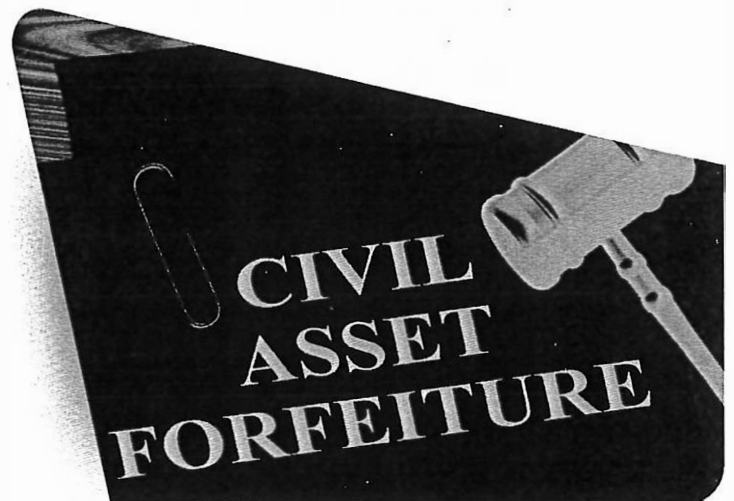


FINANCIAL INTELLIGENCE UNIT - GUYANA

ANNUAL REPORT

DECEMBER 2018





FINANCIAL INTELLIGENCE UNIT

Georgetown, Guyana

June 27, 2019

Hon. Winston Jordon
Minister of Finance
Ministry of Finance
49 Main & Urquhart Streets
Georgetown

Dear Hon. Minister,

Re: Submission of the Financial Intelligence Unit's Annual Report for 2018

Pursuant to section 9B of the Anti-Money Laundering and countering the financing of Terrorism Act Cap. 10:11 (AMLCFT Act No. 13 2009), as amended by the AMLCFT (Amendment) Act No.17 of 2018, I am pleased to present to you the Report concerning the activities of the Financial Intelligence Unit (FIU) for the financial year ending December 31,2018.

Appended to this Report is 'the Audited Annual Statement of Accounts of the FIU for the year 2018' which was prepared in accordance with Section 9/8] of the AMLCFT Act No. 13 2009.

Should you have any questions/queries concerning this report, I am available to provide any Information/ clarification as may be necessary for your compliance with Section 9B(4) AMLCFT Act No. 13 2009, including causing a copy of this report to be laid before the National Assembly.

With kind regards,

Matthew Langevine
Director

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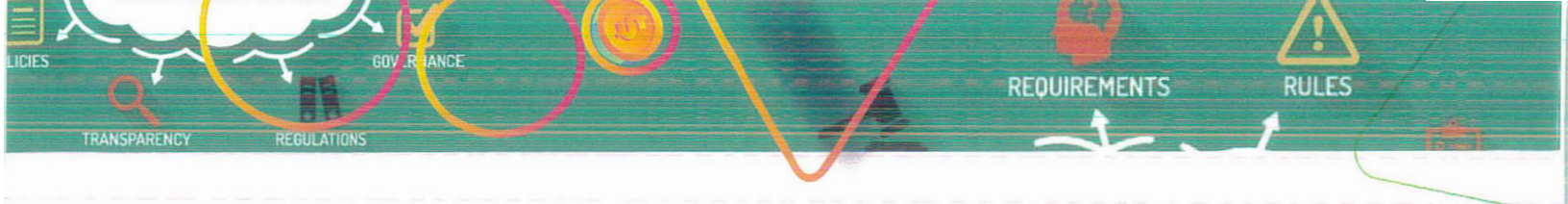


VISION

TO ASSIST IN THE EFFORTS TO ERADICATE MONEY LAUNDERING (ML) AND THE FINANCING OF TERRORISM (FT) FROM GUYANA BY PROVIDING QUALITY FINANCIAL INTELLIGENCE IN SUPPORT OF ONGOING INVESTIGATIONS, THAT WILL ULTIMATELY RESULT IN THE ACHIEVEMENT OF THE FIU'S MISSION.

MISSION

TO PROVIDE CRITICAL AND EFFECTIVE INTELLIGENCE AIMED AT PROTECTING THE INTEGRITY OF GUYANA'S FINANCIAL SYSTEM BY THE DETECTION, DETERRENCE AND SUPPRESSION OF MONEY LAUNDERING (ML) & THE FINANCING OF TERRORISM (FT), THROUGH COLLABORATION WITH LAW ENFORCEMENT AGENCIES, REGULATORS AND INTERNATIONAL COUNTERPARTS.



ABBREVIATIONS

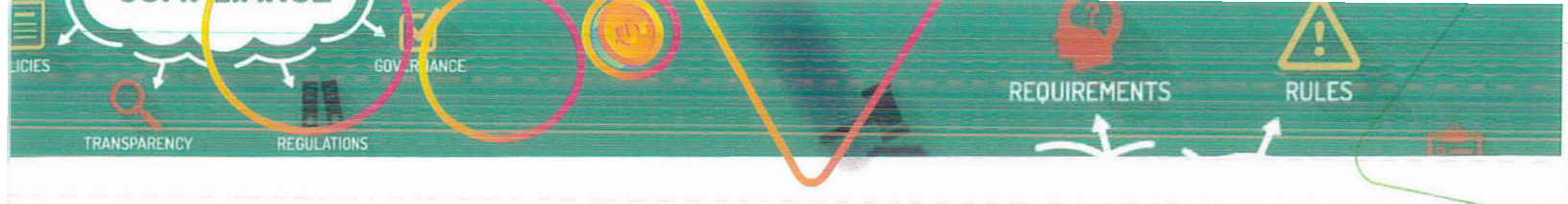
AMLCFT	Anti-Money Laundering and Countering the Financing of Terrorism
CANU	Customs Anti-Narcotics Unit
CFATF	Caribbean Financial Action Task Force
CRTMG	CFATF Risk Trends and Methods Group
DNFBPs	Designated Non-Financial Businesses and Professions
FATF	Financial Action Task Force
FIU	Financial Intelligence Unit
FT	Financing of Terrorism
FSRBs	FATF Styled Regional Bodies
GRA	Guyana Revenue Authority
GPF-SOCU	Guyana Police Force –Special Organised Crime Unit
ICRG	International Co-operation Review Group
LEA	Law Enforcement Agency
ML	Money Laundering
MER	Mutual Evaluation Report
MOU	Memorandum of Understanding
PF	Proliferation Financing
RSS- ARU	Regional Security System – Asset Recovery Unit
SARA	State Asset Recovery Agency
STR	Suspicious Transaction Report
TPR	Terrorist Property Report
UNSCR	United Nations Security Council Resolution
WGFI	Working Group on Financial Issues
WMD	Weapons of Mass Destruction

INTRODUCTION

In compliance with Section (9B) of the Anti-Money Laundering and Countering the Financing of Terrorism Act Cap. 10:11 (AMLCFT Act No. 13 of 2009) as amended, the Financial Intelligence Unit (FIU) has prepared for submission to the Hon. Minister responsible for Finance, a report on the activities of the Unit to be laid before the National Assembly. The report covers the activities of the of FIU for 2018. The activities being reported, include the Financial Position and Performance of the Unit, its stewardship in the use of allocated financial and other resources and the degree of effectiveness with which it has executed its mandate under the AMLCFT Act.

The overall responsibility and functions of the FIU are encapsulated in Section 9(subsections 1 and 4) of the AMLCFT Act and are geared towards safeguarding the financial system from use by criminals, including launderers of illicit funds. In fulfilling these functions, the FIU receives and analyzes information, and prepares and disseminates intelligence reports relating to suspected Money Laundering, Terrorist Financing and Proceeds of Crime to the relevant Law Enforcement Agencies (LEAs).

The main objective of this annual report is to provide a general overview of the activities conducted by the FIU, the challenges faced and plans to overcome these challenges going forward. This report also covers the methods used and effectiveness with which the FIU has executed its functions and how the achievements of 2018 compares to previous years. The activities that were undertaken to achieve the objectives for 2018 were examined and reported based on the resources available to the FIU. In order to provide a better perspective of the performance of the Unit during 2018, a comparative historical data (dating as far back as 2014) has been provided for this report.



ESTABLISHMENT AND FUNCTIONS OF THE FIU

The FIU was established in 2004 under the Money Laundering Prevention Act of 2000. That Act was repealed and replaced by the Anti-Money Laundering and Countering the Financing of Terrorism (AMLCFT) Act No. 13 of 2009.

Section 9(1) of the AMLCFT Act No. 13 2009 outlines the core functions of the FIU, which include requesting, receiving, analyzing and disseminating information on suspicious transaction reports (STRs) and other information relating to money laundering (ML), terrorist financing (TF) or proceeds of crime (PoC) .

The FIU (Guyana) operates as an administrative type FIU and independently carries out its functions as outlined under Section 9(4) of the AMLCFT Act. These functions are aimed at supporting the work of law enforcement agencies and other competent authorities in the national fight against ML, TF and PoC ¹.

The maintenance of its operational independence and autonomy is very important to the work of the FIU. Another important factor of the FIU's operations is its ability to cooperate and collaborate with international partners to satisfy not only the objectives of the Unit, but also the requirements of the Financial Action Task Force (FATF) Recommendation 29² which, among other things, mandates that the FIUs operates in a manner free from undue political and other external influences.

CORE AND OTHER FUNCTIONS

The core functions of the FIU are outlined under Section 9(4) of the AMLCFT Act. Central to these functions, is the FIU's primary responsibility to request, receive, analyze and disseminate information or (intelligence) reports based on suspicious transactions and other information submitted by reporting entities and other competent authorities.

Other functions of the FIU include, but are not limited to, the following:

- Maintenance of statistics and records;
- Issuance of guidelines to reporting entities;
- Provision of advice to Minister of Finance on matters relating to ML or TF that affect public policy or national security;
- Conducting of research into trends and developments to improve ways of detecting, preventing and deterring money laundering and terrorist financing;
- Creating training requirements and providing training for reporting entities on identification, record keeping and reporting obligations under AMLCFT Act;
- Conducting investigations into money laundering, proceeds of crime and terrorist financing (**for official purposes only**);
- Extend legal assistance to foreign jurisdiction with respect to production orders, property tracking, monitoring, forfeiture or confiscation orders.

¹ Section 9(1) of the AMLCFT Act 2009

² Covers the expectations and requirements for countries to implement for Financial Intelligence Units.

The broad range of functions outlined in the AMLCFT Act is indicative of the FIU's contribution to the overall AMLCFT regime in Guyana and its support for the fight against money laundering and terrorism financing worldwide. The effectiveness with which the Unit achieves these goals is also based on its ability to cooperate and collaborate with the key agencies and competent authorities, locally and internationally.

LEGISLATIVE AND REGULATORY FRAMEWORK

The activities undertaken by the FIU for the reporting period were guided primarily by the AMLCFT Act No. 13 of 2009, subsequent amendments and the Regulations made thereunder.

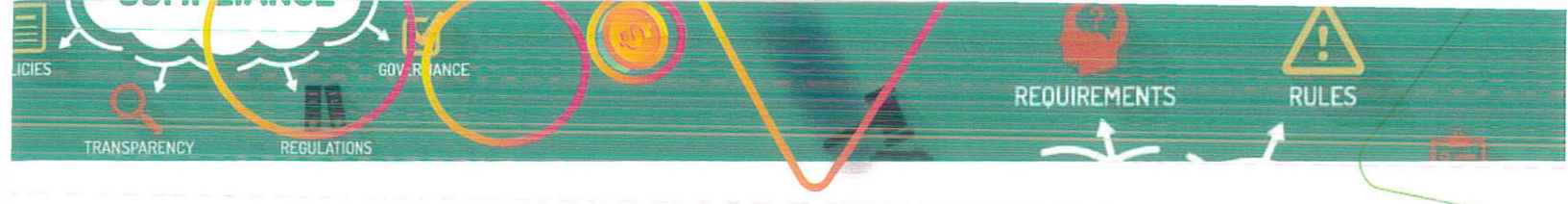
The direct legal and regulatory framework under which the Unit operates therefore includes the following:

1. AMLCFT Act 2009 No. 13 of 2009 (as amended) by
 - a) AMLCFT Amendment Act No. 15 of 2010;
 - b) AMLCFT Amendment Act No. 1 of 2015;
 - c) AMLCFT Amendment Act No. 10 of 2015;
 - d) AMLCFT Amendment Act No. 15 of 2016;
 - e) AMLCFT Amendment Act No. 21 of 2017; and
 - f) AMLCFT Amendment Act No. 17 of 2018.
2. AMLCFT Regulations No. 4 of 2010;
3. AMLCFT Regulation No. 4 of 2015 (as amended) by the AMLCFT Amendment Regulation No 7 of 2015.

Due to the nature of the analytical processes carried out by the FIU and the need to access a wide range of information sources to conduct its analytical and intelligence work, its operations are indirectly affected by laws governing other relevant agencies and sectors. Those Laws include, but are not limited to, laws on International Cooperation, such as, the Mutual Assistance in Criminal Matters Act; various Laws relating to Serious Offences/ Predicate offences, including the Criminal Law Offences Act; the Summary Jurisdiction (Offences) Act, the various Tax Laws and Laws that are specific to some supervisory bodies and reporting entities.

Additionally, International Conventions, United Nations Security Council Resolutions and other international instruments, such as, the Palermo, Vienna and the International Convention for the Suppression of the Financing of Terrorism also impact the operations of the FIU.

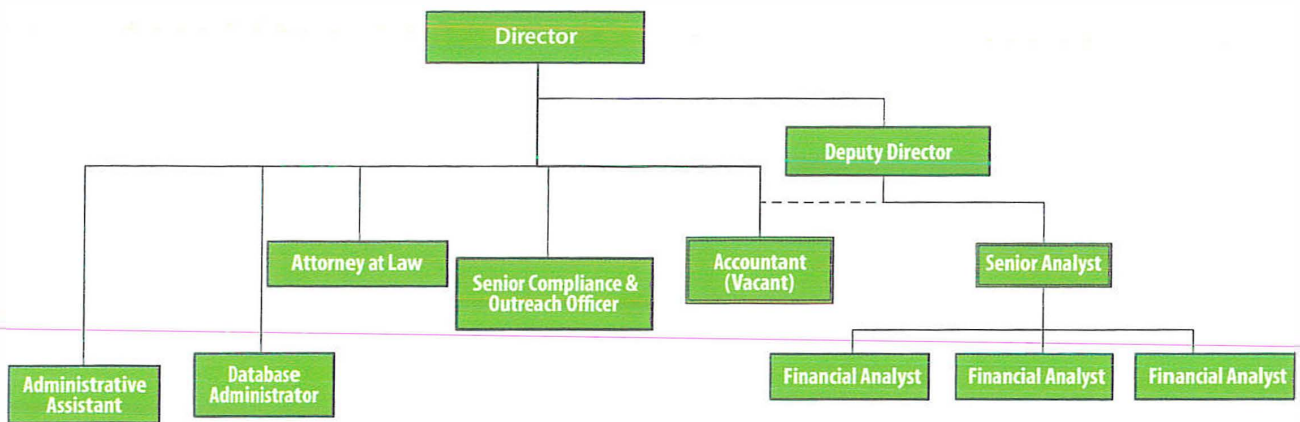
The standards set by the FATF's (40 Recommendations) and other International Organisations such as, the Egmont Group of FIUs, while not considered as 'hard law', are in effect, 'soft laws' and do impact the FIU's operation, as its level of effectiveness will be measured against those standards.



STAFFING

The Organisation Structure and staff complement of the FIU for the reporting period comprised ten (10) employees as follows:

FINANCIAL INTELLIGENCE UNIT ORGANIZATIONAL CHART FOR 2018



The employees of the FIU are professionals, with relevant AMLCFT training and experience. The senior employees are Certified Anti-Money Laundering Specialists (CAMS) and have also been trained as CFATF Assessors based on the FATF's Forty (40) Recommendations and Methodology for assessing AMLCFT Compliance. The four Financial Analysts have all been trained in the Egmont Strategic Analysis and Tactical Analysis courses, which are the established standards for Financial Analysts for FIUs worldwide.

The Attorney-at-Law, the Senior Compliance and Outreach Officer and Senior Financial Analyst have over five years' experience working in the FIU and have been beneficiaries of several training programmes that were geared to help develop their respective areas of expertise.

The FIU has been working with the Committee on Appointments of the Parliament of Guyana to have the position of accountant filled. The FIU has also included in its strategic plan (2019 to 2022) to strengthen its human resource capacity by recruiting two additional Administrative Support staff. However, office accommodation continues to be a major constraint with respect to this expansion plan.

STAFF TRAINING AND DEVELOPMENT

Exposure to training, development and outreach for the enhancement of the Unit and human resource capacity remain integral to the FIU's operational objectives. The FIU has sought to focus continuously on the development and exposure of its employees who were provided with several training opportunities, both local and overseas during 2018.

The following is a list of training opportunities from which the FIU staff benefitted during 2018:

TABLE 1

No.	Topic	Date	Sponsor	Participant
1	CFATF Assessors' Training	January 22-26, 2018	CFATF/Government of Guyana	- Director - Deputy Director
2	Fraud, Bribery and Anti-Corruption Training	April 9-20, 2018	UK Government	-Financial Analysts
3	Association of Certified Anti-Money Laundering Specialist (ACAMS) Certification	2018	Financial Intelligence Unit	-Deputy Director -Attorney-at-law -Snr. Compliance & Outreach Officer
4	CFATF Open Source Internet Investigations Basic	May 1-3, 2018	CFATF	-Financial Analysts
5	Financial Investigative Techniques Training	September 10-14, 2018	US Department of State	-Deputy Director -Financial Analyst
6	RSS ARU Money Laundering Investigation & Prosecution Training	October 2-3, 2018	UK Government	-Deputy Director -Attorney-at-Law
7	Workshop on combatting the financing of Terrorism	November 17-18, 2018	World Bank Group	Director

The training exposure facilitated the development of the staff's professional competence and expertise which were continually utilized in the execution of the functions of the Unit.



AML CFT OVERVIEW

Caribbean Financial Action Task Force

The Caribbean Financial Action Task Force (CFATF) is an organisation of twenty-five (25) states of the Caribbean Basin, Central and South America, has agreed to adopt the global standards (40 Recommendations) established by FATF to address money laundering and terrorist financing. Member states of the CFATF have agreed to implement the FATF recommendations and to apply common countermeasures, where necessary, to protect the global financial system from money laundering and terrorist financing.

The main objective of the CFATF is to achieve effective implementation of, and compliance with, the FATF recommendations to prevent and deter money laundering and to counter the financing of terrorism and proliferation of weapons of mass destruction (WMD).

The CFATF meets its objective through conducting mutual evaluations and monitoring of member states following the production of a Mutual Evaluation Report (MER) of the assessed country. A country's MER shows the status of a member state with regard to the implementation of the FATF 40 Recommendations at the time of the mutual evaluation, while a country's Follow-Up Report reflects its compliance progress after its mutual evaluation report has been adopted by the CFATF Plenary.

In 2016, The CFATF commenced the fourth round of mutual evaluations for its members based on the FATF Recommendations (2012) and the Methodology for Assessing technical compliance and effectiveness of AMLCFT Systems (2013), as amended from time to time.

Guyana has been an active member of the CFATF since 2002.

THE MUTUAL EVALUATION PROCESS

The Mutual Evaluation exercise is a requirement established by the FATF and FATF Styled Regional Bodies (FSRBs). It is intended to assess a country's AMLCFT legal and institutional framework and the preventative measures in place to fight against ML, TF and other related crimes. The ME process requires assessors³, in collaboration with the CFATF Secretariat, to prepare a report on the jurisdiction's level of compliance with the 40 FATF Recommendations and the degree to which the pre-determined effectiveness outcomes have been achieved. The output from a Mutual Evaluation (ME) identifies the deficiencies in a country's AMLCFT system. The MER provides recommendations for improvements and depending on the level of weaknesses identified, a country may be required to develop an action plan to intensify efforts to address the deficiencies identified.

Following a ME, member states are subject to a follow-up process, which may be either a regular (monitored by CFATF-International Cooperation Review Group (ICRG)) or an enhanced follow-up (which involves the FATF-ICRG in the monitoring process). Those follow-up processes involve the publication of statements on the country's progress and may include a call (request) for counter measures to be applied where the country's AMLCFT progress is minimal or substantially remain the same.

³ Persons trained by the CFATF Secretariat to conduct assessment of countries' AMLCFT regimes.

Guyana was evaluated under the CFATF's third round mutual evaluation process in 2010 and its Third Round Mutual Evaluation Report (MER) was published in July 2011. Due to the significant level of deficiencies identified in Guyana's third round MER, the country was subjected to ongoing monitoring by the CFATF and FATF during the period 2011 and 2016.

Guyana, having satisfactorily addressed the identified deficiencies by demonstrating a high-level political commitment and improvements in its legal and institutional framework, was removed from the FATF-ICRG Compliance Document in October 2016 at the FATF Plenary held in Paris, France.

In November 2016 Guyana was also removed from the CFATF-ICRG and Follow-up processes at the CFATF's Plenary held in Turks and Caicos. Having exited the FATF-ICRG and the CFATF-ICRG' Follow-up processes Guyana has commenced preparation for its Fourth Round Mutual Evaluation, which is scheduled for the second quarter of 2022.

FIU'S CONTRIBUTION TO THE WORK OF THE CFATF

The FIU continues to contribute to the work of the CFATF by providing comments and feedback on discussion papers and participating in the Plenary and Working Groups discussions.

During the November 2017 to November 2018 period, employees of the FIU provided invaluable support to the work of the CFATF at the following three capacities: the Director, FIU chaired the CFATF's Heads of FIU Forum; the Senior Compliance and Outreach Officer was a Co-Chair of the CFATF Risk Trends and Methods Group (CRTMG), and the Senior Financial Analyst was a financial assessor for the Fourth Round Mutual Evaluation of the Cayman Islands. They were part of the Guyana's delegation for the Plenary session for November 2018.

The Heads of FIU Forum is one of the working groups of the CFATF. One of its functions includes working closely with the Egmont Group of FIUs (EGFIUs)⁴. The Forum, among other things, serves to facilitate regional FIUs that are not members of Egmont Group to become members.

The Forum also serves as the means of sharing informing for both Egmont and non-Egmont members about the developments and other activities associated with Egmont.

During the Director's chairmanship of the forum, some of the topics covered included the following:

- a) Presentation- Overview of the CARICOM Proceeds of Crime Bill (RSS- ARU)
- b) Egmont Group:
 - *Debrief from Egmont Group Meeting*
 - *Regional Capacity Building Project*
 - *Update on membership of Guyana, Haiti, Montserrat and Suriname.*
 - *Update on relevant Egmont Group's project and initiative*
- c) Presentation - Supporting the operational needs of FIUs and LEAs- Public Private Partnership Initiative: Western Union
- d) Presentation: Identification of TF related STRs/ Sanitized case example: Financial Intelligence Unit, Trinidad and Tobago (FIUTT)
- e) Presentation: The use of virtual assets to facilitate ML/TF (Investigation/ Forfeiture).

⁴ The Egmont Group is a united body of 159 Financial Intelligence Units (FIUs) that provides a platform for the secure exchange of expertise and financial intelligence to combat money laundering and terrorist financing (ML/TF)



The CRTMG is another working group of the CFATF with responsibility for:

- a) Conducting research to identify and analyze money laundering, terrorist financing and other threats to the integrity of the financial system, including the methods and trends involved;
- b) Supporting national, regional and global threat and risk assessments;
- c) Providing input to the Working Group on FATF Issues (WGFI) on areas where new policies or guidance could be developed;
- d) Serving as a focal point for expertise on operational AML/CFT matters within the CFATF;
- e) Providing input to the CFATF Risks Trends and Methods Group (CRTMG) working papers and ongoing projects;
- f) Engaging and consulting with selected private sector, civil society and other experts on matters within the framework of this mandate;
- g) Undertaking any other research as assigned to it by the Plenary.

During 2018 the CRTMG completed the following two Projects under Guyana's Co-Chairmanship:

- (i) ML/TF Typologies Update⁵
- (ii) Stocktaking Exercise on De-risking in the Region⁶

CFATF PLENARY AND WORKING GROUP MEETINGS

The CFATF's Plenary and Working Group meetings are held semi-annually (i.e. during May and November of each year). These meetings allow for discussions on matters of common interest to Members as well as progress in addressing deficiencies identified in their Mutual Evaluation Report.

The FIU was represented at both the CFATF's Plenary and Working Group meetings held in May 2018 in Port of Spain, Trinidad and Tobago and November 2018 in Bridgetown, Barbados. Guyana, at both meetings provided progress updates on its ongoing operations and preparations for the Fourth Round Mutual Evaluation in 2022.

⁵ A compilation of sanitized ML, TF cases received from CFATF member countries that provides an updated categorized list of regional ML, TF activities from which future projects may be selected.

⁶ An exercise aimed at understanding the de-risking phenomenon in the region better with the purpose of improving the performance of CFATF members at their Mutual Evaluation while at the same time minimizing the perception of the jurisdiction as being susceptible to abuse of their financial systems.

STRENGTHENING GUYANA'S AML CFT FRAMEWORK

Guyana's ML & TF National Risk Assessment (NRA) was completed in 2017. The NRA report identified a number of AMLCFT vulnerabilities and provided recommendations for improvement to Guyana's AMLCFT regime. Those recommendations were included in a risk-based action plan developed to address the vulnerabilities identified. The overarching objective of this exercise was to devise a plan to strengthen Guyana's AMLCFT Framework and to fortify the financial system against money laundering and terrorist financing activities. In this regard, the FIU took steps to ensure reporting entities in all sectors were aware of their AMLCFT responsibilities through active engagements such as outreaches, training and the intensification of the registration process.

The FIU also contributed to legislative reforms, by providing recommendations to amend sections of the AMLCFT laws to address deficiencies which had the potential to negatively impact the effectiveness with which money laundering and terrorist financing were being investigated and prosecuted in Guyana. The recommendations provided also targeted technical compliance shortcomings that related to the FATF Recommendations.

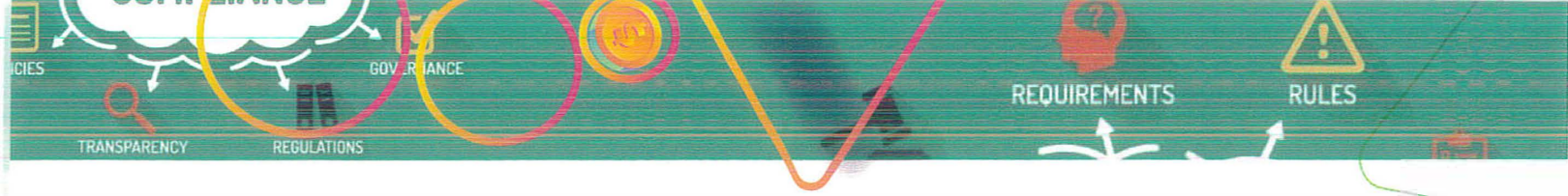
Many of the proposed amendments made by the FIU were enacted as part of the AMLCFT Amendment Act No. 17 of 2018.

The FIU will continue to support legislative reforms geared towards strengthening Guyana's AMLCFT legal framework once deficiencies are observed, by submitting written proposals for amendments, to the Attorney General's Chambers, as was done in the past.

AMLCFT & PF NATIONAL CO-ORDINATION COMMITTEE

The AMLCFT & PF National Co-ordination Committee was formalized, following the 2018 amendments. The functions of the Committee are set out under Section 7A of the AML/CFT Act of 2009 (as amended). The key functions of the Committee include:

- a) Developing national AML/CFT/PF policies informed by identified risks;
- b) Coordinating action to enable competent authorities to co-operate and co-ordinate concerning the development and implementation of policies and activities to combat ML/TF/PF;
- c) Ensuring effective mechanisms are in place to facilitate co-operation and co-ordination among policy makers and key stakeholders; and
- d) Undertake public outreach on AML/CFT/PF issues to bring awareness to emerging trends and typologies.



As a member of the Committee the FIU made presentations on the AML/CFT Obligations of Reporting Entities at several public outreaches coordinated by the Committee. Some of the reporting entities that were represented at those public fora included:

- Used Car Dealers,
- Lottery agents,
- Insurance companies and brokers
- Money Transfer Agency,
- Commercial and Non-Banks,
- Co-operatives and Registered Charities/NPOs,
- Dealers in precious metals,
- Guyana Police Force,
- Guyana Defense Force,
- Geology and Mines Commission,
- Ministries of Natural Resources,
- Health and Education,
- Customs, and
- the Private Sector.

The FIU also coordinated a seminar on Guyana's Preparation for CFATF Fourth Round ME and made presentations on the following:

- a) CFATF Fourth Round Procedures
- b) FATF Recommendations and Methodology for assessing technical compliance and effectiveness.
- c) Maintaining AML/CFT related data and statistics in accordance with the requirement of FATF Recommendation 33.

GUYANA'S ML & TF NATIONAL RISK ASSESSMENT

The FIU coordinated the country's first Money Laundering and Terrorist Financing (ML/TF) National Risk Assessment (NRA) exercise during 2016 and 2017. That project was concluded in April 2017 with a final workshop for all 74 working group members. A summary of the findings of the NRA Report as well as the Risk Based Action Plan was presented to the Policy Makers during the workshop. The full NRA Report and Risk Based Action Plan was formally presented to the Minister of Finance and Attorney General & Minister of Legal Affairs in June 2017. Tasks assigned to various stakeholders involved in the AMLCFT regime have already commenced. In 2018 the FIU coordinated a NRA seminar at which the agencies featured in the Risk Based Action Plan provided updates on their implementation of the recommended actions.

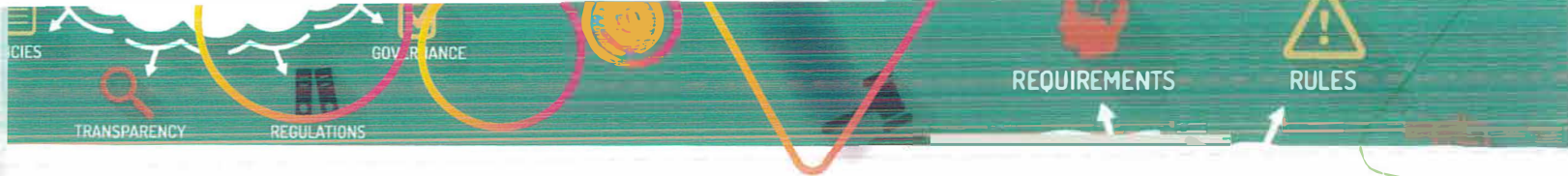
FIU'S AML CFT STRATEGIC PLAN

The FIU has completed and is working with a draft strategic plan for the period 2019-2022 which is based on the objectives and priority actions identified by Guyana's ML/TF National Risk Assessment and on actions needed to arrive at a state of readiness for the imminent Fourth Round Mutual Evaluation scheduled for 2022.

GUYANA'S EGMONT MEMBERSHIP APPLICATION

One of the FATF's Recommendations requires that countries ensure that their FIU, become a member of the Egmont Group, which include adherence to Egmont's Statement of Purpose and Principles for Information Exchange between FIUs for Money Laundering and Terrorist Financing matters. These instruments continually provide the FIU with important guidance concerning its role and functions, and the manner in which information is exchanged.

The FIU Guyana made its first application to become a member of the Egmont Group of FIUs in 2012. Following its successful exit from the FATF and CFATF follow-up processes, which was the result of having successfully addressed the legislative deficiencies that existed when the application was first made, Guyana resumed the Egmont's application process in 2017. Guyana has since secured two sponsors, one of which had to be a member of Egmont's Membership Support and Compliance Working Group (MSCWG). This is one of the FIU's highest priorities at this time. Guyana has since obtained the support of Trinidad and Tobago FIU and the British Virgin Island FIU to jointly sponsor its application for membership to the Egmont Group of FIUs.



FIU'S TRAINING AND OUTREACH

Training and Seminars

Throughout 2018, the FIU engaged in several public outreach and engagement activities, including providing presentation and interactive meetings with reporting entities, supervisory authorities and other AML/CFT stakeholder bodies. Those engagements and activities focused on AML/CFT obligations of reporting entities and supervisory authorities. The outreach activities conducted by the FIU in 2018 were as follows:

TABLE 2

No.	Date	Topic	Coordinating Agency	Participants
1	7-Feb-18	Role of Law Enforcement in the fight against money laundering and terrorist financing	Special Organised Crime Unit (SOCU)	Compliance Officer of Coordinating Agency
2	8-Feb-18	AML/CFT Obligations of Reporting Entities	AML/CT/PF Coordination Committee	Banks, Used Car Dealers, Insurance Cos, Co-operatives and Friendly Societies - Corriverton, Berbice
3	12-Feb-18	AML/CFT Obligations of Reporting Entities	Money Transfer Agency	Director & Senior Management Staff of Coordinating Agency
4	23-Mar-18	AML/CFT Reporting obligations of Dealers in Precious Metals	Guyana Gold Board	Dealers in Precious Metals, Guyana Women's Miners Association, Ministry of Natural Resources, Berbice Mining Syndicate and Geology and Mines Commission
5	13-Apr-18	CFATF's Fourth Round Procedures	AML/CT/PF Coordination Committee	Members of the AML/CFT/PF Coordination Committee and trained Assessors
6	13-Apr-18	Maintaining AML/CFT Data and Statistics	AML/CT/PF Coordination Committee	Members of the AML/CFT/PF Coordination Committee and trained Assessors
7	13-Apr-18	FATF Recommendations and Methodology for assessing Technical Compliance and Effectiveness	AML/CT/PF Coordination Committee	Members of the AML/CFT/PF Coordination Committee and trained Assessors
8	14-June-18	AML/CFT Obligations of Lottery/Betting Shops/Casinos	Gaming Authority	Guyana Lottery Company, Betting Shops and Casino
9	4-Jul-18	Update on NRA Action Plan items	AML/CT/PF Coordination Committee	NRA working Group members and trained assessors
10	15-Aug-18	AML/CFT Obligations of Reporting Entities	AML/CT/PF Coordination Committee	Used Car Dealers, Lottery Agents, Insurance, MTAs, Banks, Cooperatives, NPOs, Dealers in Precious Metals and Private Sector - Linden
11	9-Nov-18	AML/CFT Obligations of Reporting Entities	AML/CT/PF Coordination Committee	Banks, Insurance Cos, Guyana Defense Force, Guyana Police Force, Ministries of Natural Resources/ Health/Education, GRA-Customs, Geology and Mines Commission, Cooperatives and Friendly Societies - Lethem
12	23-Nov-18	AML/CFT Environment in Guyana- Implications for Accountants/Auditors	Institute of Chartered Accountants of Guyana	Representatives of the Accounting Associations



The FIU continued to work with reporting entities, supervisory authorities and other competent authorities across the country and provided guidance and assistance to them, which aided their understanding and improved their level of compliance with their obligations under the AML/CFT Legislation. In 2018, the FIU conducted twelve (12) training sessions with a number of reporting entities and their respective supervisory authorities.

The pictures below represent two such sessions hosted by the FIU during 2018.



Training session with New Reporting Entities from the Gaming Sector



Training Seminar with Credit Unions



The DNFBP sector, which includes Credit Unions, Dealers in Precious Metals (Gold Dealers), Pawnbrokers, Co-operative Societies and Registered Charities/Non-Profit Organisations, was given special attention for training and outreach. The Guyana Revenue Authority, AMLCFT Supervisor for Pawnbrokers, Used Car/Car Parts Dealers and Real Estate Agents (House Agents), who also has regulatory responsibility for monitoring cross border transportation of currency, also benefitted from the training facilitated by the FIU. Details on training/presentations conducted by the FIU were as follows:

TABLE 3

No.	Date	Topic	Entities	No. Entities represented	No. of Participants
1	8-Mar-18	AML/CFT Obligations of Credit Unions	Credit Unions	22	31
2	27-Mar-18	AML/CFT Reporting Obligations	Co-operative Societies and Friendly Societies	17	28
3	4-Apr-2018	AML/CFT Obligations of Reporting Entities	Newly licensed Dealer in Precious Metals	1	1
4	14-May-18	Guyana's AML/CFT Regime and the Role and Functions of the FIU	Staff of the Guyana Revenue Authority	1	24
5	16-May-18	Guyana's AML/CFT Regime and the Role and Functions of the FIU	Staff of the Guyana Revenue Authority	1	50
6	21-May-18	Guyana's AML/CFT Regime and the Role and Functions of the FIU	Staff of the Guyana Revenue Authority	1	45
7	23-May-18	Guyana's AML/CFT Regime and the Role and Functions of the FIU	Staff of the Guyana Revenue Authority	1	37
8	6-Jun-18	Guyana's AML/CFT Regime and the Role and Functions of the FIU	Staff of the Guyana Revenue Authority	1	92
9	12-Jun-18	AML/CFT Refresher Training on REs AML/CFT Obligations and the FIU's Role and Functions	Financial Institution	1	24
10	22-Jun-18	AML/CFT Obligations of Reporting Entities and FIU's Reporting Formats	Newly licensed Pawnbrokers	3	3
11	10-Oct-18	AML/CFT Obligations of Reporting Entities and FIU's Reporting Formats	Co-operatives and Friendly Societies/NPOs	29	38
12	14-Oct-18	AML/CFT Obligations of Reporting Entities and FIU's Reporting Formats	Co-operatives and Friendly Societies/NPOs	40	40

TRENDS AND TYPOLOGIES

Trends and Typologies Reports were issued with the intention of highlighting emerging threats and vulnerabilities in certain sectors, products or services. Those reports were designed to assist reporting entities to develop mitigating mechanisms, thereby reducing or eliminating their exposure to the identified ML/TF threats.

The FIU is committed to continuing to research and analysis trends and developments in money laundering and terrorist financing with the aim of publishing the findings in the form of Trends and Typology reports. One Typology titled “*Wire Transfer Fraud*” was completed in 2018 using information and data for the period 2016-2018. That typology sought to highlight some of the means by which individuals infiltrate the email system and computer networks of organisations by impersonating key officials in the payment process and eventually obtaining financial benefits fraudulently. This typology is available to the public via the FIU’s website at <http://fiu.gov.gy>.

GUIDELINES/GUIDANCE NOTES

In keeping with its obligations to provide guidance to reporting entities, the FIU developed and published the following Guidelines and Policy documents during 2018:

- Guideline No. 1 of 2018 – Detecting or Preventing Terrorist Financing⁷
- Reporting Entity Registration policy⁸

These documents can also be accessed by the public via the FIU’s website at <http://fiu.gov.gy>.

CIRCULARS/ADVISORIES/NOTICES

To ensure that reporting entities were updated in a timely manner about concerns, changes and weaknesses in the local and international AML/CFT systems, the FIU continually issued Circulars to reporting entities (via their respective supervisory authorities). In most instances, they were based on the FATF and CFATF Public Statements and Global Compliance Documents.

⁷ A guide to enable reporting entities to protect themselves from being used as conduits for hiding or moving terrorist funds or other assets; and to ensure that they do not unwittingly hide or move terrorist funds or other assets; also to help build awareness of how terrorists, their associates or those who support terrorism may use the financial system.

⁸ This policy provides a comprehensive framework and a control system that ensures a clear understanding of the registration process to be undertaken by all reporting entities and the actions to be taken by the FIU with respect thereto.



Circulars issued to reporting entities during 2018 were as indicated in table 4 below:

TABLE 4

CIRCULARS			
No.	Date issued	No.	Particulars
1	27-Feb-18	Circular No. 1 of 2018	Financial Action Task Force (FATF) Public Statement of February 23, 2018 relating to high-risk and non-cooperative jurisdictions.
2	27-Feb-18	Circular No. 2 of 2018	Financial Action Task Force (FATF) Public Document of February 23, 2018 on Improving Global AML/CFT compliance: Ongoing Process.
3	12-Jul-18	Circular No. 3 of 2018	Caribbean Financial Action Force (CFATF) Public Statement of May 31, 2018 in relation to jurisdiction no longer subject to CFATF-ICRG Review.
4	12-Jul-18	Circular No. 4 of 2018	Financial Action Task Force (FATF) Public Statement of June 29, 2018 relating to high-risk and non-cooperative jurisdictions.
5	12-Jul-18	Circular No. 5 of 2018	Financial Action Task Force (FATF) Public Document of June 29, 2018 on Improving Global AML/CFT compliance: Ongoing Process.
6	27-Nov-18	Circular No. 6 of 2018	Financial Action Task Force (FATF) Public Statement of October 19, 2018 relating to high-risk and non-cooperative jurisdictions.
7	27-Nov-18	Circular No. 7 of 2018	Financial Action Task Force (FATF) Public Document of October 19, 2018 on Improving Global AML/CFT compliance: Ongoing Process.

PUBLICATIONS

As part of its public sensitization programme, the FIU issued a series of publications in the local print media over the period August to December 2018. The aim was to sensitize the public on money laundering, terrorist financing, criminal proceeds, the functions and operations of the FIU and some of its key stakeholder partners.

Those publications covered the following topics as listed in **Table 5**:

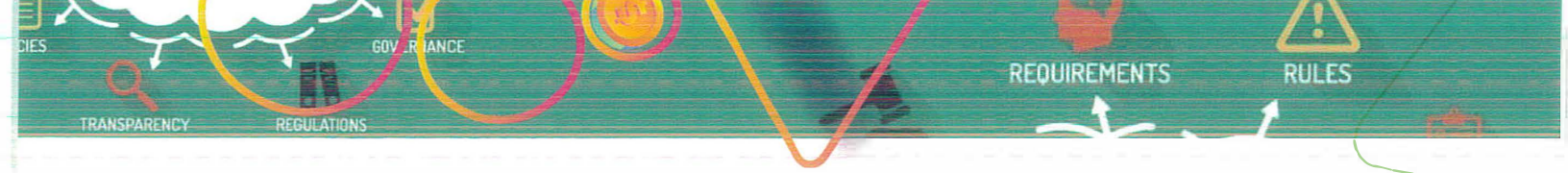
TABLE 5

Focus on the FIU	
Issue No.	Topic
Issue No. 1	Background to the AMLCFT Programme and the FIU. What is FATF? What is CFATF?
Issue No. 2	Role of the FIU? What is a Reporting Entity? What is the structure of the FIU? How is the FIU funded? How does the FIU operate?
Issue No. 3	What is Money Laundering? What is a serious offence? What are some of the consequences of money laundering? What is Terrorist Financing? What is the consequence of terrorist financing? What are proceeds of crime?
Issue No. 4	Measures to prevent Money Laundering and Terrorist Financing. What is a Supervisory Authority? Some functions of a Supervisory Authority. Range of sanctions that can be instituted by Supervisory Authority
Issue No. 5	List of Supervisory Authorities and their respective Reporting Entities. The Special Organized Unit and the Office of the Director of Public Prosecutions and how these agencies function under Guyana's AML/CFT regime.
Issue No. 6	Guyana Revenue Authority. What is a foreign currency declaration report? When and where should you make a foreign currency declaration? Penalties for failure to declare or false declaration.
Issue No. 7	Types of reports the FIU receives. What are Threshold Transaction Reports? What is a Suspicious Transaction Report? What is a Terrorist Property Report?
Issue No. 8	Protection of information with the FIU. Protection for Reporting Entities for disclosing information to the FIU. What is Tipping Off and the penalty for Tipping Off?
Issue No. 9	Other obligations of a Reporting Entity.

UNITED NATIONS CONSOLIDATED LIST AND SPECIFIED ORDERS

The United Nations publishes and constantly updates its list of persons identified as terrorists/ associates to, or financiers of terrorism based on United Nations Security Council Resolution (UNSCR 1267). It is expected that reporting entities screen their customers to ensure that they are not doing business with or holding assets for those individuals or organisations. This list is updated whenever there are changes to existing names, new names are included or removed from the list. The FIU has an obligation to inform reporting entities of all updates made to the UN Consolidated List. The FIU is also required to notify all stakeholders and the public of all persons sanctioned locally based on their connection to suspected terrorist related activities as is required by UNSCR 1373. These notifications follow the issuance of Specified Orders (via the Official Gazette) by the Minister of Finance in accordance with the provisions of the AMLCFT Act of 2009 (as amended).

In 2018, the FIU informed reporting entities, through their respective supervisory authorities, of fifty-six (56) additions, eighteen (18) removals and twenty (20) amendments to the UN Consolidated Lists. Two (2) Specified Orders were made by the Minister of Finance in accordance with section 2(2) of the AML/CFT Act 2009 (as amended) and that was also communicated to all Reporting Entities.



STATISTICAL INFORMATION

Threshold Transaction Reporting

All categories of reporting entities are required to report all transactions that equal or exceed the threshold limits established for their respective sectors. The following table provides a list of thresholds that apply to each category of reporting entity:

TABLE 6

Categories of Reporting Entities	Amount (GYD Equivalent \$)
Small Betting Shops	60,000
Betting Shops (Other)	500,000
Cambio Dealers (Purchases)	400,000
Cambio Dealers (Sales)	1,000,000
Casinos	500,000
Credit Unions	500,000
Dealers in Precious and Semi-Precious Stones (Diamond Dealers)	2,000,000
Dealers in Precious Metals (Gold Dealers)	2,000,000
Used Car Dealers	2,000,000
Insurance Companies & Brokers	2,000,000
Licensed Financial Institutions (LFIs) -Banks	2,000,000
Lotteries	500,000
Money Transfer Agencies	200,000
Pawnbrokers	300,000
Real Estate Agents	2,000,000
Securities Companies/ Brokers/ etc.	2,000,000
Guyana Revenue Authority (GRA) – International Travelers	2,000,000

The number of reporting entities reporting to the FIU has increased year over year from 2016 to 2018. Entities on-boarded and reporting to the FIU rose from a mere eighty-nine (89) in 2016 to two hundred eleven (211) in 2017 and to two hundred seventeen (217) in 2018. The increase was a direct result of the FIU’s awareness, registration and training campaigns in 2017 and 2018. The table below provides a breakdown of the number of reporting entities reporting threshold transactions in each category for the for the period 2016 – 2018.

TABLE 7

RE Category	2018	2017	2016
USED CAR DEALERS	52	52	-
PAWN BROKERS	28	25	19
CREDIT UNIONS	26	25	-
REAL ESTATE AGENTS	20	20	-
INSURANCE SERVICE PROVIDERS	16	16	16
DEALERS IN PRECIOUS METALS (GOLD)	14	13	13
CAMBIO DEALERS	13	13	13
DEALERS IN PRECIOUS & SEMI-PRECIOUS STONES (DIAMONDS)	11	11	-
LFI – COMMERCIAL BANKS	11	11	8
INSURANCE COMPANIES/ BROKERS	6	6	6
MONEY TRANSFER AGENCIES	6	6	6
BETTING SHOPS	4	4	-
GRA (CURRENCY DECLARATION)	4	4	4
SECURITIES COMPANIES	3	3	-
CASINO	1	1	1
COOPERATIVES	1	-	-
LOTTERY COMPANIES	1	1	-

The number of reporting entities registered and reported to the FIU had a direct bearing on the volume and monetary value of data gathered from threshold reports. Overall, there was a small increase in the number and value of threshold transactions reported for 2018 compared with 2017. The number of transactions reported rose eight percent (8%) while the value of all reported threshold transactions rose sixteen percent (16%). Money Transfer Agencies and Licensed Financial Institutions were responsible for *higher volumes and value* of transactions in both periods. The table below provides a summary of the reported transactions in each category.

**TABLE 8 THE NUMBER AND VALUE OF THRESHOLD TRANSACTIONS
2017 & 2018**

REPORTING ENTITY CATEGORIES	2018		2017	
	TOTAL NUMBER OF THRESHOLD TRANSACTIONS	TOTAL VALUE OF THRESHOLD TRANSACTIONS ('000,000) GSM	TOTAL NUMBER OF THRESHOLD TRANSACTIONS	TOTAL VALUE OF THRESHOLD TRANSACTIONS ('000,000) GSM
Licensed Financial Institutions	51,247	247,955	46,143	230,606
Cambios	22,141	243,247	19,354	197,247
Money Transfer Agencies	119,786	602,181	115,108	492,377
International Travelers	875	7,162	969	3,481
Gold Dealers	7,229	82,334	8,396	96,056
Pawnbrokers	271	165	288	167
Casino	118	114	82	96
Insurance	935	3,500	857	5,953
DIPS	126	764	42	207
Lottery	194	534	108	258
Securities	467	1,399	181	1,184
Used Car Dealers	1,132	3,372	482	2,089
Betting Shop	975	334	-	-
Credit Union	3,139	1,678	-	-
Real Estate	4	23	-	-
TOTAL	208,639	1,194,762	192,010	1,029,720

SUSPICIOUS TRANSACTION REPORTS (STR)

A suspicious transaction is any transaction in which there is reasonable grounds to suspect that that transaction is related to a money laundering or a terrorist financing activity or serious offence.

In 2018, 331 Suspicious Transaction Reports (STRs) were submitted by reporting entities as being connected to the following offences or activities that triggered the STRs. Sixty-two percent (62%) were indicated to have been possibly derived from “smurfing” activities. The significant serious (predicate) offences that were featured in the STRs were that the funds or transactions were linked to possible Money Laundering (10%), Fraud (7%), Tax Evasion (5%) and Drug Trafficking (4%).



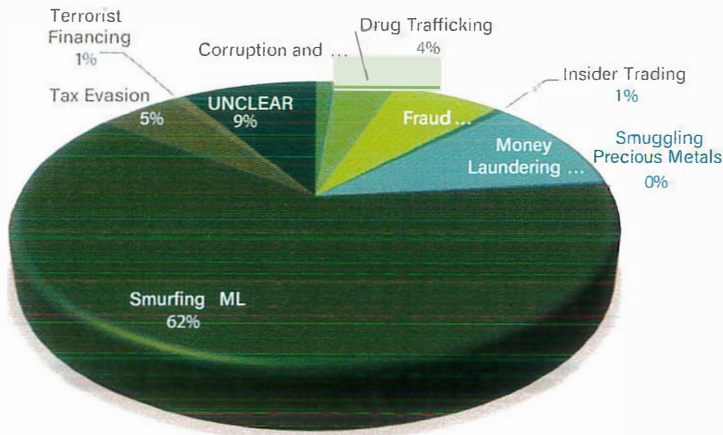
The full list of STRs classified by serious (predicate) offences is depicted in **Table 9**.

TABLE 9

Offence/ Activity Type	Total	Total Value
Corruption and Bribery	4	20,026,932
Drug Trafficking	13	5,357,196
Fraud	23	254,193,698
Insider Trading	2	5,600,000,000
Money Laundering	35	1,157,305,341
Smuggling Precious Metals	1	198,610,100
Smurfing -Activities	204	209,677,537
Tax Evasion	17	817,853,137
Terrorist Financing	3	3,912,092
Unclear	29	291,268,153
TOTAL	331	8,558,204,186

The chart below provides a view of the various serious (predicate) offences/ activities and the proportion of STRs they represent.

TOTAL STR/SAR RECEIVED FOR 2018



Even though the activity of **Smurfing** accounted for approximately 62% of all STRs submitted, it only accounted for 2.45% of the total monetary value of reported suspicious transactions. **Insider Trading**, on the other hand, accounted for the highest overall monetary value (\$5.6b) even though only two STRs were submitted in this category. **Money Laundering and Tax Evasion** were the other two categories of offences that had significant financial values in the associated STRs.

Tax Evasion had a higher average value per STR (\$48m) than Money Laundering (\$33m). These three categories, Insider Trading, Tax Evasion and Money Laundering, accounted for approximately 89% (65%, 10% and 13.5% respectively) of the total money value of all reported suspicious transactions.

At the entity level it was observed that the majority of Suspicious Transaction/Activity Reports (STR/SAR) came from three categories of Reporting Entities (RE); Money Transfer Agencies (MTAs / 71%), Licensed Financial Institutions (LFI / 22.36%) and Securities Companies (5.14%). The remainder, which forms less than 2% of all STRs, comprised Gold Dealers, Cooperatives and Insurance companies.

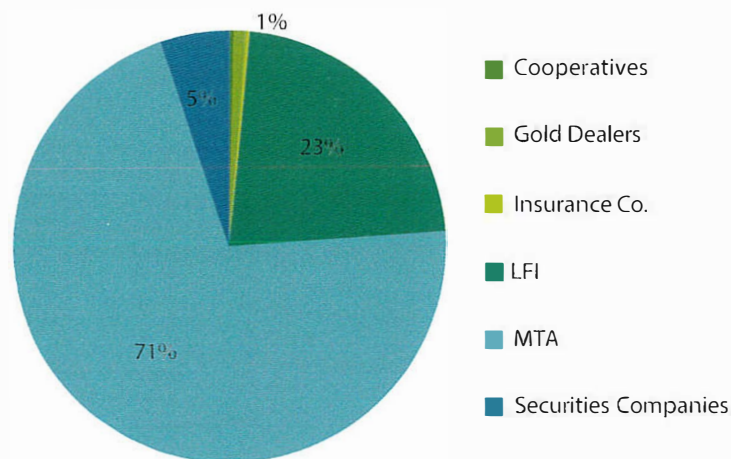
Despite accounting for 71% of all SARs/STRs Money Transfer Agencies (MTA) accounted for only 3.1% of the total money value of these reports. Reports emanating from Securities Companies and Licensed Financial Institutions accounted for approximately 94% (67 and 27 percent respectively) of the total money value of all SARs/STRs. In fact, twenty-seven percent (27%) or 91 out of 331 STRs/SARs accounted for approximately 94% of the total money value of all STRs/SARs.

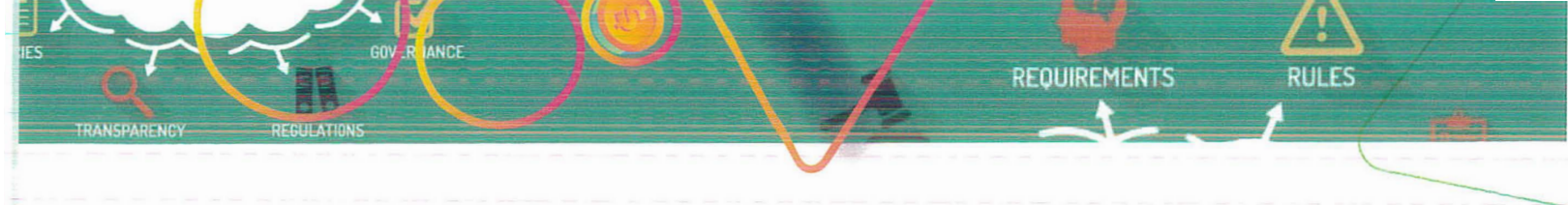
Table 10 and Chart 2, below, provide a summary of STRs received during 2018 classified by reporting sectors including the total number and value of STRs for each sector.

TABLE 10

RE Category	Number of STRs	Value of STRs	Percentage
Cooperatives	1	90,000,000	0.30%
Gold Dealers	3	154,867,258	0.91%
Insurance Co.	1	-	0.30%
LFI	74	2,291,897,464	22.36%
MTA	235	271,908,344	71.00%
Securities Companies	17	5,749,531,120	5.14%
Total	331	8,558,204,186	

CHART 2 NUMBER OF STRS

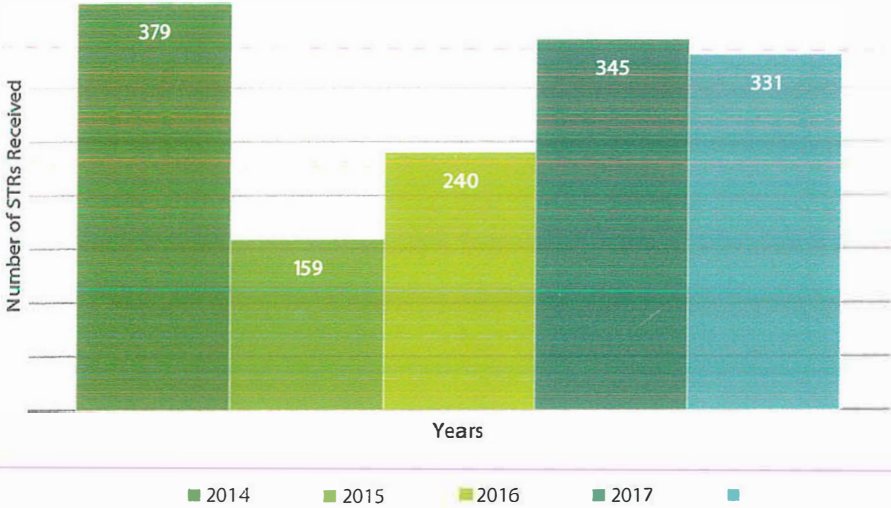




There was a marginal decline in the number of STRs received in 2018 compared with 2017, even though the general upward trend remained for the five years which ended in 2018. Chart No. 3 provides a year-on-year comparison of total STRs/SARs submitted for each calendar year.

CHART 3

TOTAL STR RECEIVED ANNUALLY 2014 - 2018



Money Transfer Agencies and other Licensed Financial Institutions were responsible for the majority of SARs/STRs submitted over the past five years, 2014 to 2018. In each year the two categories of reporting entities accounted for between 94% and 99% of all SARs/STRs. Those entities appear to be the preferred institutions of launderers to further their money laundering agenda.

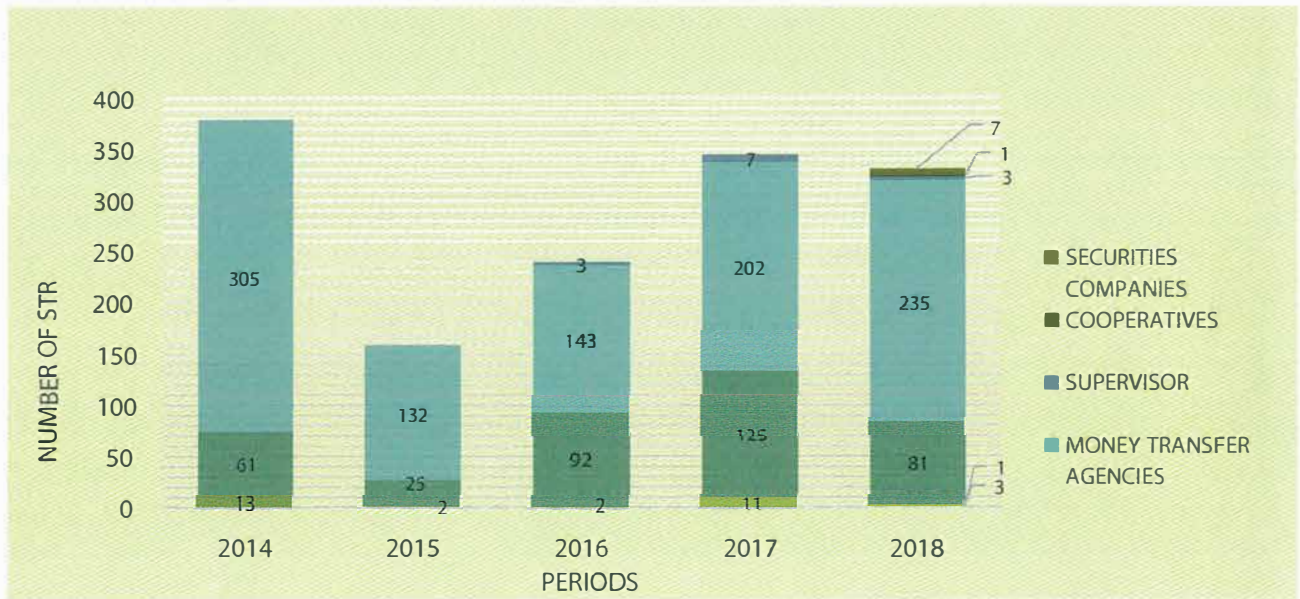
TABLE 11

AGENCY TYPE	2014	2015	2016	2017	2018
Cambio	13	-	-	-	-
Gold Dealers	-	-	-	11	3
Insurance Svc Providers	-	2	2	-	-
LFI - Commercial Banks	61	25	92	125	81
Money Transfer Agencies	305	132	143	202	235
Supervisor	-	-	3	7	3
Cooperatives	-	-	-	-	1
Securities Companies	-	-	-	-	7
Total	379	159	240	345	331

In 2018 SARs were received for the first time from the Securities Sector and from Cooperatives. This is indicative of the FIU’s execution of its mandate of having all categories of reporting entities report in keeping with their obligations under the AMLCFT legislation.

The Chart below provides an illustration of the total STRs/SARs submitted by the various categories of reporting entities for the period 2014 – 2018.

CHART 4 STR RECEIVED 2014- 2018



TERRORIST PROPERTY REPORTING

All reporting entities are required to submit a Terrorist Property Report (TPR) to the FIU once the entity knows or believes that it has funds or other assets in its possession, that is owned or controlled by a designated person⁹ or entity pursuant to United Nations Security Council Resolution (UNSCR) 1267 (1999) and its successor resolutions or specified by the Minister of Finance under Section 2(2) of the AMLCFT Act 2009 pursuant to UNSCR 1373 (2001).

Reporting Entities are required to screen customers against the United Nations Security Council Sanctions list as part of their customer on-boarding process, periodically and before conducting a transaction. At the end of each quarter all reporting entities are required to report to the FIU confirming the number of TPRs filed or confirming that there were no TPRs in the preceding quarter.

The requirement to submit TPRs began in 2016. No TPRs were submitted by reporting entities for 2018 or for previous years.

⁹A Designated, Specified or Listed Person or Entity is a person who has committed an act of terrorism, suspected to have committed or is associated with such a person and is usually featured on the United Nations Sanctions list.



REPORTS PRODUCED BY THE FIU

Intelligence products produced by the FIU comprise mainly Intelligence Reports (IR) and Updates on Intelligence Reports (UIR). In addition to the main reports, the FIU also produced responses to requests made by other International FIUs and to local Law Enforcement Agencies (LEAs) such as GRA, SOCU and State Asset Recover Agency (SARA). IR and UIR accounted for 74% of all intelligence products emanating from the FIU.

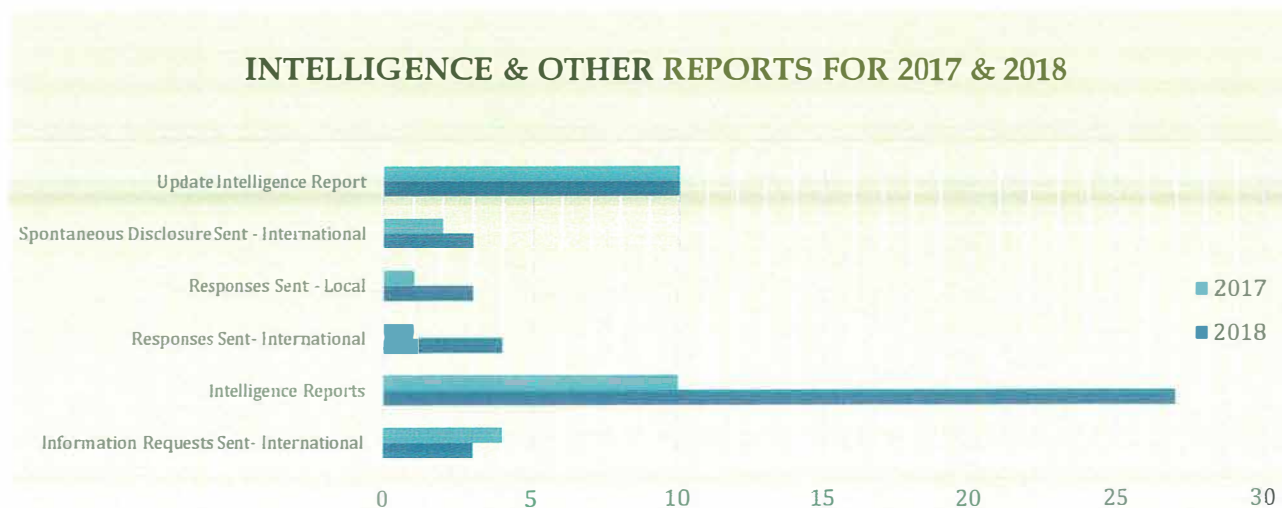
TABLE 12

Report Description	2018	2017
Information Requests Sent -International	3	4
Intelligence Reports	27	10
Responses Sent -International	4	1
Responses Sent - Local	3	1
Spontaneous Disclosure Sent -International	3	2
Update Intelligence Report	10	10
Total	50	28

The number of intelligence reports increased substantially year over year between 2017 and 2018. In fact, there were increases in all report categories except for *Outgoing International Requests and Updates on Intelligence Reports*.

The chart below provides a comparison of the different categories of reports produced for 2017 & 2018

CHART 5



Overall, fifty (50) reports and requests were produced and distributed by the FIU in 2018 compared with twenty-eight (28) the previous year. The suspected or actual offences that featured in those reports and requests for 2018 were as follows:

- Tax Evasion - 12
- Money Laundering - 11
- Drug Trafficking - 10
- Fraud - 7
- Corruption & Bribery - 4
- Terrorist Financing - 3
- Trafficking in Persons - 1
- Smurfing - 1

Table-13 below provides a detailed breakdown of the offence categories associated with each type of report.

TABLE 13

Report Type	Offence Category									Grand Total
	Corruption and Bribery	Drug Trafficking	Fraud	Money Laundering	Smurfing	Tax Evasion	Terrorist Financing	Trafficking in Persons	UNCLEAR	
Outgoing Reports (Disseminated by the FIU)										
Intelligence Reports	4	7	1	3	1	10	1			27
Update Intelligence Report		2	2	4		2				10
Information Requests Sent-International		1		1					1	3
Spontaneous Disclosure Sent-International				1			1	1		3
Responses Sent -International			2	1			1			4
Responses Sent-Local			2	1						3
	4	10	7	11	1	12	3	1	1	50

The Guyana Police Force - Special Organized Crime Unit (SOCU) was the recipient of sixty percent (60%) of the reports emanating from the FIU. GPF-SOCU's primary function is to investigate suspected Money Laundering and Terrorist Financing related offences and to provide recommendations for cases to be prosecuted by the Director of Public Prosecution (DPP). Other regional FIUs, the Guyana Revenue Authority (GRA) and the State Asset Recovery Agency (SARA) were the other recipients of reports from the FIU.

TABLE 14 TOTAL REPORTS PRODUCED BY THE FIU CLASSIFIED BY TYPE OF OFFENCE AND BY RECIPIENT FOR 2018

Offence Type	GRA	SARA	SOCU	Other FIUs	Grand Total
Corruption and Bribery			4		4
Drug Trafficking			9	1	10
Fraud		4	1	2	7
Money Laundering			8	3	11
Smurfing-ML			1		1
Tax Evasion	6		6		12
Terrorist Financing			1	2	3
Trafficking in Persons				1	1
UNCLEAR				1	1
Grand Total	6	4	30	10	50

INTELLIGENCE REPORTS (IR)

The analyzing, compiling and disseminating of Intelligence reports are among the primary functions of the FIU analytical department. For this purpose, Intelligence Reports (IR) also comprise Updates on Intelligence reports (UIR).

TABLE 15
ALL MAIN REPORTS FOR 2018

Report Type	GRA	SARA	SOCU	Total
Intelligence Reports	5	1	21	27
Update Intelligence Report	1	1	8	10
Grand Total	6	2	29	37

Overall, thirty-seven (37) IR and UIR were produced in 2018 compared with a total of twenty-three (23) for 2017. In 2018, GPF-SOCU received 29 of the 37 IR and UIR produced by the FIU; GRA received six (6) and SARA two (2). Tax Evasion was the principal offence that featured in the 2018 reports. That was followed by Drug Trafficking and Money Laundering. Offences were more evenly distributed among the reports in 2017. **Tables 16 and 17** contain more details of reports and offences.

TABLE 16
INTELLIGENCE REPORTS FOR 2018

Row Labels		Corruption and Bribery	Drug Trafficking	Fraud	Money Laundering	Smurfing -ML	Tax Evasion	Terrorist Financing	Grand Total
Intelligence Reports	2018	4	7	1	3	1	10	1	27
Update Intelligence Report			2	2	4		2		10
Grand Total		4	9	3	7	1	12	1	37

TABLE 17
INTELLIGENCE REPORTS FOR 2017

Row Labels		Corruption and Bribery	Drug Trafficking	Fraud	Money Laundering	Sexual Offences	Smuggling Precious Metals	Terrorism	Terrorist Financing	Grand Total
Intelligence Reports	2017	2	1	1	4	2	1	2		13
Update Intelligence Report		3	1		1			1	4	10
Grand Total		5	2	1	5	2	1	3	4	23

INTERNATIONAL COOPERATION

Memorandum of Understanding (MOU)

The FIU recognizes the importance of international co-operation in the fight against money laundering and terrorist financing and has therefore prioritized the establishment of MOUs with international FIUs in the region, to facilitate the sharing of intelligence in the fight against ML, TF and other international crimes, if and when necessary.

The FIU strengthened its international exchange framework by signing new MOUs to facilitate cooperation in the exchange of information related to money laundering and terrorist financing in 2018. This brought the total number of international MOUs signed to date to ten (10).

These MOUs provide a framework within which information can be shared, in a structured and safe manner, with counterpart FIUs and other international organisations.

MOUs were signed with the FIUs of Jamaica and Barbados during 2018.



Signing of MOU between Guyana and Jamaica. (right) is Mr Matthew Langevine, Director of FIU Guyana and (left) is Mr Robin Sykes, Chief Technical Director of the Financial Investigations Division (FID), Ministry of Finance & Planning Jamaica. Looking on are other representatives from the FIU Guyana and Jamaica



Signing of MOU between Guyana and Barbados. (right) Mr Matthew Langevine, Director of FIU Guyana and (left) is Mrs. Shelley Nicholls-Hunte, Director, FIU Barbados

The ten (10) MoUs signed to date are as follows:

TABLE 18

NO.	COUNTRY	ORGANISATION	DATE SIGNED
1.	Trinidad and Tobago	Financial Intelligence Unit	May 28, 2013
2.	Belize	Financial Intelligence Unit	May 28, 2013
3.	Sint Maarten	Financial Intelligence Unit	November 19, 2013
4.	Suriname	Financial Intelligence Unit	November 19, 2013
5.	Curacao	Financial Intelligence Unit	May 28, 2014
6.	Grenada	Financial Intelligence Unit	May 26, 2015
7.	Antigua and Barbuda	Office of National Drug and Money Laundering Control Policy	May 26, 2015
8.	Dominica	Financial Intelligence Unit	May 26, 2015
9.	Jamaica	Financial Intelligence Unit	May 19, 2018
10.	Barbados	Financial Intelligence Unit	November 20, 2018

INFORMATION EXCHANGE

The FIU received several requests for assistance and disclosures of information from local and international counterparts in 2018. Overall, thirty-one (31) requests for assistance and disclosures of information were received by the FIU; twenty-four (24) were from local counterparts. This is an eightfold increase in the number of requests and disclosures when compared to 2017.

One (1) request for information and two (2) spontaneous disclosures were received in 2017.

TABLE 18

provides a breakdown of the IR and UIR according to the Categories of Offences, for 2018

Incoming Requests and Disclosures (Received by the FIU)	Corruption and Bribery	Drug Trafficking	Fraud	Money Laundering	Smurfing -ML	Tax Evasion	Terrorist Financing	Trafficking in Persons	UNCLEAR	Grand Total
Information Requests Received - International			2				1	1		4
Responses Received - International				1						1
Spontaneous Disclosure Received - International							1	1		2
Information Requests Received- Local	5	5	6	3					4	23
Spontaneous Disclosure Received - Local						1				1
Grand Total	5	5	8	4	0	1	2	2	4	31

During 2018 the FIU received exemplary support from other FIUs in the region. The FIU also intends to continue extending assistance wherever possible to its international counterparts as well as ensuring that mechanisms are in place to enable reciprocity.

In this report we examine international cooperation efforts from two perspectives:

- Incoming – Requests, Disclosures and Responses that originates outside Guyana
- Outgoing – Requests, Disclosures and Responses emanating from the Guyana FIU.

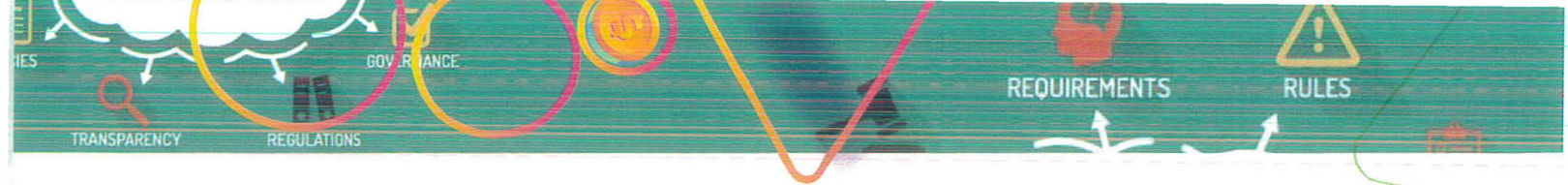
INCOMING

A total of seven (7) Incoming communications (Requests, Responses and Disclosures) were received from counterpart FIUs in 2018 compared with three (3) in 2017. All information requested or shared by international partners in 2018 were from FIUs within the Caribbean Region. One FIU made two (2) requests, provided one (1) response and made two (2) spontaneous disclosures to the Guyana FIU. This was one of Guyana’s most active AMLCFT FIU partner for 2018.

TABLE-19

(below) provides a breakdown of the nature of information received from other FIUs for 2017 and 2018.

Year	Information Requests Received - International	Responses Received - International	Spontaneous Disclosure Received - International	TOTAL
2018	4	1	2	7
2017	1	-	2	3



OUTGOING

The FIU disseminated ten (10) responses and disclosures to three (3) FIUs within the Caribbean Region in **2018**; one regional FIU received eight (8) such reports. Among those eight reports shared, three (3) pertained to Money Laundering and two (2) to Terrorist Financing. See Table-21 & 22 below for details.

The information shared were classified as follows:

- Requests for Information - three (3),
- Responses to Requests - four (4) and
- Spontaneous Disclosures - three (3).

In 2017 six (6) Requests, Responses and Disclosures were shared with four (4) FIUs. Two of the FIUs were from the African region, one from Central America and the other from the Caribbean.

Fraud was the main serious (predicate) offence featured in the 2017 reports as seen in Table-21 & 22 below.

The reports sent in 2017 were classified as follows:

- Requests for Information - four (4),
- Response to Requests - one (1) and
- Spontaneous Disclosure – one (1).

TABLE 20

	Corruption and Bribery	Embezzlement	Drug Trafficking	Fraud	Money Laundering	Terrorist Financing	Trafficking in Persons	Unclear	TOTAL
2018	-	-	1	2	3	2	1	1	10
2017	1	1	1	3	1	-	-	-	6

TABLE 21

	Information Requests Sent- International	Responses Sent- International	Spontaneous Disclosure Sent International	Total
2018	3	4	3	10
2017	4	1	1	6

LOCAL COOPERATION

In 2018 the FIU signed MOUs with one domestic agency; the State Asset Recovery Agency of Guyana (SARA).



(Left) Mr Matthew Langevine, Director of FIU Guyana and (right) Professor Clive Thomas, Director of SARA

There were twenty-three (23) requests from local law enforcement agencies, twelve (12) of which came from SARA, ten (10) from SOCU and one from the Guyana Police Force (GPF). The suspected or actual offences that featured most in local requests were Fraud, Corruption, Drug Trafficking and Money Laundering.

Local spontaneous and anonymous disclosures continue to be integral to the fight against money laundering and terrorist financing. The FIU received one anonymous disclosure from one local source in 2018.

There were no requests for information from local LEAs in 2017 and therefore no responses.

Table 22 - provides a detailed view of the various suspected or actual offences related to local requests.

TABLE 22 LOCAL REQUESTS FOR ASSISTANCE AND DISCLOSURES RECEIVED BY THE FIU FOR 2018

Requesting Agency	Corruption and Bribery	Drug Trafficking	Fraud	Money Laundering	Tax Evasion	Unclear	Grand Total
Guyana Police			1				1
SARA			5	3		4	12
SOCU	5	5					10
Anonymous					1		1
Grand Total	5	5	6	3	1	4	24

The FIU generally responds to *local requests* for information by way of Intelligence Reports. Occasionally, the FIU will share minimal non-analyzed information to LEAs in response to specific requests.

In 2018 the FIU disseminated three responses to Local Requests for Information relating to suspected fraud and money laundering.



CONCLUSION AND APPRECIATION


As Director, I take the opportunity to acknowledge the contribution of and express my sincere appreciation to the Management Committee and all staff of the FIU, who would have worked assiduously towards the achievements of the Unit during 2018. The successes attained by the Unit is a direct result of their expertise and commitment.

Acknowledgments and expression of thanks are also extended to those relevant and competent authorities within Guyana’s AMLCFT framework who would have supported, cooperated and collaborated with the FIU, be it in relation to compliance, supervision, investigation and/ or prosecution.

We would also like to acknowledge the support of our international partners and support groups including the FIUs of the CFATF, the Egmont Group, The CFATF and FATF, the European Union and the United States of America to name of few.

As Guyana prepares for the CFATF fourth round of Mutual Evaluation (ME), intensified efforts from all stakeholders including the FIU, and continued cooperation and collaboration are essential, so that we can achieve our goals and ensure that our and the international financial systems are effectively protected from money launderers, financiers of terrorism and those interested in the proliferation of weapons of mass destruction.

Prepared by: Matthew Langevine
Director, FIU
C/O Ministry of Finance compound
49 Main & Urquhart Streets
Georgetown

Signature: 

Dated this 27 day of June 2019



APPENDIX

AUDITED STATEMENT OF RECEIPTS &
EXPENDITURES OF THE
FINANCIAL INTELLIGENCE UNIT
FOR YEAR ENDING
DECEMBER 31, 2018

**AUDITED STATEMENT OF RECEIPTS AND EXPENDITURES
OF THE FINANCIAL INTELLIGENCE UNIT**

**FOR THE YEAR ENDED
31 DECEMBER 2018**

**AUDITORS: AUDIT OFFICE OF GUYANA
63 HIGH STREET
KINGSTON
GEORGETOWN
GUYANA**

AUDITED STATEMENT OF RECEIPTS AND EXPENDITURES
OF THE FINANCIAL INTELLIGENCE UNIT
FOR THE YEAR ENDED 31 DECEMBER 2018

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Audit Office of Guyana

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

257/OA:25/2/2019

17 June 2019

Mr. Matthew Langevine
Director
Financial Intelligence Unit
Ministry of Finance Compound
Main & Urquhart Streets
Georgetown.

Dear Mr. Langevine,

AUDIT OF THE STATEMENT OF RECEIPTS AND EXPENDITURES
OF THE FINANCIAL INTELLIGENCE UNIT
FOR THE YEAR ENDED 31 DECEMBER 2018

We wish to inform you that the above mentioned audit has been completed. Accordingly, we are pleased to forward two copies of the audited Statement of Receipts and Expenditures, together with the report of the Auditor General and the Management Letter, thereon.

Should you need any further explanation, please do not hesitate to contact us.

With kind regards.

Yours sincerely,





Audit Office of Guyana

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

AG:65/2019

17 June 2019

REPORT OF THE AUDITOR GENERAL
TO THE MEMBERS OF THE FINANCIAL INTELLIGENCE UNIT
ON THE STATEMENT OF RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED 31 DECEMBER 2018

Opinion

I have audited the Statement of Receipts and Expenditures of the Financial Intelligence Unit (FIU) for the year ended 31 December 2018.

In my opinion, the Statement of Receipts and Expenditures present fairly, in all material respects, the receipts and expenditures of the Financial Intelligence Unit for the year ended 31 December 2018, in accordance with Generally Accepted Accounting Principles (GAAPs).

Basis for Opinion

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

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

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Unit's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of auditor's report. However, future events or conditions may cause the Unit to cease as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

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



AUDIT OFFICE
63 HIGH STREET
KINGSTON
GEORGETOWN
GUYANA

FINANCIAL INTELLIGENCE UNIT

STATEMENT OF RECEIPTS AND EXPENDITURES

FOR THE YEAR ENDED 31 DECEMBER 2018

<u>PARTICULARS</u>	<u>NOTES</u>	<u>2018</u>	<u>2017</u>
		<u>G\$</u>	<u>G\$</u>
<u>RECEIPTS</u>			
Government of Guyana	4	101,747,325	117,551,580
<u>EXPENDITURE</u>			
Capital Expenditure	5	989,512	23,810,039
Employment Cost	6	73,195,161	69,360,808
Office Materials and Supplies	7	411,150	330,610
Vehicle expenses (Fuel, Lubricants, Repairs and Maintenance	8	468,073	1,076,090
Repairs & Maintenance (Building and Equipment)	9	4,189,317	5,093,255
Telephone and Internet Charges	10	879,012	852,840
Subsidies and Contributions to International Organisations	11	11,964,223	11,964,223
Training & Professional Services	12	5,817,035	3,595,901
Others	13	3,833,842	1,244,819
Meetings and Conferences		-	222,995
TOTAL EXPENDITURE		101,747,325	117,551,580


.....
MATTHEW LANGEVINE
DIRECTOR


.....
ABIOSE THOMAS
DEPUTY DIRECTOR

Financial Intelligence Unit

Notes to the Financial Statement **For the year ended 31 December 2018**

1. Background

The Financial Intelligence Unit (FIU) of Guyana is an autonomous body responsible for requesting, receiving, analyzing and dissemination of suspicious transaction reports and other information relating to money laundering, terrorist financing or the proceeds of crime. It was established and operates within the ambit of the Anti- Money laundering and Countering the financing of Terrorist Act (AMLCFTA) and Regulations

2. Key functions of the Financial Intelligence Unit

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

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

3. Basis of Accounting

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

4. Receipts from Government of Guyana

Capital

Allocation of \$1,010,000 was approved in the 2018 Budget to finance the capital expenditure of FIU. The total amount expended for 2018 was \$989,512.

Current

Allocation of \$133,429,000 was approved in the 2018 Budget to finance the current expenditure of FIU. The total amount expended for 2018 was \$100,757,813.

5. Capital Expenditure

Description	Amount 2018 \$
Two metal filing cabinets	186,960
One laptop	203,200
One scanner	235,752
Two desktop computers	363,600
Total	989,512

6. Employment Cost

Description	Amount 2018 \$
Gross salaries, gratuity and vacation allowances for ten employees	73,195,161
Total	73,195,161

7. Office Materials and Supplies

Description	Amount 2018 \$
Stationery, printing of business cards and letter heads and other office materials	411,150
Total	411,150

8. Vehicle Expenses (Fuel, Lubricants, Repairs & Maintenance)

Description	Amount 2018 \$
Fuel and lubricants for 2005 Toyota Hilux & 2017 Honda CRV	377,112
Repairs and maintenance for 2005 Toyota Hilux & 2017 Honda CRV	90,961
Total	468,073

9. Repairs and Maintenance (Building and Equipment)

Description	Amount 2018 \$
Repairs & Maintenance - Building	591,709
Repairs & Maintenance - Equipment	3,526,850
Cleaning and Sanitation	70,758
Total	4,189,317

10. Telephone and Internet Charges

Description	Amount 2018 \$
Telephone charges for 4 land lines and one cell phone	669,012
Internet charges for 10mbps secured internet service	210,000
Total	879,012

11. Subsidies and Contributions to International Organisation

Description	Amount 2018 \$
Caribbean Financial Action Task Force (CFATF) membership fees for 2018	11,964,223
Total	11,964,223

12. Training and Professional Services

Description	Amount 2018 \$
Training and attendance of overseas and local conferences by FIU staff	5,209,197
Training meetings held with reporting entities, etc.	32,682
ACAMS Certification Programme for three FIU staff	575,156
Total	5,817,035

13. Others

Description	Amount 2018 \$
Annual subscription and advertisements placed in local newspapers	3,466,575
Creation of artwork for advertisement	302,400
Postage, etc.	64,867
Total	3,833,842

14. Fixed Assets

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



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258/OA: 25/2/2019

17 June 2019

Mr. Matthew Langevine
Director
Financial Intelligence Unit
Ministry of Finance Compound
Main & Urquhart Streets
Georgetown.

Dear Mr. Langevine,

AUDIT OF THE STATEMENT OF RECEIPTS AND EXPENDITURES
OF THE FINANCIAL INTELLIGENCE UNIT
FOR THE YEAR ENDED 31 DECEMBER 2018

The audit of the Statement of Receipts and Expenditures of the Financial Intelligence Unit for the year ended 31 December 2018 has been completed. The following findings are now forwarded for your appropriate action.

2. The audit was conducted in accordance with International Standards on Auditing (ISAs) issued by the International Federation of Accountants (IFAC) and the International Standards of Supreme Audit Institutions (ISSAIs). These standards require that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free of material misstatements.

3. The main purpose of the audit was to express an opinion on the Statement of Receipts and Expenditures and to evaluate the operations of the Financial Intelligence Unit (FIU) to ascertain whether:

- (i) The Statement of Receipts and Expenditures have been properly prepared, in accordance with applicable law, and properly present the operations and affairs of the FIU;
- (ii) The accounts have been faithfully and properly kept;
- (iii) All monies expended and charged to an account have been applied to the purpose or purposes for which they were intended; and

- (iv) Essential records are maintained, and the internal management controls, rules and procedures established and applied are sufficient to safeguard the control of stores and other property.

FINDINGS AND RECOMMENDATIONS

A. Evaluation of Internal Controls

4. The evaluation of the system of accounting and internal controls of the Financial Intelligence Unit was made a part of our examination of the financial statement for the period under review. This was carried out under the following headings:-

- Organisational Structure
- Accuracy and reliability of accounting records; and
- Safeguarding of assets.

Organisation Structure

5. The Financial Intelligence Unit (FIU) of Guyana is an autonomous body responsible for requesting, receiving, analysing and dissemination of suspicious transaction reports and other information relating to money laundering, terrorist financing or the proceeds of crime. It was established and operates within the ambit of the Anti Money Laundering and Countering the Financing of Terrorism Act (AMLCFTA) 2009 and several Regulations and Amendments.

6. In 2015, Sections 8 and 9 of the Principal Act was amended by Act No.1/2015 where the National Assembly shall by a simple majority and on the recommendation of the Parliamentary Committee on Appointments, appoint the Director and the Deputy Director of the FIU who shall carry out the functions of the FIU in accordance with the Act and the FIU shall include on its staff:

- a. managers appointed by the Director from heads of sections of the FIU;
- b. an attorney at law and an accountant appointed by the Parliamentary Committee on Appointments from a short list provided based on applications in response to public advertisement; and
- c. personnel trained in financial investigation or other employees as the Director considers necessary and appointed by the Director.

7. In accordance with the amendment to the Anti Money Laundering and Countering the Financing of Terrorism Act (AMLCFTA) 2009, a Director and a Deputy Director were appointed on the 19 September 2016. The Unit also comprises of an Attorney and seven other staff members. However, an Accountant was not appointed during the period under review in keeping with the amendment to the Act. Nevertheless, it was noted that an Accountant has since been appointed with effect from June 2019. The Director has an informal reporting relationship with the Minister of Finance and the Minister of Legal Affairs.

Accuracy and Reliability of Accounting Records

8. The FIU did not have its own accounting unit. Also, a separate bank account was not kept and all accounting records were maintained by the Ministry of Finance. It was explained that even though the funds for the FIU were included under the Ministry of Finance's budget in the line item - Subsidies and Contributions to Local Organisation, the FIU determined their budget and had control over the funds expended. It should be noted that the accounting records maintained were subjected to checks and balances by FIU and the Ministry of Finance. Hence, reliance could be placed on the records maintained for the Unit.

Safeguarding of Assets

9. Our evaluation of the system of internal controls revealed that while there are administrative arrangements to be put in place for FIU to manage their accounts and funds independently, there were proper segregation of duties and adequate supervisory checks by the FIU and the Ministry of Finance and as such, reliance were placed on the system of internal controls as a basis for preparing the Statement of Receipts and Expenditures.

B. Statement of Receipts and Expenditures

Financial Operations and Preparation of Statement of Accounts

10. Section 9 (7) of the Anti-Money Laundering and Countering the Financing of Terrorism Act of 2009 stipulate that the Director shall be responsible for the control and use of the funds and resources of the FIU while Section 9 (8) require that the Director keep proper accounts and records and prepare in relation to each financial year a statement of accounts. However, while the FIU determined their budget and had control over the expenditures, the financial operations were undertaken by the Ministry of Finance which is not in accordance with the Act.

Management's Response: The FIU prepares annual financial statements on the basis of records kept by the Ministry of Finance and the FIU. The non-appointment of an Accountant precludes the FIU from maintaining its own books and records of all accounting transactions. However, this situation is expected to change with the appointment of the Accountant.

Recommendation: The Audit Office recommends that the FIU complies with the requirements of the Act.

C. General

11. The Audit Office wishes to express its sincere gratitude for the cooperation given to its officers during the course of the audit.

With kind regards.

Yours sincerely,

A circular stamp with the text "AUDIT OFFICE" at the top and "for Auditor General" at the bottom. In the center, the name "Kaloutie Jaikaran" is written in a cursive script, and below it, "Audit Manager (ag.)" is printed in a standard font.

Kaloutie Jaikaran
Audit Manager (ag.)
for Auditor General

Financial Intelligence Unit (Guyana)
C/O Ministry of Finance
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