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## ACRONYMS/ABBREVIATIONS

<b>ACCS</b>	Anti-Corruption Commission of Seychelles
<b>AGO</b>	Attorney General's Office
<b>AMLA</b>	Anti-Money Laundering Act, 2006 as amended
<b>BDC</b>	Bureau de Change
<b>CTRs</b>	Cash Transaction Reports
<b>DFA</b>	Department of Foreign Affairs
<b>FCIU</b>	Financial Crime Investigation Unit
<b>FIs</b>	Financial Institutions
<b>FIU</b>	Financial Intelligence Unit
<b>FSA</b>	Financial Services Authority
<b>IBC</b>	International Business Company
<b>ICSPs</b>	International Corporate Service Providers
<b>LEAs</b>	Law Enforcement Agencies
<b>ML</b>	Money Laundering
<b>MVDs</b>	Motor Vehicle Dealers
<b>NRA</b>	National Risk Assessment
<b>OPTAC</b>	Operational and Tactical Analysis
<b>OSINT</b>	Open Source Intelligence
<b>REAs</b>	Real Estate Agents
<b>RD</b>	Registration Division
<b>SIS</b>	Seychelles Intelligence Service
<b>SPF</b>	Seychelles Pension Fund
<b>SRC</b>	Seychelles Revenue Commission
<b>STRs</b>	Suspicious Transaction Reports
<b>TF</b>	Terrorist Financing

## OVERVIEW

### INTRODUCTION

This is the first semester report for the 2020 financial year issued by the Financial Intelligence Unit (“FIU”). It contains statistics on mandatory reports received from various stakeholders in terms of the AMLA. The report is meant to communicate relevant statistics on the operation of the FIU. The report thus speaks to the reporting behaviour of relevant stakeholders, outcomes of such reports forwarded to the FIU, amongst others.

### BACKGROUND AND PURPOSE

The FIU was established in terms of Section 16 of the Anti-Money Laundering Act, 2006, as amended (AMLA)<sup>1</sup>, and is empowered to, amongst others, receive and analyse suspicious reports relating to ML/TF, and further share actionable intelligence with identified stakeholders as per the AMLA.

### APPLICATION

This semester report is directed to all reporting entities and stakeholders of the FIU. Much of the information presented herein is sourced from quantitative data in the FIU’s domain. The report has been sanitized to minimize disclosure of sensitive and restricted material.

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<sup>1</sup> Since August 2020, a new law was enacted which repealed and replaced the AMLA. However, the AMLA 2006 was in force during the reporting period

## MONITORING AND ANALYSIS DIVISION

As part of its mandate, FIU provides actionable financial intelligence to law enforcement agencies (“LEAs”) to assist in combating money laundering (“ML”) and terrorist financing (“TF”) in the Seychelles financial system.

The Operational and Tactical Analysis (“OPTAC”) Unit is responsible for the receipt of suspicious transaction reports (“STRs”) and other reports from local entities and individuals. The Unit is also tasked with the analysis of those reports and the subsequent production of intelligence reports, which are disseminated to relevant Authorities.

The Strategic Analysis Unit is responsible for analysing trends and to provide broad insights into emerging patterns of criminality to support the development of a strategic plan for the FIU and for informing policy decisions at a macro level. This strategic intelligence may be shared with other LEAs and other competent authorities. Additionally, the unit is tasked with the receipt and disseminations of all international requests, threshold reporting and open source intelligence (“OSINT”) monitoring.

Information is a prerequisite for the effective enforcement of laws and regulations. Equally, the FIU along with other LEAs need information in order to be able to perform their respective functions. As part of its function, the FIU follows financial transactions to identify criminal proceeds. Fig. 1.0 hereunder depicts the different sources of information accessible by the FIU for the conduct of its financial analysis. This information is used in the compilation of intelligence reports which are disseminated to law enforcement and other competent authorities.

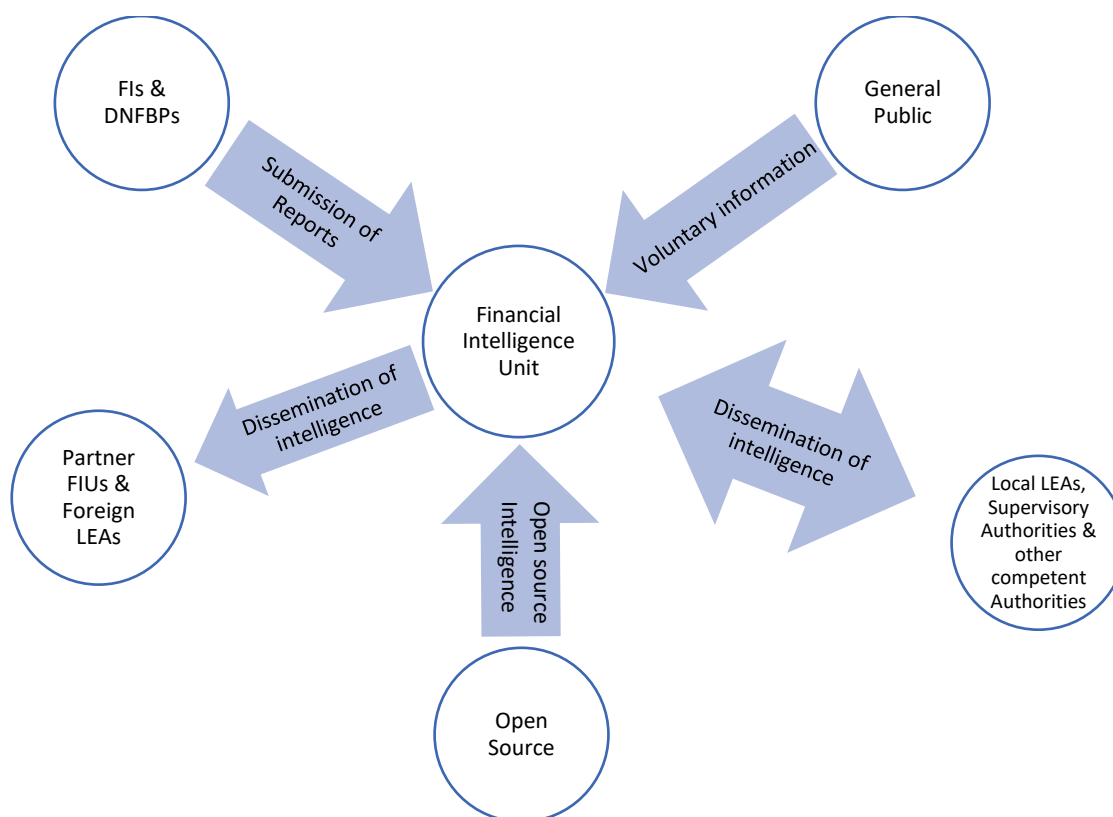


Fig 1: AML/CFT Value Chain

## OPERATIONAL AND TACTICAL ANALYSIS

OPTAC involves usage of available and obtainable information to identify specific targets, to follow the trail of particular activities or transactions and to determine links between those targets and possible proceeds of crime, ML, predicate offences and TF.

### SUMMARY

The below table provides a summary of work undertaken by the OPTAC Unit during the period under review.

	Jan	Feb	Mar	Apr	May	Jun	Total
STR Received	14	13	10	3	20	11	<b>71</b>
Local Requests received	17	19	14	3	17	31	<b>101</b>
Domestic & International Requests made	42	72	85	6	33	104	<b>342</b>
Domestic & International Disseminations made	10	3	3	9	2	5	<b>32</b>

Table 1: Summary of work undertaken by the OPTAC unit (January-June 2020)

## RECEIPT OF STRs AND OTHER REPORTS

The FIU receives STRs and other reports from reporting entities and individuals which are submitted either electronically or through physical means. However, for the general public providing voluntary information to the FIU, these reports may be made based on the informants' preference i.e., through meetings, emails or phone calls or any other means.

Whilst fulfilling its core mandates as espoused by FATF Recommendation 29, in order to maintain stakeholder confidence, considering the sensitivity of financial information it receives, the FIU is committed to taking all necessary measures to ensure the confidentiality and integrity of information it receives is maintained throughout its analytical process. In addition, the FIU maintains this confidentiality and integrity as it disseminates intelligence through intelligence reports to the relevant competent authorities for further action.

For the first semester of 2020, the FIU recorded a total of 71 STRs, a 45% increase compared to the first semester of 2019, where 49 STRs were recorded.

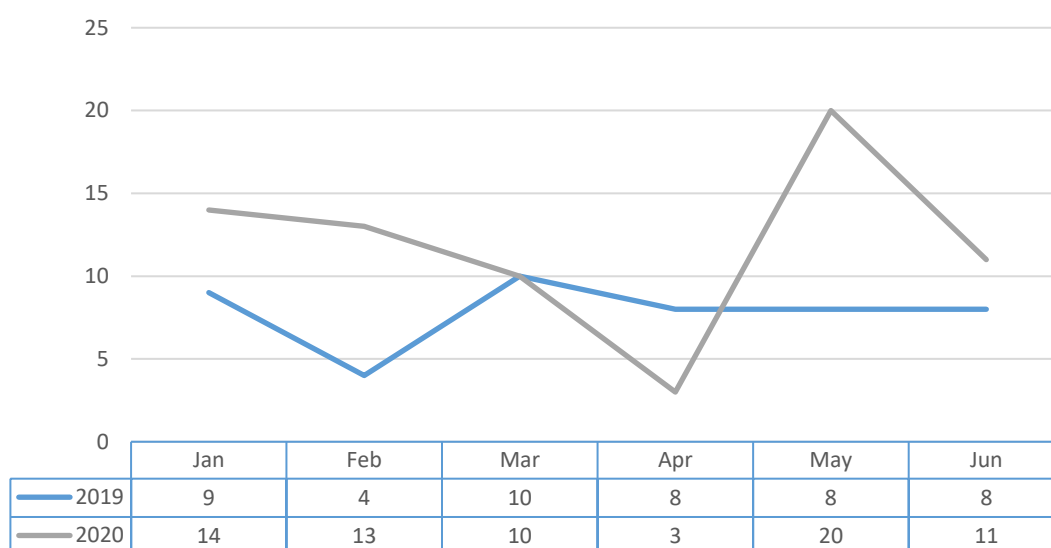


Chart 1: No. of STRs received per month (January-June 2019-2020)

As per Chart 1, the FIU received an average of 12 STRs per month despite the drop in April as compared to 2019 where the average monthly STRs was 8; which represents an increase of 33% STRs received per month.

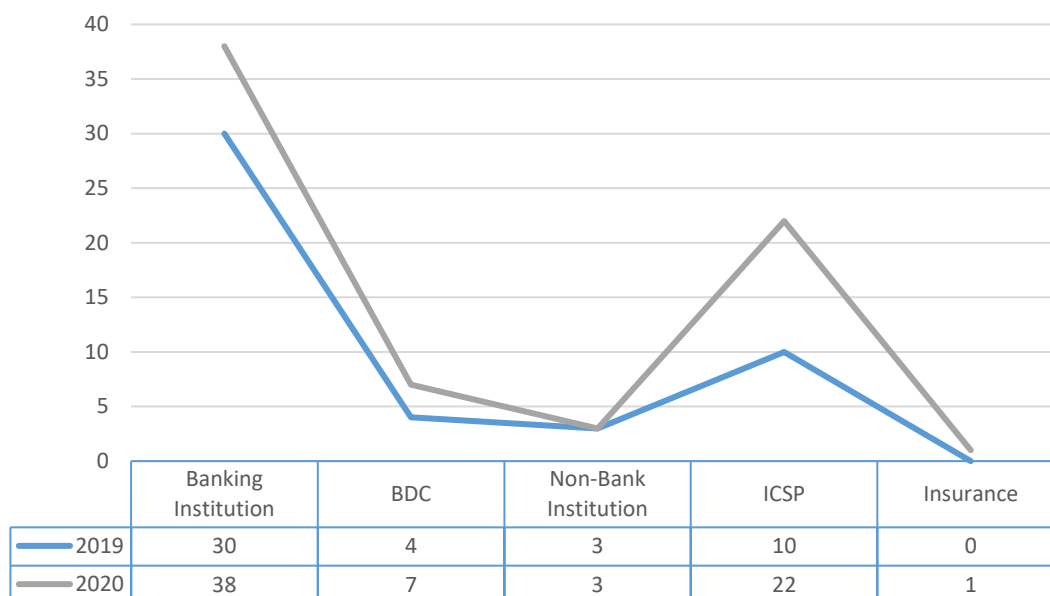


Chart 2: Comparison in the no. of STRs received per sector (January-June 2019-2020)

For the period under review, 85% of STRs recorded during the first semester of 2020 came from two reporting sectors with banking institutions filing the highest number of STRs at 38 STRs and international corporate service providers (“ICSPs”) with 22 STRs. This represents an increase of 50% of STRs filed from these two sectors with ICSPs and banking institutions recording an increase of 120% and 27% STRs respectively as compared to the previous year. Whereas the other sectors filed a combined total of 11 STRs for this semester.

2020	January	February	March	April	May	June	Total
Banking Institutions	5	2	8	3	13	7	<b>38</b>
BDC	1	0	0	0	2	4	<b>7</b>
Non-Bank Institution	1	0	0	0	2	0	<b>3</b>
ICSP	6	11	2	0	3	0	<b>22</b>
Insurance	1	0	0	0	0	0	<b>1</b>
<b>Total</b>	<b>14</b>	<b>13</b>	<b>10</b>	<b>3</b>	<b>20</b>	<b>11</b>	<b>71</b>

Table 2: No. of STRs received per sector (January-June 2020)

As per Table 2, the highest number of STRs were recorded during the months of May (20), January (14) and February (13). The lowest number of STRs were recorded in April (3) which may have directly been as a result of the outbreak of the corona virus pandemic domestically whereby the country went on lockdown and all businesses were operating at a minimum capacity, if at all. Consequently, during the month of May, lockdown measures were removed resulting in an increase in the number of STRs as reporting entities submitted their backlog reports.

Additionally, during the same period, a banking institution had encountered issues with their Account Monitoring System, which resulted in potential suspicious transactions not being detected and reported to the FIU, and thus resulting in a drop in the number of STRs received for that period.

## STR ANALYSIS

Reporting Entities	STR received Jan-June 2020	Case set aside (Low Priority)	STR analysis completed & disseminated to local authority	Under Analysis (High Priority)	Case closed without further action
Banking Institutions	38	17	2	18	1
BDC	7	6	0	0	1
Non-Bank Institution	3	3	0	0	0
ICSPs	22	0	3	19	0
Insurance	1	0	1	0	0

Table 3: Status of STR received per sector (January-June 2020)

For the first semester, the FIU analysed and disseminated 6 intelligence reports to other supervisory authorities and LEAs for further investigation which represents 9% of STRs received for the period under review whereas 37 STRs (50%) were still under analysis and 26 STRs (37%) were categorised as low priority and set aside for subsequent analysis.

## TYOLOGY OF STRS

ML/TF trends are continuously evolving as criminals find more creative ways to commit and fund their illicit activities. For this reporting period, the common Typology of STRs were as follows;

- banking just below the cash threshold of SCR 50,000 (e.g. SCR 49,000);
- transactions being inconsistent with customer's known profile;
- elaborate movement of funds through different accounts;
- high volume of transactions within a short period;
- large amounts of cash received from unexplained sources;

## STRs PRIORITIZATION FACTORS

When STRs are received, they are reviewed to determine the level of prioritization that needs to be accorded to them. The FIU applies a risk-based approach in determining the level of prioritization. Factors that are taken into consideration include, but are not limited to:



- Monetary value of STRs;
- Nature and extent of the criminal conduct; and
- Strategic priorities of LEAs, which are informed by the risk areas identified in the National Risk Assessment (“NRA”).

A total of 26 STRs were accorded a low priority status due to various reasons. Below is a summary of the notable reasons for low prioritization:

- Poor articulation of the grounds of suspicion in STRs filed (content of the report was not detailed enough to provide the FIU with a clear understanding of the cause for suspicion);
- Reporting entities not properly profiling their clients hence STR raised could be omitted if reporting entities were to simply update their client profile through interview to understand the source of funding;
- Low risk STRs based on monetary value and associated suspected offence; and
- Low priority for law enforcements based on risk levels identified in the NRA.

### REASON FOR FILING OF STRs

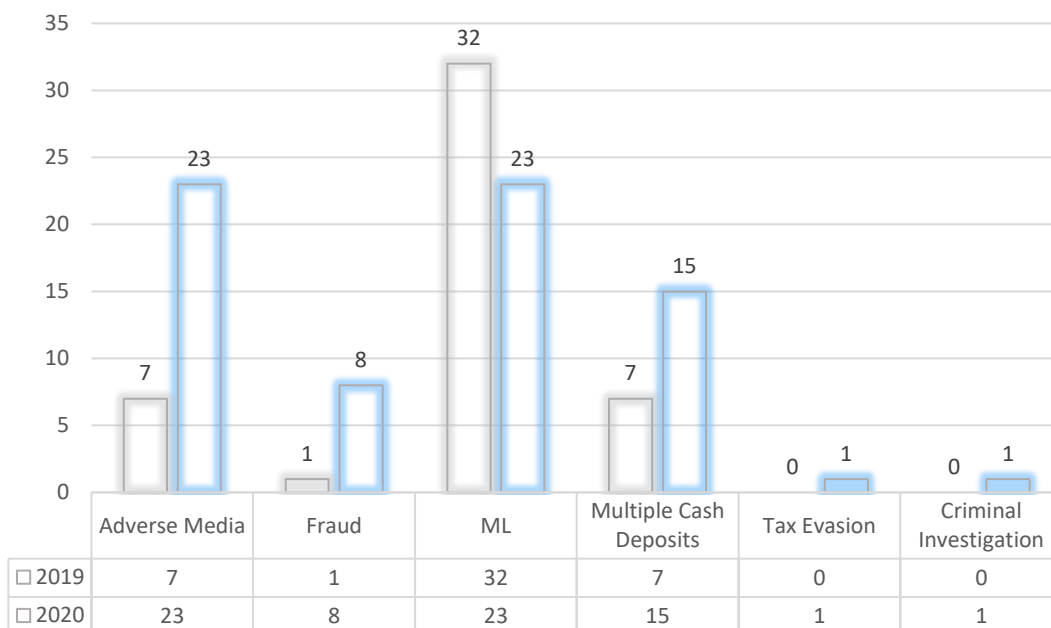


Chart 3: Reasons for filing STRs (January-June 2020)

During the review period, the FIU received STRs relating to the above categories. The majority of STRs were related to ML with 23 STRs filed, representing a decrease of 28% from the same category last year whilst the second highest category being Adverse media, saw an increase of 229% with 23 STRs filed followed by 15 STRs (114% increase) relating to multiple cash deposits, 8 STRs relating to fraud, 1 STR relating to tax evasion and 1 STR relating to an ongoing criminal investigation.

In addition to STRs received in 2020, FIU also brought forward a total of 131 backlog cases from previous years as per the table below:

	2017	2018	2019	TOTAL
<b>STR backlog</b>	38	43	50	<b>131</b>

Table 4: STR backlog

Out of the 131 cases brought forward, 8 were closed during the first semester of which 2 were STRs from 2018 and 6 STRs from 2019. The FIU will therefore be carrying over a total of 123 backlog STRs to the second semester.

## EXCHANGE OF INFORMATION

### REQUESTS FOR INFORMATION

The FIU also receives requests for information from domestic competent authorities related to suspected ML/TF and associated predicate offences.

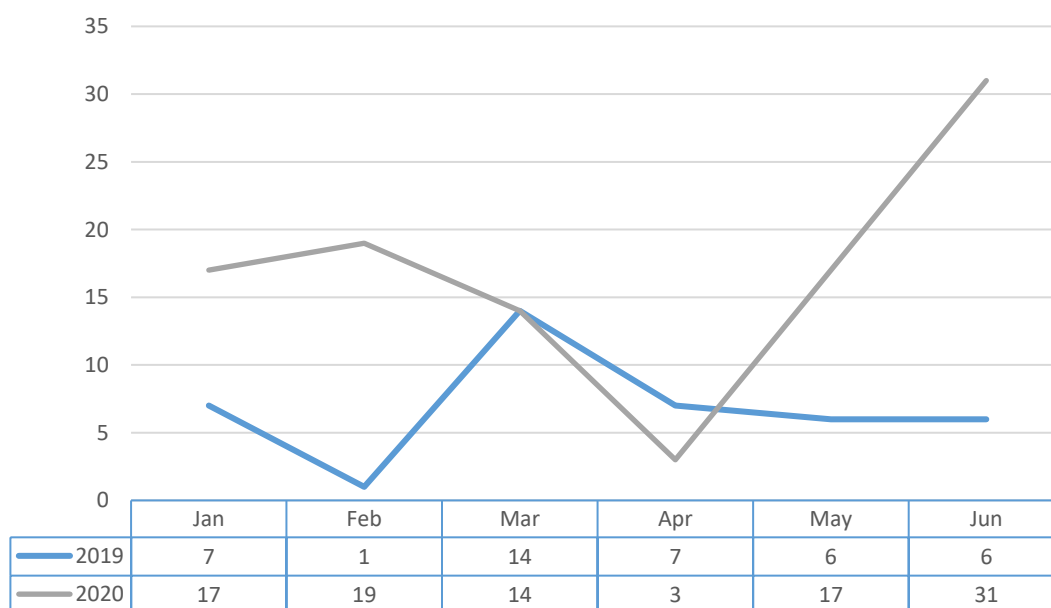


Chart 4: No. of requests received (January-June 2020)

For the period under review, the FIU received 101 requests from domestic competent authorities pertaining to 234 individuals and 122 entities. This represents a 59% increase in requests received as compared to the previous period.

Jan	Feb	Mar	Apr	May	Jun	Total
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ACCS	0	1	1	0	2	1	5
AGO	0	2	1	1	11	13	28
Police	15	15	11	2	3	16	62
SRC – Customs	2	0	1	0	1	1	5
DFA <sup>2</sup>	0	1	0	0	0	0	1
<b>Total</b>	<b>17</b>	<b>19</b>	<b>14</b>	<b>3</b>	<b>17</b>	<b>31</b>	<b>101</b>

Table 5: No. of request received (January-June 2020)

The FIU received an average of 16 requests per month despite the drop in April as compared to the previous semester where the average was 7. The month of June recorded the highest number of requests (31) of which the majority were from the Attorney General's Office ('AGO') (13) followed by February (19) and January (17) with Police making the greatest number of requests (15 requests respectively). The lowest number of requests were recorded in April (3) which is also attributed to the country's lockdown due to the corona virus pandemic. This resulted in a spike in the number of requests received in June (31) post lockdown.

The Police submitted the highest number of requests being 62 which represents 61% of the total number of requests received, followed by the AGO (28). The lowest number of requests were received from Department of Foreign Affairs ("DFA") (1), Anti-Corruption Commission of Seychelles ("ACCS") (5) and Customs (5).

## ANALYSIS

In order to conduct analysis, the FIU requests information from reporting entities, domestic authorities and international counterparts.

For the first semester of 2020, the FIU made a total of 342 requests.

	Jan	Feb	Mar	Apr	May	Jun	Total
ACCS	2	0	0	0	0	0	2
SRC	1	1	3	0	4	3	12
Police	7	0	0	0	0	1	8
SPF	2	0	1	0	0	2	5
FSA	11	25	12	0	6	78	132

<sup>2</sup> At the time of publication of this report, the Department of Foreign Affairs was renamed as the Ministry of Foreign Affairs

RD	0	0	1	0	0	1	2
Civil Status	2	0	0	0	2	0	4
SLA	0	0	0	0	0	1	1
Egmont	1	6	6	1	0	1	15
<b>Reporting Entities</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
Banking Institutions	15	24	60	5	21	16	141
ICSPs	1	16	2	0	0	1	20
<b>Total</b>	<b>42</b>	<b>72</b>	<b>85</b>	<b>6</b>	<b>33</b>	<b>104</b>	<b>342</b>

Table 6: No. of requests made per month (January-June 2020)

For this reporting period, the FIU made a total of 342 request. The highest number of requests were made during the months of June (104) and March (85) whereas the institutions to which the highest number of requests made were Banking institutions (141) and Financial Services Authority (“FSA”) (132) accounting for 80% of total requests. The month with the lowest number of requests made was in April (6) again due to the country lockdown and therefore, most institutions including the FIU were working at minimum capacity. The least number of requests were made to SLA (1), Registration Division (“RD”) (2), Civil Status (4) and Seychelles Pension Fund (“SPF”) (5). On average, for the first semester, the FIU made 57 requests per month.

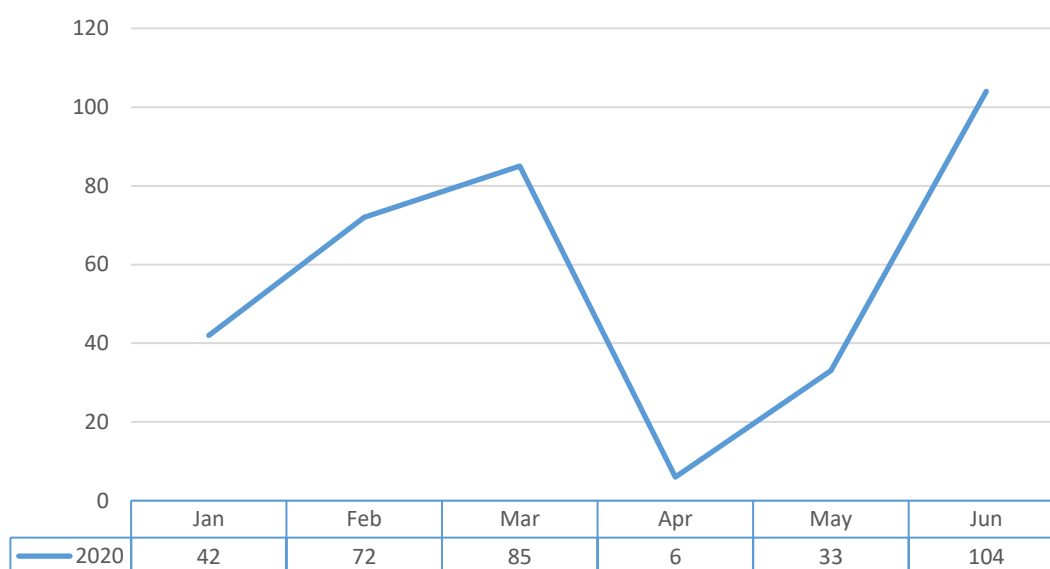


Chart 5: No. of domestic and international requests made (January-June 2020)

## DISSEMINATIONS

The FIU disseminates, spontaneously and upon request, information and the results of its analysis to relevant domestic authorities and international counterparts. For the first semester, the FIU disseminated a total of 32 intelligence reports and received 1 dissemination from an ICSP.

Disseminations following receipt of STRs received in 2018	1
Disseminations following receipt of STRs received in 2019	8
Disseminations following receipt of STRs received in 2020	6
Disseminations made following other reports received in 2019	16
Disseminations made following other reports received in 2020	1
<b>Total</b>	<b>32</b>

Table 7: Breakdown of disseminations made (January-June 2020)

Out of the 32 disseminations made in 2020, 15 (47%) were related to STRs received during 2018, 2019 and 2020 whilst 17 (53%) were related to other reports received in 2019 and 2020. The highest number of disseminations were in relation to other reports received in 2019 with 16 (50%) disseminations.

## DOMESTIC DISSEMINATIONS

For the first semester, the FIU disseminated a total of 23 intelligence reports to domestic authorities and received 1 dissemination from an ICSP.

	Jan	Feb	Mar	Apr	May	Jun	Total
FSA	3	0	0	9	0	1	<b>13</b>
Police	2	1	2	0	2	3	<b>10</b>
<b>Total</b>	<b>5</b>	<b>1</b>	<b>2</b>	<b>9</b>	<b>2</b>	<b>4</b>	<b>23</b>

Table 8: Disseminations made (January-June 2020)

An average of 4 disseminations were made per month of which 96% were made to the FSA and the Police amounting to 13 and 10 disseminations respectively. All 13 disseminations to the FSA were spontaneous disseminations. April recorded the highest number of disseminations with a total of 9 whilst February recorded the lowest number with 1 dissemination.

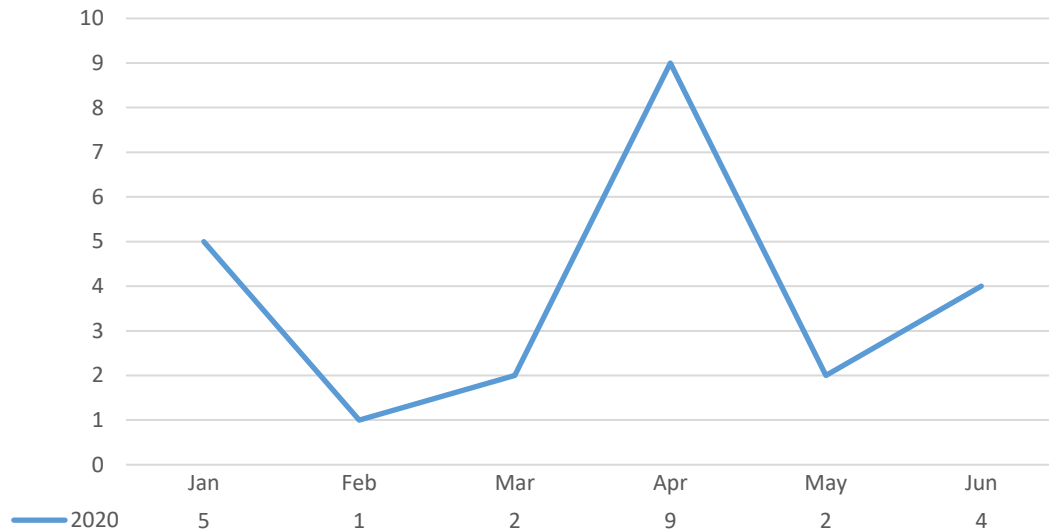


Chart 6: No. of disseminations made (January -June 2020)

Category of disseminations made	Nature of intelligence
FSA	Adverse Media
Police	ML, drug, insurance fraud & terrorism related

Table 9: Category of disseminations made (January-June 2020)

### INTERNATIONAL DISSEMINATIONS

For the period under review, the FIU disseminated a total of 9 intelligence reports to other EGMONT member FIUs of which 6 were spontaneous disseminations.

International Dissemination	Jan	Feb	Mar	Apr	May	Jun	Total
Egmont	5	2	1	0	0	1	9

Table 10: International disseminations made (January-June 2020)

## STRATEGIC ANALYSIS

Strategic analysis aims to decipher the underlying patterns and trends that will enable an FIU to draw conclusions for the strategic prevention of ML/TF, and to provide input for national policy formation and for setting operational priorities. This implies developing knowledge (strategic intelligence) as it relates to ML/TF and other threats to the security of a country's financial system.

### SUMMARY

The below table provides a summary of work undertaken by the Strategic Analysis unit during the reporting period.

	Jan	Feb	Mar	Apr	May	Jun	Total
International Requests Received	10	5	10	8	9	5	<b>47</b>
International Requests Sent	0	1	0	1	0	1	<b>3</b>
Incoming International Disseminations	5	2	2	1	0	2	<b>12</b>

Table 11: Summary of work undertaken by the Strategic Analysis unit (January-June 2020)

## INTERNATIONAL COOPERATION AND EXCHANGE OF INFORMATION

International cooperation is critical in the fight against ML/TF and other related crimes. As per FATF Recommendations 29 and 40, international standards require the FIU in each jurisdiction to provide the widest range of international cooperation. The FIU is authorised under the AMLA to exchange information with counterparts on ML/TF analyses being conducted in their jurisdiction. Cooperation at the global level is governed by the Egmont Group of FIUs principles of exchange of information. Information is shared either spontaneously or upon request in a timely manner to assist in investigations for the prevention of ML/TF.

## INTERNATIONAL REQUEST FOR INFORMATION

### INCOMING

For the first semester 2020, the FIU received 47 requests from international counterparts.

Incoming Requests	Jan	Feb	Mar	Apr	May	Jun	Total
Total Requests Received	10	5	10	8	9	5	<b>47</b>

Table 12: No of Incoming Requests (January – June 2020)

The average number of requests received per month was 8, with 5 being the lowest recorded in February and June and 10 being the highest, recorded in the month of January and March. Out of the 47 requests received during the reporting period, 30 (64%) have been responded to and 17 (36%) are yet to be responded to which will be carried forward to the second semester.

Region <sup>3</sup>	No. of Requests
Americas	4
Asia & Pacific	9
West & Central Africa	1
East & Southern Africa	3
Eurasia	3
Europe I	22
Europe II	5
<b>Total</b>	<b>47</b>

Table 13: No. of Incoming Requests by region (January – June 2020)

During the reporting period, the highest number of incoming requests originated from Egmont regions Europe I and Europe II, with 27 (57%) requests combined together followed by Asia & Pacific region with 9 (19%) of the total number of requests received. The remaining 23% were from the Americas, West & Central Africa, East & Southern Africa and Eurasia regions.

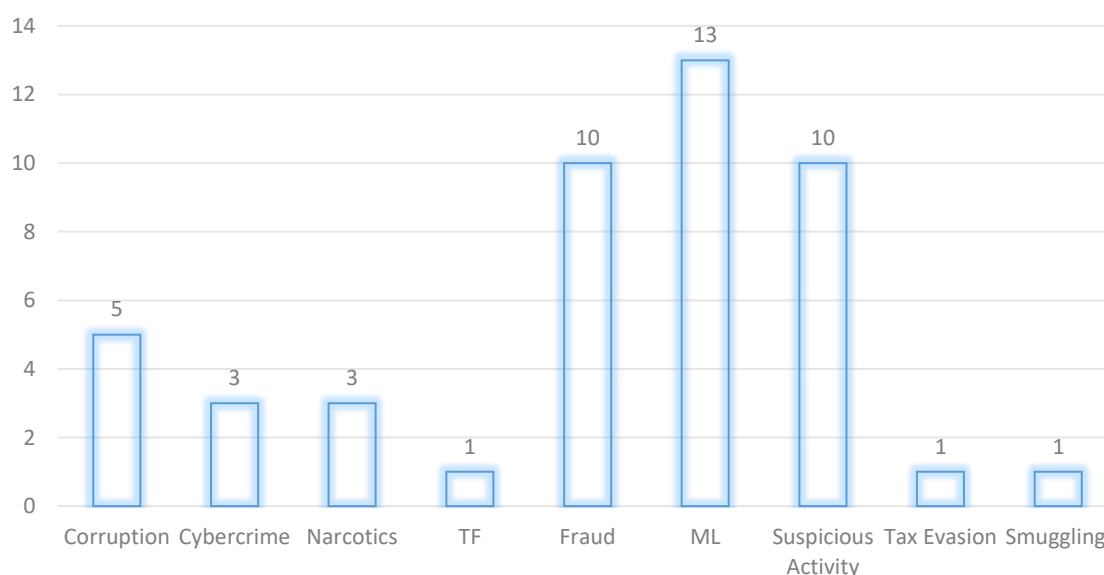


Chart 7: Category of all requests received (January-June 2020)

<sup>3</sup> Region categorised as per Egmont regional Grouping <https://egmontgroup.org/en/content/regional-groups>



For the first semester, the highest number of requests received from international counterparts were in relation to ML (13), Fraud (10) and suspicious activity (10) accounting for 70% (33) of all requests received whilst 14 (30%) were related to corruption, cybercrime, drug trafficking, TF, tax evasion and smuggling.

Backlog	2016	2017	2018	2019	TOTAL
Requests from International Counterparts	1	1	12	31	45

Chart 8: No. of requests carried over

The FIU also carried over 45 incoming requests from previous years out of which 7 were responded to during the review period. Therefore, during semester one, a total of 37 requests were responded to and 55 requests will be carried over to 2<sup>nd</sup> semester.

#### DOMESTIC REQUESTS FOLLOWING INTERNATIONAL REQUEST FOR INFORMATION

In order to fulfil incoming requests from foreign counterparts, requests for information were made to domestic authorities and reporting entities.

Outgoing Requests	Jan	Feb	Mar	Apr	May	Jun	Total
FSA	1	11	10	8	17	13	60
ICSPs	0	13	9	5	10	8	45
IBCs	0	0	1	2	0	0	3
LEAs	0	0	0	0	1	3	4
Banking Institutions	0	5	12	3	6	9	35
<b>Total</b>	<b>1</b>	<b>29</b>	<b>32</b>	<b>18</b>	<b>34</b>	<b>33</b>	<b>147</b>

Table 14: No. of domestic requests per institution (January-June 2020)

During semester one, the FIU made a total of 147 requests to domestic authorities. Most requests were made to FSA, ICSP and Banking institutions. On average the FIU sent 26 requests per month. May recorded the highest number of requests sent with 34 whereas January recorded the lowest at 1.

#### OUTGOING

For the period under review, the FIU sent out a total of 3 requests to international counterparts.

Outgoing Requests	Jan	Feb	Mar	Apr	May	Jun	Total
Egmont	0	1	0	1	0	0	2
Interpol	0	0	0	0	0	1	1

Table 15: No. of outgoing requests (January-June 2020)

Region	No of Requests
Americas	2
Middle East & North Africa	1
<b>Total</b>	<b>3</b>

Table 16: No. of outgoing requests by region (January-June 2020)

## DISSEMINATIONS

Where there are grounds to suspect ML, predicate offences or TF, the FIU can disseminate information and results of its analysis to relevant international counterparts.

	Jan	Feb	Mar	Apr	May	Jun	Total
Incoming International Disseminations	5	2	2	1	0	2	12

Table 17: No. of Incoming disseminations (January-June 2020)

## INCOMING

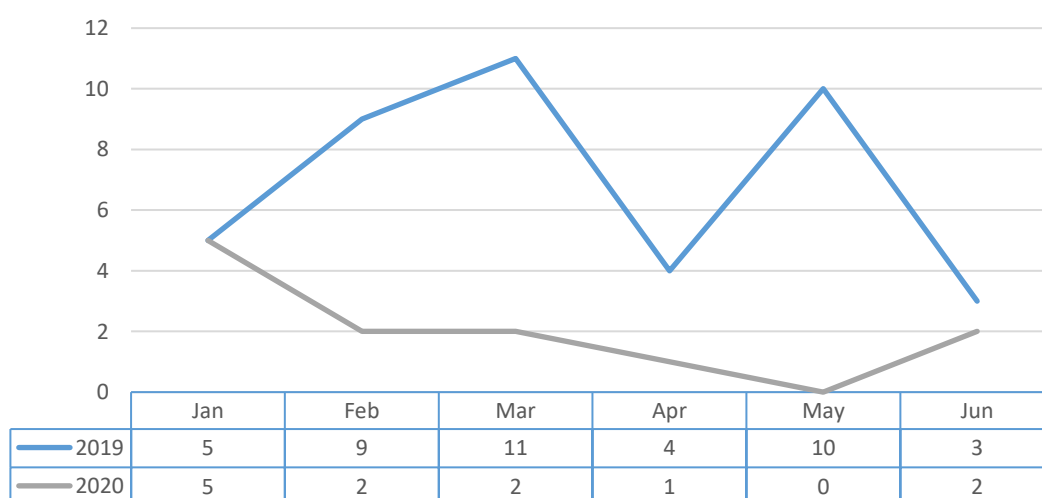


Chart 9: No. of incoming spontaneous disseminations (January-June, 2019-2020)

During the reporting period, the FIU received 12 spontaneous disseminations from international counterparts which represents a decrease of 25% as compared to 2019. Out of the 12 disseminations, 3 were further disseminated to the ACCS, Seychelles Intelligence Service (“SIS”) and FCIU. January recorded the highest number of disseminations received with 5 disseminations whereas May recorded the lowest with 0 disseminations. On average, the FIU received 2 disseminations per month.

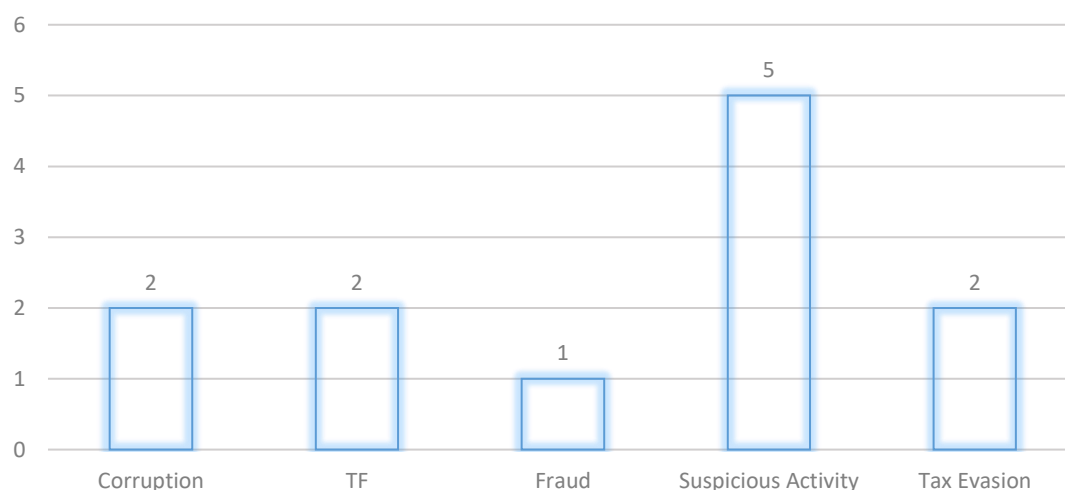


Chart 10: Category of all spontaneous disseminations received (January-June 2020)

Out of the 12 spontaneous disseminations, 42% were related to suspicious activity. 8 of the spontaneous disseminations originated from EUROPE I and EUROPE II regions with the remaining 4 from Asia & Pacific, West & Central Africa, East & Southern Africa and Middle East & North Africa.

## OTHER DISCLOSURES

For the Period under review, the FIU also received reports from entities with regards to suspicious activities relating to Seychelles registered International Business Company (“IBCs”).

	Jan	Feb	Mar	Apr	May	Jun	Total
No. of reports	11	1	7	8	6	6	39

Table 18: No. of other disclosure received (January-June 2020)

These reports are related to virtual assets/crypto currencies which is currently not regulated in the Seychelles. Regardless of it being not a licensable activity in Seychelles, the FIU is coordinating with relevant authorities in order to mitigate the situation.

## CASH TRANSACTION REPORT

Cash Transaction Reports (“CTR”) provides the FIU with a mechanism to proactively monitor and report on cash transactions which may be linked to ML/TF activities so that potential proceeds of crime are identified and investigated. CTRs are submitted by Bureaux de Change (“BDCs”), Motor Vehicle Dealers (“MVDs”) and Real Estate Agents (“REAs”).

## BUREAU DE CHANGE ANALYSIS

BDCs can be categorised into Class A and Class B.

### Class A BDC

Class A BDC is licenced to buy and sell foreign currency without the limitation that applies to Class B BDC i.e., licensed to buy and sell foreign currency, and carry out money remittance services.

### Class B BDC

Class B BDC is only licensed to buy and sell foreign currency.

The table below show CTR submitted for the first semester of 2020 as compared to the first semester of 2019.

Year	Class	No. of Reports Submitted	Sum of Transaction (SCR)	No. of Transactions
2020	Class A	251	2,039,050,867	69,275
	Class B	148	89,242,319	3,729
	<b>Total</b>	<b>399</b>	<b>2,128,293,186</b>	<b>73,004</b>
2019	Class A	284	2,064,171,184.87	62,709
	Class B	259	168,977,426	7,633
	<b>Total</b>	<b>543</b>	<b>2,233,148,611</b>	<b>70,342</b>

Table 19: No. and value of CTR submitted (January-June 2019-2020)

For the period under review, the FIU received 399 reports as compared to 543 reports in 2019. Class A BDC submitted the most reports for the first semester at 63% of the total report submitted, whereas in 2019, the number of reports submitted by class A BDC still exceeded that of Class B BDC although it was by a much smaller margin.

In terms of the number of transactions, there was an increase of 3.7% compared to the same period last year. Class A BDC accounted for 95% of the total number of transactions this semester which as compared to 2019 increased by 10%. Class B BDC on the other hand showed a decline of 51% in the number of transactions.

Similarly, the total sum of transactions for the first semester stood at SCR 2,128,293,186 which represents a 5% decrease as compared to the last semester. Class A BDC recorded the largest sum of transactions at 96% of the total value recorded as compared to last semester where they accounted for 92% of the total sum of transactions. On the contrary, the sum of transactions for Class B BDC declined by 47% as compared to 2019.

	2019	2020
BDC Class A	12	8
BDC Class B	12	12

Table 20: No. of operational BDCs (January-June 2019-2020)

#### ANALYSIS OF FOREIGN EXCHANGE FLOW

Country	Sum of transactions (SCR)
India	363,322,95
United Arab Emirates	96,015,348
Bangladesh	59,306,299
Nepal	43,905,235
Sri Lanka	26,512,385
Philippines	24,406,415
Kenya	21,048,086
Singapore	17,560,813
Indonesia	14,016,237

Table 21: Value of total incoming and outgoing transactions per country (January-June 2020)

Table 20 above shows the flow of foreign exchange currency between Seychelles and the top 10 countries with the most transactions. India is the country with the most currency flow and the main reason cited for the transfers were largely attributed to family maintenance from workers working in the Seychelles.

Typical typology for BDC;

- large-scale organisations and businesses conducting transfers via BDCs;
- BDCs conduct more outward remittances abroad compared to accepting inward remittances. This is due to the fact that Seychelles relies heavily on imported goods and the majority of the transfers are payment for trading purposes; and
- Seychelles employs a high number of expatriates both in the public and private sectors. Therefore, some expatriates, especially Indian Gainful Occupation Permits (“GOP”) holders, transfer their salary abroad as family maintenance.

## MOTOR VEHICLE DEALER ANALYSIS

For the period under review, MVDs submitted 43 CTRs as compared to 169 in 2019 representing a decrease of 75%. The value of transaction and the number of transactions also decreased from the previous year by 81% and 76% respectively.

Year	No. of Reports	Total Value of Transaction (SCR)	No. of Transactions
2020	43	44,219,348.41	181
2019	169	227,925,069.32	757

Table 22: MVDs CTR Analysis (January-June 2019-2020)

Typical typology for MVD;

- vehicles sales were mainly to private individuals than to entities;
- Bank wire transfer is the commonly used method of payment;

## REAL ESTATE AGENTS' ANALYSIS

REAs submitted 10 reports in 2020 compared to 13 during the same period last year. For the semester under review, only one transaction was reported with a value of SCR 3 million paid for through bank transfer as compared to 2019 where there were 2 transactions which amounted to SCR 9,188,000. The remaining 20 reports received by the FIU during these two semesters were nil reports.

Year	No. of Reports	Total Value of Transaction	No. of Transactions
2020	10	3,000,000	1
2019	13	9,188,000	2

Table 23: REAs CTR Analysis (January-June, 2019-2020)

## INTERNAL REQUEST

The Strategic Analysis Unit holds the CTR database and the OSINT function within the FIU which are used to assist other units within the FIU by responding to internal requests.

Requestor	Type of Request		Total	No. of Individuals	No. of Entities
	CTR Search	Open Search			
OPTAC Unit	106	10	116	107	9
Strategic Analysis Unit	26	23	49	21	28
Compliance Unit	0	4	4	1	3
<b>Total</b>	<b>132</b>	<b>37</b>	<b>169</b>	<b>129</b>	<b>40</b>

*Table 24: Internal requests (January-June 2020)*

For the first semester, the OPTAC unit made the most internal requests of 116 (69%), followed by Strategic Analysis Unit with 49 requests (29%) and Compliance Unit with 4 requests (2%). Most requests were for CTR search (78%) with the majority made by the OPTAC unit (63%). Out of the 169 requests made, 129 were related to individuals and 40 to entities.

## CONCLUSION

The information and statistics presented in this report, provides a detailed breakdown of the FIUs work undertaken during the first semester of 2020 in terms of STRs, requests and disseminations made and received. This information can also assist in identifying trends and aligning organisational priority to areas of higher risk.

It is essential to ensure that reports submitted to the FIU are relevant, timely and meet quality expectations. It is only through these reports that useful and meaningful intelligence can be produced for further use by Law Enforcement and relevant bodies.