/CFT preventive measures by financial institutions. These measures were particularly actively engaging Forum for Compliance Officers and organized awareness rising program for the targeted financial institutions.

2.2.1

Forum Responsável Conformidade | Forum of Compliance Officers

Atu atinji objetivu UIF nian, entidade ne'e ativamente involve responsáveis conformidade sira hosi setor bankaria iha enkontru regular hanaran Forum Responsável Conformidade ("FRC"). Forum ida ne'e estabese iha Novembru 2013 no kontinua ho enkontru kada-fulan-tolu iha loron: 10 Feveiru 2017; 18 Maiu 2017; 28 Setembru 2017; no 12 Dezembru 2017 respetivamente. Kestaun sira ne'ebé normalmente diskute mak fahe informasaun konabá tipolojia, indikador (*red flags*), no mós kestaun kuantidade no qualidade RTS.

To achieve objectives of UIF, this entity actively engaged compliance officers from the banking sector in periodic meetings called the Forum Compliance Officers ("FCO"). This forum was established in November 2013, and continues to hold meetings on a quarterly basis at: 10 February 2017; 18 May 2017; 28 September 2017; and 12 December 2017 respectively. The issues discussed, normally sharing typologies and red flags, as well as issues related to both the quantity and quality of STRs.

Tuir instrusaun BCTL nú. 05/2017, ISSD klassifika hanesan banku ho obrigasaun hanesan atu implementa rekizitu hotu ne'ebé kontein iha Instrusaun refere. Nune'e, ISSD Kaebauk Investimentu & Finansas ("KIF") hahú nia partisipasaun iha forum ne'e iha Dezembru 2017.

In accordance with BCTL Instruction no. 5/2017, ODTI is classified as bank with similar obligation to implement all requirements contained therein. As a consequence, the ODTI Kaebauk Investimento & Finansas ("KIF") commenced its participation in the Forum on December 2017.



2.2.2

Programa Sensibilizasaun | Awareness Raising Programmes

UIF kontinua nafatin organiza *workshop* nu'udar sensibilizasaun ABK/KFT ba entidade sujeita sira hodi esplika konabá ameasa no vulnerabilidade ABK/KFT iha Timor-Leste no oinsa atu bele prevene. Ida ne'e mós atu asegura entidade sujeita sira implementa diak liu tan medida preventiva sira no kontribui ba esforsu nasional atu luta hasoru brankeamentu kapital no finansiamentu terrorizmu.

Durante periodu ne'e, UIF organiza programa sensibilizasaun ba instituisaun finanseira sira hanesan tur mai ne'e:

1) Banco Nacional de Comércio Timor-Leste (BNCTL) – 16 October 2017

UIF organiza sesaun separadu rua ba funsiónariu BNCTL nian (dader no lorokraik) ho objetivu atu permiti funsiónariu sira hahú hosi, serbissu atendimentu kliente to'o nível jestor sira iha koñesimentu diak no hanesan iha matéria ABK/KFT nune'e bele kumpri obrigasaun hato'o relatóriu.

Iha sesaun dader marka mós prezensa Membru Konselu Administrasaun balu no partisipante sira mak Jestor Sukursál, funsiónariu hotu hosi front-desk, responsável conformidade no funsiónariu sira hosi Unidade Jestaun Risku (RMCU)., hafoin iha fali sesaun lorokraik nian somente ba responsável conformidade no funsiónariu sira RMCU.

The UIF has continuously organised AML/CFT awareness-raising workshops for targeted reporting entities to explain the ML/TF threats and vulnerabilities of Timor-Leste and the ways to deal with them. This is also to ensure reporting entities are better able implanting preventive measures and to contribute to national efforts in the fight against money laundering and terrorist financing.

During the period under review, the UIF organised an awareness-raising program to the following financial institutions:

1) Banco Nacional de Comércio Timor-Leste (“BNCTL”) – 16 October 2017

The UIF organised two separate sessions for BNCTL staff (morning and afternoon) with the purpose of ensuring that all staff from customer services up to the managerial line have the same understanding of AML/CFT in order to comply with reporting obligations. The morning session was held with the presence of Board Members and was attended by branch managers, front desk staff from all branches, and the compliance officer and staff from the Risk Management Unit, while the afternoon session was exclusively attended by compliance officers and all staff of the Risk Management and Compliance Units (RMCU).





2) Bank Rakyat Indonesia (BRI), Sukursál Timor-Leste – 26 Setembru 2017

Hanesan sukursal BRI ne'ebé foin dadauk estabelese iha Timor-Leste, UIF organiza mós workshop loron-sorin nu'udar introdusaun ba lejislasaun nasional ABK/KFT ne'ebé aplika iha Timor-Leste. UIF iha obrigasaun atu fo hanoin sira bele fo atensaun ba obrigasaun legál banku nian iha Timor-Leste. Sessaun workshop ne'e partisipa ativamente hosi, responsável conformidade Jestor Operasionál hosi Ajénsia hotu iha Dili, no ofisial sira hosi front-desk.

3) Kaebauk Investimentu & Finansas (KIF) – 7 Novembru 2017

UIF liu-hosi koordenasau ho KIF, organiza workshop sensibilizasaun loron-tomak ba funsiónariu KIF. Workshop ne'e kobre Kuadru Legál ABK/KFT, no foka liu ba indikador sira hosi identifika tranzasaun suspeita, red flags no mós estudu kazu balu. Funsiónariu KIF ne'ebé partisipa workshop ne'e hatnulu-resin, kompostu hosi responsável conformidade, Jestor Sukursál sira, reprezentante hosi kada sukursál iha Timor-Leste, konsultor tékniku balu, no marka mós prezensa husi Membru Konsellu Administrasaun.

UIF iha komitmentu atu kontinua fo assistensia ba entidade sujeita sira, organiza workshop tekniku no ekontru particular hodi bele hasoru dezafiu hotu konabá sira nia obrigasaun hato'o relatóriu.

2) Bank Rakyat Indonesia (“BRI”) Timor-Leste Branch – 26 September 2017

As BRI is a newly established Branch in Timor-Leste, the UIF organised a half-day session as an introduction to AML/CFT national legislation applicable in Timor-Leste, additionally calling their attention to the legal obligations that the bank is subject to. This was attended by compliance officers, operational managers of all branches in Dili and front desk officials.

3) Kaebauk Investimentu & Finansas (“KIF”) – 7 November 2017

The UIF, coordinating with KIF, organised a full-day awareness-raising workshop for KIF staff. The workshop covered the introduction of the legal framework of AML/CFT, particularly focussing on indicators for identifying suspicious transactions, red flags and case studies. The workshop was attended by more than 40 participants, composed of compliance officers, branch managers, and representative participants from KIF branches all over Timor-Leste, technical consultants, including board members.

The UIF committed to continuing its assistance of reporting entities with technical workshops and individual meetings to overcome particular challenges related to their reporting obligations.





Durante 2017, UIF implementa mós programa internal ba funsióariu BCTL no mós hetan konvite hosi ajénsia seluk, hodi suporta sira nia programa liu-hosi, halo apresentasaun materia konabá knaar no funsaun UIF, no mós tipolijia brankeamentu kapitál iha Timor-Leste hanesan tuir mai ne'e:

4) Autoridade ho Kompeténsia Aplika Lei – 13 – 16 Novembru 2017

UIF iha mós biban atu koopera ho Ajénsia seluk, organiza kursu formasaun ba grupu ne'ebé Ajénsia ne'e identifika ona. Ho nune'e UIF hetan konvite hosi Asesor Jurídiku Rezidenti, Departamentu Justisa, Embaxada EUA iha Timor-Leste atu halo apresentasaun relaciona ho knaar UIF iha rejime ABK/KFT, tipolijia brankeamentu kapitál iha Timor-Leste, no oinsa UIF nia informasaun bele ajuda investigasaun. Formasaun ida ne'e dezeña liu ba Prokuradór sira no investigadór sira hosi KAK, PCIC, no SIC/PNTL.

5) Banco Central Timor-Leste (BCTL) - 12 Dezembru 2017

Durante period ne'e, UIF mós organiza workshop loron-sorin ba funsióariu BCTL, hanesan parte ida husi sensibilizasaun ba públiku. Workshop ho sesaun loron-sorin ne'e partisipa hosi nivel Jestor to'o funsióariu representante hosi area ida-idak iha BCTL laran inklui mós prezensa membru Konselhu Jestaun balu.

Furthermore, during 2017, UIF implemented an internal program to BCTL staff and has also been invited by other agencies to support their programme by delivering presentations related to the UIF's role and functions, as well as money laundering typologies in Timor-Leste as follows:

4) Law Enforcement Authorities (“LEA”) - 13 - 16 November 2017

The UIF is honoured to have had the opportunity to cooperate with other agencies in conducting a training course to targeted groups. The UIF was invited by the Legal Resident Advisor of the Justice Department of the US Embassy in Timor-Leste to deliver a presentation in relation to the entity's role in the AML/CFT regime, money laundering trends in Timor-Leste and how the UIF's information can help investigations. This training program was designed for the prosecutors and investigators of CAC, PCIC and SIC/PNTL.

5) Banco Central Timor-Leste (BCTL) - 12 December 2017

During the period under consideration, the UIF also organised a half-day workshop for BCTL staff. This session was attended by managers and staff representative from different areas within the Central Bank also with the presence of a Management Committee member.



2.3

Dezenvolvimentu Kapasitasaun UIF | *UIF Capacity Development*

35

Dezenvolvimentu Kapasitasaun UIF
UIF Capacity Development

UIF rekoñese valor hosi asaun formasaun esensial tebes no hanesan meiu importante ida atu dezenvolve ka melhora kapasidade funsiónariu sira nian.

UIF iha komitmentu bo'ot atu dezenvolve kapasidade funsiónariu sira, liu-liu iha area rekolla informasaun, akresenta valor adisionál ba análize no disseminasaun. UIF halo ona diskusaun ho FIU knaar-maluk rua atu kontinua fo formasaun iha tinan tuir mai.

Durante tinan 2017, tékniku UIF sira atende programa formasaun oi-oin, inklui enkontru no konferensia sira iha area ABK/KFT. Tuir mai, deskreve programa kapasitasaun balu ne'ebé tékniku sira atende , inklui mós programa formasaun internal ne'ebé organiza husi entidade ida ne'e.

1) Funsiónariu UIF hotu atende formasaun loron tolu iha fulan Setembru 2017. Formasaun ne'e foka liu ba padraun GAFI no Kuadru Legál ABK/KFT iha Timor-Leste. Formasaun ne'e rasik organiza husi UIF no fasilita husi peritu ida husi Portugal.



The UIF has always valued training as an essential tool to improve the knowledge and experience of staff.

As the UIF is committed to continuing to build the capacity of its staff, particularly in the areas of information collection, adding value to analysis, dissemination of STRs. It has been discussed and agreed on with two counterparts to continue to provide training in the following year.

During the course of 2017, FIU officials attended and participated in various training programmes include meetings and conferences in the area of AML/CFT. The following are the highlights of the major capacity building programme attended by FIU officials, including internal training programmes.

1) The UIF officials attended a three-day in-house training in September 2017 with a specific focus on FATF standards and AML/CFT legal frameworks. The training was facilitated by a legal expert from Portugal.

2) An official attended Joint Typologies and Capacity Building Workshop organised and facilitated by FATF training center (APG/FATF TREIN) in Bussan, South Korea in November 2017. This workshop was a great chance to acquire experience in the ML/TF typologies of other countries.

3) In October 2017, an official participated in the AML/CFT Considerations and Approaches to Financial Inclusion Programme in Kuala Lumpur, Malaysia. This programme was jointly organised by the Alliance for Financial Inclusion (AFI) and the Central Bank of Malaysia (BNM) with the objectives of recognising the risks of ML/TF from financial exclusion, approaches to ensuring the proportionate implementation of AML/CFT standards and methods to effectively conduct the assessment of compliance with AML/CFT standards. An opportunity was given to the UIF representative to share Timor-Leste's



2) Funksionariu ida atende workshop formasaun konjunta konabá Tipolojia ne'ebé organiza no fasilita hosi Sentru Formasaun GAFI (APG/FATF TREIN) iha Bussan, Korea sul, Novembru 2017. Formasaun refere hanesan oportunidade bo'ot ida atu aprende ka hetan experensia nasaun seluk sira nia tipolojia BK/FT.

3) Iha fulan Outubru 2017, Funksionariu ida partisipa programa Konsiderasaun no Abordajen ABK/KFT ba Inkuzaan Finanseira iha Kuala Lumpur, Malázia. Programa ne'e organiza em konjuntu entre Aliansa Inkluzaan Finanseira (AFI) no Banku Sentral Malázia (BNM) ho objetivu atu rekonese rsiku BK/FT hosi eskluzaun Finanseira; abordajen hodi assegura implementasaun ne'ebé proporsional ba padraun ABK/KFT; no métodu atu halo avaliasaun efetivu relasiona ho kumprimentu ba padraun ABK/KFT. Organizador sira fo mós biban ba representante Timor-Leste hodi fahe experensia konabá dezafiu ne'ebé hassoru iha implementasaun program ARN no rezultadu husi avaliasaun ne'e rasik.

4) Iha âmbito programa PACED nian, funksionariu ida partisipa Formasaun ba Formadór sira, durante fulan ida laran iha Lisboa, Portugal. Tuir objetivu programa PACED nian, matéria ba formasaun ne'e, foka liu ba teoria no tékniku investigasaun konabá korupsaun, brankeamentu kapitál, tráfico-droga, krimi organizadu no transnasionál. Grupu formadór husi Timor-Leste inklui formadór husi UIF, halo fali formasaun hanesan hodi implementa programa PACED no fahe koñesimentu

experience on the challenges of conducting NRA and the key findings of the assessment.

4) Under the PACED program, one staff member participated in a full month of 'training for trainers' in Lisbon, Portugal. In accordance with the main objective of the PACED program, the training materials focused on both theory and investigation techniques related to corruption, money laundering, drug trafficking, and organised and transnational crime. The UIF trainer in conjunction with the Timorese trainer team further implemented their knowledge through providing similar training programmes involving judges, prosecutors, PCIC investigators, the UIF staff and BCTL staff at the Judicial and Judiciary Training Center, Timor-Leste.





APG/FATF TREIN

Joint Typologies and Capacity Building Workshop

13-16 November 2017 | Busan, Korea



ne'ebé sira hetan ona ba Juizes; Prokuradór; Investigadór PCIC; UIF; no BCTL, iha Sentru Formasaun Jurídika no Judisiária, Timor-Leste.

5) Nafatin iha programa PACED nian, funsiónariu ida partisipa sesaun treinamentu rua iha semana rua nia laran ne'ebé involve nafatin Juizes; Prokuradór; Investigadór PCIC; UIF; no BCTL iha fulan Setembru no Outubru 2017. Topiku materia ba formasaun ne'e relaciona ho tráfikudroga ilísitu, korupsaun, brankeamentu kapitál, no krimi organizadu.

6) Iha Novembru 2017, ho apoiu tomak husi AUSTRAC (FIU Austrália), funsiónariu rua consegue partisipa Simeira Datoluk konabá Kombate Finansiamentu Terrorizmu ne'ebé organiza em konjuntu husi FIU Indonézia (PPATK), AUSTRAC no Banku Sentral Malázia.

5) *Still within the scope of PACED program, in September and October 2017 one official participated in two separate week-long training sessions for judges, prosecutors, the UIF, BCTL, and investigators of PCIC. The topics of training were related to combating the illicit trafficking of drugs, corruption, money laundering, and organised crime.*

6) *In November 2017, with the full support of AUSTRAC (the Australian FIU), two officials participated in the 3rd Counter-Terrorism Financing Summit, which was jointly organised by the FIUs of Indonesia and Australia, and was hosted by the Financial Intelligence & Enforcement Department of Bank Negara Malaysia.*

3.4

Dezenvolvimentu Koperasaun | *Cooperation Development*

Artigu 6 no 11, Dekretu Lei nu. 16/2014, fo kbiit ba UIF atu propoin mekanizmu koperasaun no troka informasaun finanseira ho FIU estranjeiru inklui mós autoridade iha nivel nasional ne'ebé iha kompeténsia hanesan tuir Lei ABK/KFT.

Under Articles 6 and 11 of Decree Law no. 16/2014, the UIF is granted the power to propose mechanisms for cooperation and the exchange of financial intelligence with foreign FIUs, as well as with authorities at the domestic level that have similar AML/CFT competence.



FINANCIAL AND CORRUPTION INVESTIGATIONS: MONEY LAUNDERING & ASSET FORFEITURE DILI, TIMOR-LESTE, NOVEMBER 13-16, 2017



2.4.1

Koperasaun no Kordenasaun Nasional | National Cooperation and Coordination

Iha nivel nasional, Governu RDTL konstitui ona Komisaun Nasional ida hanesan mekanizmu kordenasaun no koperasaun nu'udar responsável ida atu kordena medida sira destinada ba prevensaun no kombate brankeamentu kapitál, krimi orijin sira no finansiamentu terrorismu. Membru Komisaun Nasional kompostu husi membru Governu balu no mós autoridade máxima iha instituisaun relevante sira inklui mós Diretor Ezekutivu UIF.

Dispozisaun Legál konabá Komisaun Nasional ne'e, lao-tuir Rekomendasaun-2 GAFI nian ne'ebé rekere nasaun hotu atu defini politika nasional ABK/KFT, hodi fahe informasaun ba risku ne'ebé idenfika ona, no tenki halo revizaun regular, no mós tenki forma autoridade ka mekanizmu kordenasaun ruma nu'udar responsável ba implementasaun politika refere. Rekomendasaun GAFI reforsa liu-tan, nasaun hotu-hotu tenki asegura katak lejislador sira, UIF, Autoridade competente, no autoridade supervizaun sira iha nível tomada desizaun no nivel operacional sira iha mekanizmu efetivu hodi permiti kordenasaun diak entre instituisaun sira iha nivel nasional relasiona ho desenvolvimentu no implementasaun politika no atividade kombate BK/FT.

At the national level, the RDTL Government has constituted a National Commission as a coordination and cooperation mechanism which is responsible for coordinating measures destined to prevent and combat money laundering, relevant predicate offences and terrorist financing. This National Commission is composed of government members as well as the highest authorities of relevant institutions including the Executive Director of the UIF.

These legal provisions are in line with FATF Recommendation 2, which requires countries to have national AML/CFT policies, informed by the risks identified, which should be regularly reviewed, and should designate an authority or coordinate with other mechanisms that are responsible for implementation of such policies. The FATF further recommended that countries should ensure that policy-makers, the FIU, LEAs, and supervisory authorities at the policymaking and operational levels have effective mechanisms in place which enable them to cooperate, and, where appropriate, coordinate domestically with each other concerning the development and implementation of policies and activities to combat ML/FT.

Domestic cooperation is hugely important to the UIF's ability to execute its mandate as a centre of

Koperasaun nasional hanesan area ida ne'ebé importante ba UIF nia kapasidade atu ezejuta mandatu hanesan sentru análise informasaun finanseira, tanba UIF depende maka'as ba informasaun husi entidade sujeita no instituisaun seluk hodi bele fornese rezultadu análise ho kualidade. Tuir Artigu 2 Dekretu Lei nu. 16.2014, UIF iha obrigasaun atu kolabora no bele fornese apoiu tékniku perisial ba entidade hirak ne'ebé iha kompeténsia ba prevene no kombate BK/FT no krimi orijin sira.

UIF involve ativamente no halo koordenasau ho instituisaun relevante sira iha rai-laran, liu-liu ho PJR, atu reforsa komitmentu hosi parte rua iha ámbitu MOU ne'ebé assina ona iha 2016. Alen enkontru regular ne'e, UIF mós organiza sorumutu kordenasau ho instituisaun sira seluk. Iha 2017, UIF halo sorumutu kordenasau institusional ho parseirus nasional no internasional iha Timor-Leste, hodi suporta malu no hametin koperasaun nasional iha programa formasau no sensibilizasaun.

Atu akresenta valor ba análise RTS hodi bele responde ba pedidu hosi autoridade competente sira, UIF hato'o pedidu informasaun adisionál ba entidade sujeita sira no instituisaun estadu seluk, tuir Artigu 21 Lei nu. 17/2011 ne'ebé fo kbiit ba UIF atu halo pedidu informasaun adisionál iha kualker tenpu hodi dezenvolve análise informasaun. Iha 2017, UIF halo pedidu koperasaun ba entidade sujeita sira, instituisaun competente seluk liu-hosi liña seguru ho detallu hanesan tabela tuir mai ne'e.

financial information analysis, as the UIF depends heavily on information from reporting entities and other institutions to provide quality analysis. Pursuant to Article 2 of Decree Law no. 16/14, the UIF is required to collaborate with, as well as provide technical support to, entities which carry similar competence in preventing and combating ML/FT and predicate offences.

The UIF has been very active in engaging and coordinating with domestic institutions, particularly the PGO, to strengthen commitments on both sides with regard to the MOUs that were signed in 2016. During the period under review, the UIF had coordination meetings with the PGO. Aside from those regular meetings, the UIF has also arranged coordination meetings with other institutions. During 2017, the UIF actively engaged in various institutional coordination meetings with key domestic and international partners in Timor-Leste, seeking to support each other and strengthen domestic cooperation, capacity building and awareness-raising programmes.

To enrich the analysis of STRs and the requests from LEAs, the UIF has made various requests for additional information to financial institutions and other state institutions as allowed by Article 21 of Law no. 17/2011, which states that this should be done whenever necessary to develop the effective analysis of information. In 2017, the UIF requested cooperation with FIs, LEAs and other competent institutions through secure lines as shown in the table below.

Númeru pedidu informasaun adisionál | *Number of UIF request for additional information*

<i>Type of Information</i>	<i>Number of Request</i>	<i>Source of Information</i>
<i>Financial information</i>	36	<i>Reporting Entities</i>
<i>Administrative information</i>	5	<i>Other State Institutions</i>
<i>Law enforcement information</i>	1	<i>Law Enforcement Authorities</i>
<i>Other sources*</i>		
Total	42	

*Informasaun administrativu no autoridade competente hosi fonte públiku | **Administrative and law enforcement information from open/public source*

UIF kontinua fornese apoiu tékniku ba autoridade competente sira, bainhira simu pedidu kolaborasaun hodi fasilita investigasaun relasiona ho BK no krimi orijin sira. Pedidu hosi autoridade competente sira ho forma “pedidu informasaun no apoiu tekniku perisial” ka “pedidu apoiu tekniku perisial ba informasaun finanseira” ne’ebé sira rekolla ona iha prosessu investigasaun.

Durante período ne’e, UIF simu pedidu lima konabá informasaun no tekniku perisial husi autoridade competente. Hosi ne’e iha pedidu hat mak iha relasaun ho krimi fraude no ida relasiona ho krimi seluk. Pedidu hotu-hotu responde ona liu hosi análise re-ativu.

Tabela tuir mai ne’e, hatudu pedidu husi autoridade competente hanesan (i) pedidu informasaun; (ii) pedidu apoiu tekniku perisial ba informasaun ne’ebé rekolla ona; (iii) pedidu informasaun no apoiu tekniku perisial.

The UIF has been providing assistance to LEAs upon receiving their request for collaboration to facilitate investigations relating to ML and its predicated offences. The request of LEAs was either in the form of “requests for information and for technical analysis support” or “request for analysis of financial information” that they have collected during their investigation process.

During the period under review, the UIF received a total of 5 requests from LEAs for information and technical analysis. Four of the requests were related to fraud, and one to other crimes. All requests have been responded to in the form of reactive analysis.

The table below shows the requests from LEAs in the form of (i) requests for information; (ii) requests for the technical analysis of information that LEAs have already collected; and (iii) requests for information and technical analysis.

Predicate Offences	2017 - 2016							
	Request Information		Request Analysis		Request Information & Analysis		Dissemination	
Money Laundering	0	7	0	0	0	7	0	14
Corruption	0	1	0	0	0	4	0	5
Fraud	0	0	0	1	4	4	4	5
Drug Trafficking	0	0	0	0	0	1	0	1
Human Trafficking & Sexual Exploitation	0	1	0	0	0	1	0	2
Aggravated Falsification	0	0	0	0	0	1	0	1
Other	1	1	0	0	0	1	1	2
Total	1	10	0	1	4	19	5	30

Kompara ho dados hanesan iha 2016, pedidu informasaun husi autoridade competente sira tun tanba, possível laiha rejistu kriminal konabá brankeamentu kapitál no krimi orijin ruma, ka la halo investigasaun paralela ba aspetu finanseiru hodi buka tuir osan (*follow the money*) ne’ebé iha relasaun ho BK no krimi orijin sira.

Compared to the same data in 2016, there was a decrease in requests for information, as LEAs potentially registered fewer cases related to ML or associated predicate offences, and/or conducted fewer parallel financial tracking investigations (follow the money) related to ML and its predicate offences.

2.4.2

Koperasaun Internasional | International Cooperation

Koperasaun internasional no troka intelijsia finanseira krusial tebes ba eradikasaun no prevensaun krimi transnasionál ka krimi ne'ebé laiha fronteira. GAFI nia Rekomendasau-40 rekere FIU sira atu kopera no troka informasaun ho knaar-maluk estranjeiru sira, la hare ba tipu estatutu instituisaun, se administrativu ka, autoridade kompetente, judiasial, ka ho tipu estatutu seluk. Importante tenki iha baze legal ne'ebé fo dalan ba koperasaun hodi kombate krimi brankeamentu kapital, krimi orijin sira no finansiamentu terrorizmu.

UIF Timor-Leste iha baze Legál ne'ebé adekuadu ona hodi bele hatan ba kestaun refere, tan ne'e mak, entidade ne'e ativamente buka biban atu estabese koperasaun ho knaar-maluk estranjeiru sira, no hato'o ona proposta koperasaun tuir padraun Grupu Egmont nian. FIU estranjeiru sira mos hato'o proposta ne'ebé hanesan ba UIF Timor-Leste. Proposta hirak ne'e jeralmente akompanha ho Lei relevante sira atu assegura katak konteudu MOU la ses hosi rekizitu legal ne'ebé hatur iha lejislasaun nasional nasaun ida-idak nian.

Iha tinan ida ne'e, UIF Timor-Leste no Kamboja assina ona MOU iha loron 22 Julu 2017. Proposta MOU balu hakotu ona ho knaar-maluk tolu iha rejiaun Asia Pasifiku no hein atu assina iha semestre dahuluk tinan 2018. Tuir tan, UIF kontinua fo prioridade ba koperasaun internasional iha nia planu asaun estratéjiku, nune'e proposta MOU lima tama ona iha prosessu negosiasaun.

Iha Outubru 2017, funsiónariu UIF nain tolu atende Forum UIF ba nasaun CPLP sira iha Lisboa, Portugal. Programa PACED mak kria Forum ida ne'e no prevé sorumutu kada-tinan nu'udar biban ida hodi troka esperiensia teknika, tipolojia foun ruma no mos atu reforsa koperasaun internasional. Alén estuda experensia téknika husi UIF sira seluk, Forum ida ne'e iha duni importansia bo'ot ba UIF Timor-Leste hodi promove dezenvolvimentu koperasaun internasional. Partisipante UIF iha duni biban hodi diskuti akordu koperasaun ho Diretor UIF sira iha espessu CPLP no apresenta proposta MOU ne'ebé hein atu konklui negosiasaun.

International cooperation and financial intelligence exchange is crucial to the eradication and prevention of transnational crimes or crimes without borders like ML/FT. The FATF recommendation-40, requires FIUs to exchange information with foreign homologues regardless of their respective status, whether administrative, law enforcement, judicial or other. The key is to have a legal basis that provides cooperation for combating money laundering crimes, associated predicate offences and terrorist financing.

The UIF Timor-Leste has an adequate legal basis to proceed in this matter, therefore this entity has been actively seeking opportunities to establish cooperation with its counterparts and has proposed several MOUs to foreign FIUs which are in line with Egmont Group standards. Similar proposals of interest from a number of foreign FIUs to establish cooperation with the UIF Timor-Leste have been registered as well. These proposals generally annexed copies of relevant laws to make sure that the content of the MOUs are in line with respective national legislations.

During the year under review, the UIF of Timor-Leste and Cambodia were able to sign an MOU on July 22nd, 2017. Other MOUs have also been agreed on with three counterparts in the Asia Pacific region, which are expected to be signed in the first semester of 2018. Furthermore, the UIF continues to prioritise international cooperation in its strategic action plans, where five draft MOUs are currently under negotiation.



2.5

Partisipasaun Seluk | Other Participation

43

Partisipasaun Seluk
Other Participation

Hanesan membru APG nian, Timor-Leste iha obrigasaun atu atende sorumutu importante rua kada-tinan ho objetivu mak hanesan (i) reuniaun plenaria kada-tinan ba membru hotu-hotu; (ii) Tipolojia kada-tinan, ne'ebé mak normalmente antisipa ho apresentasaun relatóriu progressu kada-tinan; no relatóriu tipolojia atu estuda ambiente brankeamentu kapitál nia métodu no tendénsia.

Durante periodu 2017, UIF kontinua partisipa iha eventu APG nian no eventu sira seluk hanesan tuir mai ne'e:

1) UIF kontinua hola parte iha delegasaun Timor-Leste, kompostu hosi reprezentante membru CNCBC, hodi atende Sorumutu kada-tinan APG nian ba dala-20 no Forum Asistencia Téknika iha Colombo, Sri Lanka. Sorumutu kada-tinan ne'e hanesan politika prinsipál no dalan ida ba APG atu foti desizaun; halo diskusaun konabá kestaun pendentu sira mai hosi sorumutu tinan kotuk; kestaun governasaun no afiliasaun; Relatóriu Avaliasaun Mútua; rede global ABK/KFT; no dezvoltimentu tipolojia. Eventu ne'e mós iha hala'o hamutuk ho sorumutu ho doador APG nian ne'ebé UIF no membru delegasaun balu mos atende hodi diskuti possibilidade rekursu ruma ba neessidade formasaun no assisténsia téknika Timor-Leste nian.

As an APG member, Timor-Leste is required to attend meetings, generally twice a year, for two purposes: (i) the annual plenary meeting for all members, and (ii) annual typology meetings which are normally anticipated with the submission of an annual progress report and a typology report to study the money laundering environment regarding methods and trends.

During the period of 2017, the UIF continued to participate in APG and other events as follows:

1) The UIF continued to be part of Timor-Leste's delegation, composed by CNCBC's representative members, to attend the 19th Annual Meeting and Technical Assistance Forum held in Colombo, Sri Lanka. The annual meeting is the primary policy and decision-making vehicle for the APG to discuss outstanding issues derived from previous meetings, governance and membership issues, mutual evaluation reports, and global AML/ CFT network and typologies development. The event included a parallel meeting with APG donors where UIF and other delegates presented to discuss possible resources for training and technical assistance needs of Timor-Leste.



2) Hanesan bai-bain, molok atu participa iha sorumutu kada-tinan, UIF kordena preparasaun relatóriu progressu kada-tinan Timor-Leste nian no submete ba Sekretariadu APG iha períodu determinadu ho prazu loron 1 Abril 2017.

3) UIF ativamente atende APG nia programa kada-tinan ba formasaun no tipolojia. Iha 2017, Tekniku UIF ida hamutuk ho membru PNTL no SERVE representa Timor-Leste hodi participa iha APG/FATF TREIN Joint Typologies no Capacity Building Workshop iha Bussan, Korea Sul, Novembru 2017. Workshop refere hanesan optunidade diak ida ba UIF atu hetan ka aumenta experensia konabá tipolojia ABK/KFT hosi nasaun seluk.

2) Prior to the annual meeting, the UIF coordinated the preparation of Timor-Leste's annual progress report, as well as relevant training and technical assistance needs, as required by the APG. The report was submitted to the APG Secretariat on April 1st 2017.

3) Aside from the annual meeting, the UIF actively attended annual APG Typology and Capacity Building workshops. In 2017, one official of the UIF joined two other members of PNTL and SERVE, representing Timor-Leste in the APG/FATF TREIN Joint Typologies and Capacity Building Workshop held in Bussan, South Korea in November 2017. This workshop was a great chance for the UIF to acquire experience in ML/TF typologies from other countries.



4) Haré ba relevansia knaar UIF nian, Sr. Ministru Justisa RDTL ne'ebé assumi pozisaun Prezidente Konferensia Ministru Justisa CPLP sira, konvida mós UIF atu hamutuk ho delegasaun Timor-Leste ba participa seminariu internasional iha Brazilia, Brazil. Objetivu hosi konvite atu UIF halo apresentasaun iha loron 27 Juñu 2017, konabá experéncia Timor-Leste nian iha prosessu kombat korupsaun no brankeamentu kapitál.

5) Funsionariu UIF nain rua hamutuk ho membru delegasaun Timor-Leste (KAK, PCIC, UIF, PJR, Ministeriu Justisa no ONG) atende High Level Regional Conference on Fast-tracking Implementation of UNCAC for Economic and Social Development in Southeast Asia, iha loron 31 Janeiro – 3 Fevereiro 2017, Bangkok, Tailandia. Objetivu husi konferensia mak atu hametin relasaun no konstrui plataforma rejional hodi bele implementa lalais Kovensaun Nasoens Unidas kontra Korupsaun hodi suporta Objetivu Dezenvolvimentu Sustentavel 16 iha Sudeste Aziátiku.

4) Given the relevance of the UIF's work, the RDTL Minister of Justice, who assumed the position of Chairman at the Ministers of Justices Conference at the CPLP level (the Portuguese Speaking Countries Community), invited the UIF to join the Minister's delegation to Brasilia, Brazil. The purpose was for the UIF to deliver a presentation during the seminar held on June 27th, 2017 to share Timor-Leste's experience in combating corruption and money laundering.

5) From 31st January – 3rd February 2017, two UIF officials joined the delegation of Timor-Leste (CAC, PCIC, UIF, PGO, the Ministry of Justice and NGO) to attend a high-level regional conference on Fast-tracking the Implementation of UNCAC for Economic and Social Development in Southeast Asia in Bangkok, Thailand. . The objective of the conference was to build and foster partnerships, and to create a regional platform to fast track the implementation of the United Nations Convention against Corruption, in support of Sustainable Development Goal 16 in Southeast Asia.

6) Tuir konvite husi Komisaun Anti-Korupsaun (KAK), Tékniku ida partisipa iha UNODC Country Visit ba Malaysia hanesan kontinuasaun involvimentu UIF nian ba Programa Revizaun Implementasaun UNCAC. Vizita refere kompostu hosi Tékniku nain hat hosi Timor-Leste no ida hosi Swaziland. Objetivu husi vizita ne'e atu diskuti kle'an liu-tan implementasaun UNCAC Malaysia nian no halo konfirmasaun ba kestaun hirak ne'ebé identifika durante prosessu revizaun. Relatóriu revizaun Nasaun Malaysia nian submete ona ba UNODC iha Agustu 2017.

6) Following the invitation of the Commission of Anti-Corruption (CAC), an officer participated in a UNODC country visit to Malaysia as a continuation of involvement in the review program for the implementation of the UNCAC. The visit was conducted by four officers' representatives from Timor-Leste and one other from Swaziland. The visit's aim was to further discuss the implementation of the UNCAC and to confirm some issues identified during the desk review. The country review report of Malaysia was submitted to the UNODC in August 2017.





Kapítulu 3

Chapter 3

Dezafiu no

Prioridade | *Challenges*

and Priorities

Dezaflu ne'ebé UIF hasoru durante períodu ne'e mak hanesan tuir mai:

1) Tranzasau finanseira utiliza osan numeráriu

Tranzasau finanseira barak liu hala'o fora hosi sistema finanseiru tanba ekonomia Timor-Leste utiliza osan numeráriu no ida-ne'e la husik hela dokumentu komprovalu ruma hodi buka tuir fluksu tranzasau finanseiru. Nu'udar konsekuénsia, tranzasau hirak-ne'e la konsege deteta iha sistema ABK/KFT.

2) Númeru RTS ki'ik

Instituisau Finanseira balun seidauk kumpri didi'ak sira nia obrigasaun hodi submete RTS ba UIF. Ida ne'e observa katak, sira laiha koñesimentu apropiadu konabá diferénsa entre RTN no RTS, bele iha difikuldade iha monitorizasaun tranzasau kliente sira nian, menus koñesimentu hodi identifika atividade suspeita, no menus komitmentu bele mós kontribui ba situasaun ida-ne'e.

3) Falta Kualidade RTS

Alén númeru RTS ne'ebé sei ki'ik liu, UIF kontinua verifika falta kualidade RTS, maski organiza ona enkontru individual no workshop ba entidade sujeitu sira, maibe UIF verifika katak kualidade RTS ne'ebé hato'o ba UIF seidauk iha kualidade diak.

4) Inezisténsia deklarasaun transporte osan numeráriu no TPN

Hahú UIF hamrik to'o ohin loraon seidauk simu informasaun konabá deklarasaun transporte osan numeráriu no TPN hosi Autoridade Aduaneira. Ida ne'e kontribui mós ba dezaflu UIF hasoru iha implementasaun funsaun anáalize.

5) Falta sistema baze-dadus apropiadu no elementus analitiku automatizadu

Maski UIF hala'o nafatin funsaun principal sira ho diak maibe rekoñese katak sistema baze-dadus no elementus analitiku automatizadu ne'ebé apropiadu nesessáriu tebes ba UIF, hodi bele armazena dadus no fasilita prosessu simu informasaun, analiza no dissemina ba autoridade competente iha forma efektivu no efisiente.

Iha tinan tuir mai, UIF kontinua fo prioridade ba implementasaun programa interna no mós implementasaun planu asaun estratejiku ne'ebé identifika ona iha Planu Estratejiku Nasional 2016 – 2020, liu-liu relasiona ho responsabilidade UIF nian hodi bele hetan rezultadu ne'ebé iha benefisiu ba entidade foun ne'e no Timor-Leste em jeral.

The major challenges that the UIF continued to face during the year under review are the following:

1) Cash-Based Economy

Most financial transactions are conducted outside the financial system because Timor-Leste's economy is predominately cash-based, and this leaves no paper trail. As a result, such transactions are not captured in the AML system.

2) Low level of STR reporting

Numbers of financial institutions are still not fully compliant with legal obligations concerning STR reporting. It is observed that they lack the proper understanding of the difference between CTRs and STRs, have difficulties in monitoring the transactions of their customers, lack the knowledge to identify suspicious activity and a lack of commitment might have contributed to this situation.

3) Low quality of STR

Aside from the low level of suspicious transaction reporting, the UIF continues to verify the poor quality of STRs provided, although a number of individual meetings and technical workshops have been provided.

4) No declaration of cash transportation or BNI

Since the UIF's establishment, no information concerning declaration of cash transportation or BNI has been received from the Customs Authority. This situation contributes to the challenges that the UIF faces in the implementation of analysis functions.

5) Lack of appropriate data base and analytical software system

Although during the period UIF continuously exercising its core functions without any significant impediment, the needs for having an appropriate system is of high importance to UIF to hold and facilitate the process of receiving information, analysis and its dissemination to competent authority in an effective and efficient manner.

For the forthcoming years, the UIF continues to prioritise implementation of its internal program as well as the implementation of strategic action plans that have been defined in the National Strategic Plan 2016 – 2020 in particular those related to UIF responsibility in order to achieve results that benefit this newly established entity and Timor-Leste in general.

Apendiks | Appendices

1

Entidade Sujeita tuir Lei ABK/KFT | *Reporting Entities as Required under AML/CFT Law*

Type of Reporting Entities			
No	Financial Institutions		
I	Banks	1	CGD/BNU Timor-Leste Branch
		2	ANZ, Timor-Leste Branch
		3	Banco Nacional de Comércio Timor-Leste
		4	PT. Bank Mandiri, Timor-Leste Branch
		5	PT. Bank Rakyat Indonesia, Timor-Leste Branch
II	Insurance Company (applicable to those sells investment-linked life policies)		
III	Currency Exchange Bureaus (CEB)	1	GlobalEx Limited, Pacific Holdings (Timor) Ltd
		2	Island Dream Money, Lda
IV	Money Transfer Operators (MTO)	1	Pacific Holdings, Unipessoal Lda (Western Union)
		2	Sahabat Loro Sa'e, Unipessoal Lda
		3	Island Dream Money, Lda
		4	Msister Motor II Unipeesoal, Lda
		5	Boa Ventura, Unipessoal Lda
		6	Baratu Group, Lda
		7	Istana Group Lda
		8	Foho Osan Mean Group, Unipessoal Lda
		9	Forte Group, Lda
V	Other Depository Taking Institution (OIRD)	1	Kaebauk Investimentu no Finansas, SA (KIF)
VI	Non-Financial Institutions – DNFBPs (Casinos; Lawyers; Accountants; Fiscal; Auditors; Dealers in precious stones & metals; Real State Agencies & Brokers)		

2

Membru CNCBC | *Members of CNCBC*

No.	Government Resolution no. 10/2014 of 9 April	New composition under amended Resolution no.18/2016 of 29 June	Position
1	Minister of Justice	Minister of Justice	Co-Chair
2	Minister of Foreign Affairs & Cooperation	Minister of Foreign Affairs & Cooperation	Ko-Prezidente Co-Chair
3	Minister of Finance	Minister of Finance	Member
4	Secretary State of Security	Minister of Interior Affairs	Member
5	Public Prosecutor General	Prosecutor General	Member
6	Governor of BCTL	Governor of BCTL	Member
7	Commissioner of Anti-Corruption	Commissioner of CAC	Member
8	Pública President of Public Service Commission	President of Public Service Commission	Member
9	General Commander of PNTL	General Commander of PNTL	Member
10	General Director of Revenue & Customs	National Director of PCIC	Member
11	General Director of State Finance (x)	Executive Director of UIF	Member
12	-	Executive Coordinator of SERVE	Member
13	-	General Director of Immigration	Member
14	-	General Director of Revenue	Member
15	-	General Director of Customs	Member

3

Kategoria Infrasaun Orijin Designadu Tuir GAFI nia Rekomendasaun | *Designated Predicate Offence Categories as per FATF Recommendations*

51

Apendiks
Appendices

No.	Designated Predicate Offence Categories	Predicate Offences Covered by National Law
1	Participation in an organized criminal group and racketeering	Participation in an organized criminal group and racketeering
2	Terrorism, including terrorist financing	Terrorism, including terrorist financing
3	Human trafficking and Smuggling of immigrants	Human trafficking and Smuggling of immigrants
4	Sexual exploitation, including sexual exploitation of children	Sexual exploitation, including sexual exploitation of children
5	Illegal trafficking of narcotic drugs and psychotropic substances	Illegal trafficking of narcotic drugs and psychotropic substances
6	Arms trafficking	arms trafficking
7	Trafficking of stolen merchandise or other property	
8	Corruption and bribery	Corruption and bribery
9	Fraud	Fraud
10	Counterfeit money	Counterfeit money
11	Counterfeiting and piracy of products	
12	Environmental crimes	Environmental crimes
13	Murder, serious bodily injury	Murder, serious bodily injury
14	Kidnapping and illegal restraint of freedom and hostage-taking	Kidnapping and illegal restraint of freedom and hostage-taking
15	Robbery or theft	Robbery or theft
16	Contraband (including customs and special taxes and fees)	Contraband (including customs and special taxes and fees)
17	Tax offenses (relating to direct and indirect taxes)	Tax offenses (relating to direct and indirect taxes)
18	Extortion	Extortion
19	Counterfeiting	Counterfeiting
20	Piracy	-
21	Misuse of confidential or privileged information and market manipulation	-

4

Glossáriu | Glossary

Brankeamentu Kapítál ka hamuti-osan – Prosessu ne'ebé kriminozu sira uza osan ka riku-soin ruma ne'ebé obtain hosi rezultadu atividade kriminál, hafoin tenta atu hamuti tiha ka halo brankeamentu hodi hadook, hasubar no halakon osan nia orijin ilísitu hodi hamósu imajen katak osan ne'e mai duni hosi fonte lejítimu ida.

Finansiamentu Terrorizmu – Aktu krimi ida ne'ebé bainhira ema ka grupu ruma disponibiliza fundu, propriedade ka riku-soin ruma ba terorista ka organizasaun terorista, direta ka indiretamente, ho intensaun atu financia hahalok ka atividade terrorizmu nian. Osan ka riku-soin ne'ebé mai hosi fonte lejítimu no mós ilejítimu.

Prosessu brankeamentu kapitál:

Kolokasaun—konsiste hosi introdusaun riku-soin ka produktu ruma iha sistema finansiamentu no ekonomia, liu hosi instituisaun finanseira sira hanesan banku, ajénsia troka osan (casa de câmbio), kasino sira, nst. Faze ida-ne'e konsisti reestruturasaun, signifika tau osan iha konta bankária barak ho titulár konta ne'ebé hanesan, no smurfing liu hosi ema barak hodi tau osan iha konta bankária ho titulár konta diferenti.

Kamuflajen – produktu ilegál ne'ebé obtain ona konverte ka transforma tiha hodi halakon nia orijin liu hosi tranzasaun transferénsia oi-oin no halo dala barak, involve mós titular konta bankária barak hodi kria konfuzsaun para difikulta identifikasaun no buka tuir orijin lolós hodi hamósu hanesan osan lejítimu.

Integrasaun – osan ka fundus ne'ebé hamuti ona investe fali iha tipu atividade ekonómika lísitu sira, ezemplu hanesan sosa riku-soin ne'ebé luxu, halo investimentu boot ruma, nst.

Infrasaun Orijin – kualker krimi ho pena prizaun bot liu tinan rua nu'udar fonte hetan osan hafoin hamutin tiha ka halo brankeamentu kapitál. Infrasaun Orijin ne'e elementu materiál ida ba krimi brankeamentu kapitál, ezemplu: autoridade kompetente sei labele kastigu ema ne'ebé halo brankeamentu kapitál ba vantajen finansiamentu

Money Laundering is a process used by criminals where the origins of money or assets generated as a result of criminal activity, can be concealed, and as a result, the proceeds lose their existing criminal identity and appear to have originated from a legitimate source.

Financing of Terrorism is where funds or other property is made available to terrorist or terrorist organisations, directly or indirectly, with the sole intention that the funds be used to further terrorism. The funds used might from legitimate and/or illegitimate source.

Money laundering process:

Placement The launderer introduces illegal profits obtained into the financial system and economic using financial institutions (banks, money changers, casinos, etc.). This phase consisted of restructuring (place fund in several accounts or assets of same owner) and smurfing (place fund in several accounts or assets of different owners).

Layering the proceeds are converted or moved further from the original source by creating various layers between the sourced of fund and what is intended to achieve and making it appearing more legitimate.

Integration The laundered proceeds are ultimately injected into a legitimate economy through purchasing luxury assets/properties, precious metals, etc.

Predicate Offence Under the Penal Code of Timor-Leste, a predicate offence is the underlying crime carrying a minimum sentence of over 2 years imprisonment, which generates the money to be laundered. The predicate offence is one of the material elements of money laundering offence, for example, authorities cannot punish an individual for laundering the proceeds of a tax evasion if it is not defined as a predicate offence.

ruma hetan hosi aktu hases-an hosi obrigasaun selu impostu (evazaun fiskal)bainhira aktu ilfisu ida ne'e la defini nu'udar infrasaun Orijin ida.

Produtu Krimi – Signifika fundus ka propriedade ne'ebé mak hetan direta ka indireta liu hosi infrasaun Orijin sira. Ida ne'e inklui mos benefisiu ka rendimentu ne'ebé mai hosi infrasaun hirak ne'e, produtu krimi mai hosi investimentu fundus, ka fundus no propriedade ne'ebé transfere ona ba tipu propriedade seluk, sorin deit ou tomak.

Tranzasau Suspeita – tranzasaun finanseira ida konsidera suspeita bainhira nia aparénsia estrañu no laiha justifikasaun ekonómika, no bainhira entidade sujeita sira iha razaun forte hodi konklui katak tranzasaun refere involve brakeamentu kapitál, finansiamentu terrorizmu ka produtu krimihosi atividade ilegal ruma.

Pessoa Políticamente Exposta – Pessoa natural (individu) ne'ebé assumi kargu boot ruma ho natureza polítika ka pública, durante tinan ida, inklui sira nia membru família rasik, ka individu koñesidu ho iha relasaun komersiál ho sira hanesan defini ona iha artigo 1 hosi Lei ABK/KFT.

Entidade Sujeita – intituisaun finanseira no instituisaun naun-financeira tuir artigo 3 Lei nu. 17/2011

Proceeds of crime means any funds or property derived from or obtained directly or indirectly through the commission of a predicate offence. This also includes income or benefits derived from such proceeds, proceeds obtained from the investment of such funds or the funds or property that have been transferred into other types of assets, whether partially or in whole.

Suspicious Transaction A transaction is considered suspicious when it appears unusual and has no clear economic purpose and when a reporting entity has reasonable grounds to suspect that it involves money laundering terrorist financing or any proceeds from unlawful activity.

Politically Exposed Person Natural persons who are or have been entrusted until one year ago with prominent political or public function, as well as their close family members and person known to have close corporate or commercial relationships with them, as defined in the article 1 of AML/CFT Law.

Reporting Entities are those financial and non-financial institutions established in the article 3 of AML/CFT Law no.17/2011.





Enkeritu konabá konteudu relatóriu ne'e, bele halo inkéritu ba:
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