

**THE ASSESSMENT OF  
TRINIDAD AND TOBAGO'S  
NATIONAL MONEY  
LAUNDERING AND  
TERRORIST FINANCING  
RISK REPORT**

FEBRUARY 2025



*Government of the Republic of Trinidad and Tobago*

*The National Anti-Money Laundering and Counter  
Financing of Terrorism Committee*

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## Foreword by the Attorney General, Office of the Attorney General and Ministry of Legal Affairs

The Government of the Republic of Trinidad and Tobago (GoRTT) has maintained its commitment to the international fight against money laundering, terrorist financing and proliferation financing (ML/TF/PF) for many years. This has been manifested in the maintenance of a robust Anti-Money Laundering/Counter Financing of Terrorism and Proliferation Financing (AML/CFT/CPF) framework, which serves as a pre-emptive strike against potentially deleterious and destabilizing ML/TF/PF threats.

The GoRTT remains determined to maintain and where necessary strengthen its AML/CFT/CPF regime so as to continue to meet international standards as they develop but more importantly to enable a proportionate and effective response to contemporary and emerging ML/TF/PF risks. To this end the GoRTT conducted its first NRA, which was coordinated by Trinidad and Tobago's National Anti-Money Laundering and Counter Financing of Terrorism Committee (NAMLC). The risks associated with ML and TF in Trinidad and Tobago have had notable implications for the country's economy and sectors. While the country faced challenges, efforts to address these risks have led to increased awareness and improvements in regulatory frameworks. Additionally, we have been mindful of the reputational risks to the country and the serious impact this can have for key sectors and the economy as a whole. These concerns further catalyzed the country taking proactive steps to enhance compliance and strengthen measures to protect the financial system. By addressing these challenges, Trinidad and Tobago continues to foster a stable and resilient economic environment.

It is thus with a deep sense of responsibility and commitment to the physical and economic safety and security of the citizens of Trinidad and Tobago that I present the **Second National Risk Assessment (NRA)**. As the country continues to face new and emerging risks in an increasingly interconnected and complex global environment, it is essential that we remain vigilant, proactive, and adaptive in our approach. This NRA marks a significant milestone in our ongoing efforts to strengthen the resilience of our nation against the evolving threats of terrorism, money laundering, and the financing of terrorism. While recognizing that some critical elements of a national AML/CFT/CPF framework must be rules based, a risk-based approach is critical, particularly for small jurisdictions which must strike a careful balance in managing limited human, financial and other critical national resources.

This NRA serves as a critical tool in identifying and understanding the potential vulnerabilities within our financial and legal systems, and in formulating effective strategies to mitigate the risks posed by threats which may seek to exploit such vulnerabilities.

This second NRA, as coordinated by the NAMLC builds on the original NRA and previous risk assessment work carried out by the authorities over many years. The NRA is however not only a reflection of the efforts of government agencies but also an illustration of effective multi-stakeholder collaboration in practice. It is the product of extensive consultations and cooperation among key government bodies, law enforcement agencies, financial institutions, listed businesses, non-profit organisations and other relevant stakeholders, all of whom play an integral role in safeguarding the integrity of our financial system and protecting our nation from external and internal threats. This report is the culmination of a process that itself reflects our commitment to a comprehensive and collaborative approach, drawing upon the expertise of these multiple sectors, ensuring uniform understanding of risk. It helps inform policy decisions, guide legislative reforms, and bolster our collective efforts to mitigate risks and

ensure a safer, more resilient country for all.

Trinidad and Tobago's National AML/CFT/CPF policies and strategies are continually revised based on an understanding of the existing and evolving threats. This entails ensuring that AML/CFT/CPF policies and strategies are based on an up-to-date, formal, and comprehensive national ML/TF/PF risk assessment. The findings of this 2<sup>nd</sup> NRA will therefore guide the revisions to National AML/CFT/CPF policies and strategies through the development of targeted AML/CFT/CPF policies and interventions that will enhance our national capacity to fight money laundering, combat terrorism and proliferation financing and related illicit financial criminal activities. This reinforces our commitment to meeting international standards, fulfilling our obligations under the Financial Action Task Force (FATF) recommendations, and upholding the rule of law and human rights in our fight against terrorism and organized crime.

As we move forward, the process of identifying risks must remain a continuous exercise and therefore requires the ongoing vigilance and cooperation of all stakeholders. It is therefore essential that we continue to keep our understanding of risk at the national, sectoral and institutional levels up-to-date and to update the NRA on a periodic basis to build upon the solid foundation established by this assessment. In line with that commitment, this requires that Trinidad and Tobago update its ML/TF risks understanding in 2025 via an NRA update exercise (covering data for the period January 1, 2021 to December 31, 2024). As with the 1st and 2nd NRAs, those findings will be disseminated and shared widely to competent authorities and with the private sector. This exercise will allow competent authorities and private sector to review the existing measures in the context of the most contemporary understanding of threats, vulnerabilities and consequence and apply a risk-based approach to the allocation of resources. Parallel to this, the country will maintain its understanding of PF risk. Though this is being undertaken through a stand-alone PF national risk assessment, the country will take an integrated approach to prioritizing ML/TF/PF risk-mitigation measures.

The 2<sup>nd</sup> NRA represents not only our current understanding but also our readiness to tackle future challenges. As we move forward, we must remain adaptable in addressing emerging ML/TF threats and continue to fortify our systems to address them. In this regard, I encourage all stakeholders to actively consider the findings and recommendations of this Report and continue working together towards a safer, more secure, and resilient Trinidad and Tobago.

**The Honourable Attorney General**

## CHAPTER 1: EXECUTIVE SUMMARY

Trinidad and Tobago conducted its first national money laundering (ML)/ terrorist financing (TF) risk assessment in 2017. This second ML/TF risk assessment was subsequently undertaken in May 2021 utilising the World Bank's Tool informed by developments in the domestic, regional and international spheres. It is the result of a collaborative effort involving key government agencies, (including law enforcement, intelligence agencies, supervisors and other competent authorities) together with financial institutions, listed businesses, non-profit organisations and other relevant private sector stakeholders.

This assessment will guide national policy and operational responses to identified ML/TF risks. The assessment also seeks to assist reporting entities to continue improving their AML/CFT programmes and their reporting of ML/TF activity

The National Risk Assessment (NRA) of Trinidad and Tobago serves to provide a clear understanding of the country's ML/TF risk and a comprehensive analysis of the identified risks that may affect the country's financial system, national security, and overall stability. The report provides law enforcement agencies, supervisors and public and private stakeholders with a consolidated view of the key national ML and TF risks and vulnerabilities. This NRA Report highlights the strengths of the nation's Anti-Money Laundering/Counter Financing of Terrorism (AML/CFT) framework and details ongoing efforts to enhance its effectiveness and is also an essential tool for identifying vulnerabilities, evaluating threats, measuring these against consequences and establishing a proactive framework to manage and mitigate these risks. It therefore provides a solid foundation for strengthening the country's AML/CFT measures.

### ML Risks



The second NRA ML risk assessment placed the overall ML risk at **Medium**. The findings of the second NRA regarding ML risks indicate that Trinidad and Tobago faces its greatest ML threats from Human Trafficking and related offences, Drug Trafficking, illicit Arms Trafficking; Corruption and Fraud (all rated High-threat) followed by Gambling Gaming and Betting, Gang

and Gang-related Activities and Tax Evasion (all rated Medium-threat). Further the assessment reflected that the lower ML threats emanated from Larceny Related Offences, Theft and Robbery.

These ratings do not necessarily indicate an increase in criminal activity over the 1<sup>st</sup> NRA but rather reflects a more refined understanding of existing threats, supported by improved data collection, analysis, and expertise.

Overall, the national ML vulnerability was rated as **Medium-High**. The Gaming Houses/Pool Betting Sector (rated High-risk) was identified as the most vulnerable to misuse for ML purposes. This was followed by the Banking, Money and Value Transfer Services (MVTs), Private Members Clubs and Real Estate sectors (all rated Medium-High risk).

## **TF Risks**

The risk of funds being raised in or sent into Trinidad and Tobago to support terrorist activity is **Medium**. This is on the basis that Trinidad and Tobago's demographic, geographical, political and cultural profile make it very unlikely that domestic terrorist activity would occur.

The finding of the second NRA with regard to TF risks is that the greatest risks are derived from businesses operating internationally potentially being used to support foreign terrorist organisations and individuals, by funds being passed through or administered from Trinidad and Tobago. Terrorist financing from businesses operating internationally is most likely to arise in the context of secondary terrorist financing, that is where criminal proceeds are used to fund terrorism. There is also a risk that funds raised in Trinidad and Tobago for legitimate purposes may be diverted subsequently to support foreign terrorism such as terrorists and terrorist organisations operating outside of the jurisdiction. While Trinidad and Tobago has not been a major base for international terrorism, the region has seen individuals and groups linked to global terrorist organizations. Information pertaining to fifteen (15) sectors within Trinidad and Tobago was analysed and formed the basis of the overall sectoral analysis. The TF risk reflected across the sectors ranged from Low to Medium with two (2) sectors predominantly posing greater vulnerability for TF, namely: (i) MVTs and Money Remitters, with an overall risk to TF as **Medium**; and (ii) the Banking Sector, which reflected an overall risk to TF as Medium-Low. The risk of funds being raised in or sent into the country to support domestic terrorist activity is **Medium-Low** for all sectors and products.

Non-profit organizations (NPOs), particularly those operating in regions with ongoing conflicts or political instability, are at risk of being exploited for the financing of terrorism. While most NPOs operate legitimately, the sector's vulnerability to abuse remains a primary concern. The NPO National TF Risk Assessment<sup>1</sup> concerning the TF threat of the FATF NPOs rated the TF threat as **Low** for NPOs whose purposes were religious, social, and charitable, since there were not many patterns or cases of TF abuse.

## **Mitigation of ML/TF Risks**

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<sup>1</sup> While the risk of NPO abuse for the financing of terrorism has been considered as a component of the TF risk assessment, it has also been robustly examined in a stand-alone NPO National TF Risk Assessment. There was extensive cooperation and coordination between the working groups conducting both risk assessments to ensure harmonisation.

To mitigate the identified threats and vulnerabilities, Trinidad and Tobago has implemented extensive AML/CFT mitigation measures across all reporting sectors. In line with Trinidad and Tobago's commitment to protecting its financial system from abuse, several legislative, institutional, and operational reforms have already been enacted, with further work ongoing. The fight against these high-risk crimes continues to be supported by strong collaboration among law enforcement and the financial intelligence community. Law enforcement and intelligence agencies continue to focus on illicit financial activities particularly linked to the higher-risk sectors, while regulatory authorities are enhancing oversight of those sectors with the most significant vulnerabilities.

Financial institutions and Listed Businesses subject to long-standing AML/CFT regulations generally demonstrate proportionate levels of awareness and compliance in line with those higher risk areas. While some sectors have well-established compliance measures, others continue to refine and revise their existing frameworks. The private sectors are encouraged to use these risk assessments to ensure that their AML/CFT compliance frameworks align with a risk-based approach, prioritizing the most pressing ML/TF threats within their respective industries and faced by their individual institutions. Public-private partnership led by the NAMLC supports private sector in these efforts while also allowing facilitating dialogue, allowing competent authorities to better understand how risks within these sectors continue to evolve.

### **Priority Actions**

Based on the findings of this report, the priority actions covered the following areas:

- AML Policy and Strategy;
- Data Gathering;
- Supervision;
- Investigation and Prosecution;
- Guidance and Communication; and
- Legislation.

These priority actions will involve the Government, competent authorities including the supervisors and everyone working together to ensure that Trinidad and Tobago defences against ML/TF is being strengthened.

### **Impact of the Covid-19 Pandemic**

Like other economies, the economy of Trinidad and Tobago was weakened by ongoing management of coronavirus disease (COVID-19), when the country experienced its most severe waves of the pandemic and strict measures were introduced to contain the spread of the virus. School closures and social programs' suspensions reduced access to local networks and support services among at-risk youth, potentially increasing their vulnerability to criminality. Due to the arduous impact of the pandemic during 2020 to mid-2023 in Trinidad and Tobago, the attendance by persons to effect registrations, filings, payments, and the presentation of applications were severely delayed in the public sector. For example, there were exacerbated delays at Trinidad and Tobago Postal Corporation (TTPost) for mailing services which resulted in members of the public being unable to achieve compliance within the statutory timeframes. This also transcended into the daily operations of many public and private sector entities. These challenges contributed to the NRA taking longer to reach completion than was initially planned. It is however to be noted that the **process** of conducting the NRA provided all competent authorities and reporting entities with

an on-going understanding of the ML/TF risks faced by the jurisdiction.

In response to the challenges posed by the COVID-19 pandemic, Trinidad and Tobago took proactive measures to overcome the disruptions caused to public sector services and social systems, specifically all AML/CFT competent authorities. Through these coordinated efforts, Trinidad and Tobago effectively navigated the operational challenges brought on by the pandemic, ensuring greater accessibility, compliance, and resilience in the face of future disruptions. The pandemic has thus underscored the need for resilient financial integrity systems, ultimately enhancing the national framework for combating ML/TF.

Through ongoing vigilance, collaboration, and proactive measures, Trinidad and Tobago reaffirms its commitment to effectively combating money laundering, terrorist financing, and the financing of proliferation on both a national and global scale.

## CHAPTER 2: INTRODUCTION AND CONTEXT

Trinidad and Tobago is exposed to various ML/TF risks given its strategic geographic location and its role in regional trade and finance. Trinidad and Tobago has been utilized as a transshipment point for illicit goods for example narcotics. This National ML/TF Risk Assessment evaluates the country's exposure to these risks, assesses vulnerabilities, and identifies the measures being taken to mitigate them.

### **Trinidad and Tobago's Geographical Context**

Trinidad and Tobago occupies a land area of about five thousand, one hundred and twenty-eight (5,128) square miles with a population of approximately 1.5 million persons. The country is located at the southern end of the Caribbean Island chain, just off the coast of South America a mere seven miles off Venezuela's north eastern coast), which increases the risk of ML/TF linked to trans-national organized crime.

### **Trinidad and Tobago's Political Context**

Trinidad and Tobago follows the Westminster System of government, in that Members of the Executive are also members of Parliament and thus attend sittings of the legislature. According to Section 39 of the Constitution of the Republic of Trinidad and Tobago, Parliament which is bicameral, consists of the President of the Republic, the Senate, and the House of Representatives.

The President is elected by the Electoral College voting by secret ballot. Ten (10) Senators, the Speaker and twelve (12) other Members of the House of Representatives constitute a quorum of the Electoral College. The President so elected shall normally hold office for a term of five (5) years.

The Constitution provides that a person is qualified for membership in the Senate if he is a citizen of Trinidad and Tobago of the age of twenty-five (25) years or upwards. There is provision for thirty-one (31) Senators all appointed by the President: sixteen (16) on the advice of the Prime Minister; six (6) on the advice of the Leader of the Opposition; and nine (9) (Independent) in the discretion of the President from outstanding persons from economic, social or community organizations and other major fields of endeavour. The House of Representatives is made up of the elected representatives of the forty-one (41) constituencies and the Speaker of the House of Representatives.

### **Trinidad and Tobago's Judicial Context<sup>2</sup>**

The Judicial Committee of the Privy Council is the final court of appeal for Trinidad and Tobago. The Judiciary of the Republic of Trinidad and Tobago, headed by the Honourable Chief Justice, comprises the Supreme Court of Judicature (the Court of Appeal and High Court) and the Magistracy. The Judiciary is the third arm of the State. As in most democratic countries, the Judiciary is established by the Constitution to operate independently from the Executive as a forum for the timely resolution of both criminal and civil matters including legal disputes between individuals and bodies including the state.

The Honourable Chief Justice bears overall responsibility for furthering the mission and vision of the Judiciary, and is in charge of the general administration of justice in Trinidad and Tobago. The

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<sup>2</sup> <https://www.ttlawcourts.org/index.php/about-the-judiciary-1/overview-53>

Chief Magistrate reports to the Chief Justice.

Masters of the High Court have similar jurisdiction to Judges of the High Court sitting in Chambers, except for matters where statute expressly limits their jurisdiction (such as the exercise of powers to imprison or to grant interlocutory injunctions).

The Magistracy under a Chief Magistrate comprises the Courts of Summary Criminal Jurisdiction and the Petty Civil Courts.

## **Trinidad and Tobago's Economic Context**

Trinidad and Tobago is a high-income, small island developing country.

In 2021, Trinidad and Tobago's economy was in a fragile state of recovery following the severe impact of the COVID-19 pandemic in 2020. The combined effects of COVID-19 and energy production and price shocks took a heavy toll on Trinidad and Tobago's economy. Real GDP contracted by 7.4 percent in 2020 and was estimated to further contract by about 1 percent in 2021. Inflation remained mostly subdued but the surge in international food and energy prices pushed it up to 3.9 percent by October 2021. The fiscal position worsened significantly during FY2020-21 due to lower energy proceeds and outlays to mitigate the pandemic. The fiscal deficit widened to 11.6 percent of GDP in FY2020 and remained elevated at 10.1 percent of GDP in FY2021. As a result of the large deficits and the GDP contraction, central government debt increased from 45.4 percent of GDP in FY2019 to 65.9 percent of GDP in FY2021<sup>3</sup>.

Real Gross Domestic Product (GDP) rebounded in 2022 following the Covid-19 Pandemic and is estimated to have further expanded by 2.1 percent in 2023. This reflects the strong performance of the non-energy sector, which was partially offset by a contraction in the energy sector. Inflation has declined sharply to 0.3 percent in January 2024, after peaking at 8.7 percent in December 2022, mainly due to declining food and imported goods inflation. Banks' credit to the private sector continues to expand and the financial sector appears sound and stable.

The overall fiscal deficit is estimated at 1.1 percent of GDP in Financial Year 2023, 0.2 percentage points better than initially budgeted. This reflects higher non-energy revenue and lower than budgeted capital expenditure. Central government debt increased to 54.3 percent of GDP in Financial Year 2023 (from 50.7 percent of GDP in Financial Year 2022) and public debt reached 70.9 percent of GDP in Financial Year 2023 (from 67.0 percent of GDP in Financial Year 2022). Public financial buffers remained strong with total assets in the Heritage and Stabilization Fund at US\$5.5 billion (19.2 percent of GDP) by end- Financial Year 2023.<sup>4</sup>

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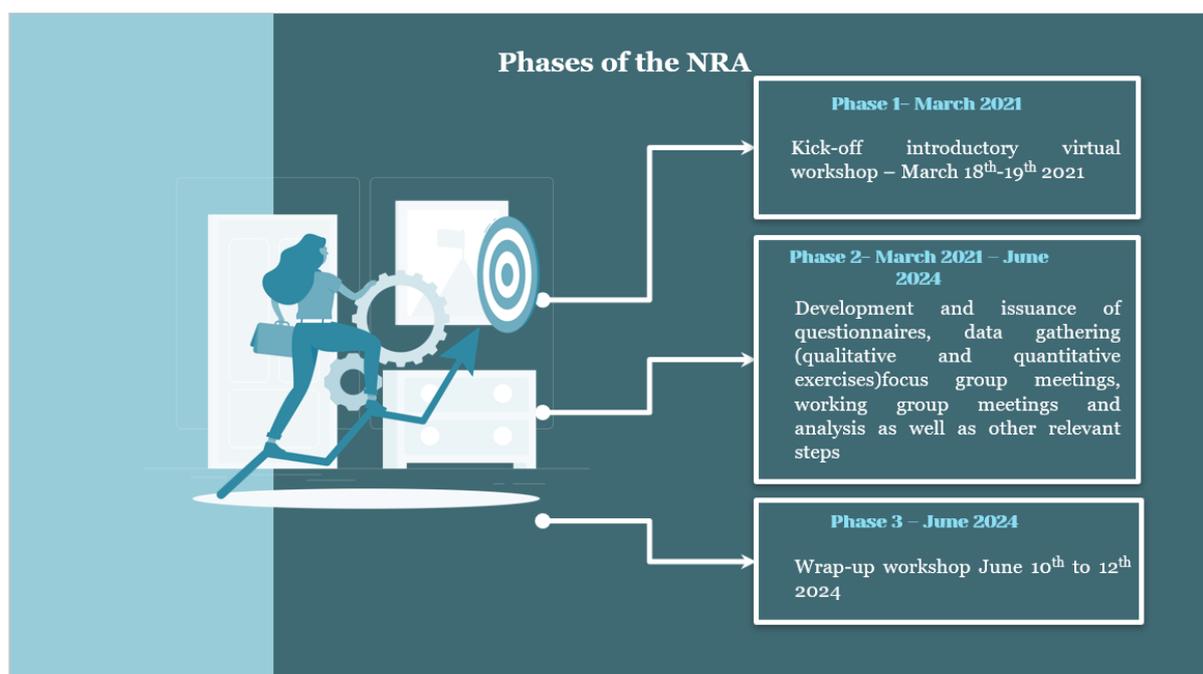
<sup>3</sup> 2021 ARTICLE IV CONSULTATION—PRESS RELEASE; STAFF REPORT; AND STATEMENT BY THE EXECUTIVE DIRECTOR FOR Trinidad and Tobago  
<https://www.imf.org/en/Publications/CR/Issues/2022/03/09/Trinidad-and-Tobago-2021-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-514118>

<sup>4</sup> Trinidad and Tobago: Staff Concluding Statement of the 2024 Article IV Mission

## CHAPTER 3: METHODOLOGY FOR THE ML/TF RISK ASSESSMENT

The NAMLC successfully conducted Trinidad and Tobago's first ML/TF NRA using the World Bank Methodology, which covered the period from 2011 to 2014 and was completed in 2017. Building on the lessons learned from the first NRA, the second assessment which covered the period January 2016 to December 2020 deepened the country's understanding of its evolving ML/TF risks and highlighted the need for more effective resource allocation to combat the risks identified. This process emphasized the importance of a whole-of-government approach and public-private sector collaboration in tackling financial crime. The NRA process involved three (3) primary stages:

- (i) Kick-off introductory virtual workshop held during the period March 18th to 19th, 2021;
- (ii) Assessment of threat and vulnerability using the World Bank's assessment tools commenced in April 2021 which included the development and issuance of questionnaires, data gathering (qualitative and quantitative exercises), focus group meetings, Working Group meetings and analysis, as well as all other relevant steps; and
- (iii) Wrap-up workshop held during the period June 10<sup>th</sup> to 12<sup>th</sup>, 2024.



### The Assessment Tool and Risk-Assessment Methodology

Trinidad and Tobago received assistance and support throughout the entire NRA process from the World Bank Financial Stability Group in March 2021. The World Bank Financial Stability Group provided template tools and training to all members of the ten (10) WGs, and provided feedback and suggestions for enhancing quality and objectivity of NRA Report.

The Methodology used for this NRA is premised on the concept of ML/TF risk being a function of ML/TF threats and vulnerabilities. The identification, understanding and assessment of ML/TF risks is now the cornerstone of complying with the requirement to apply a risk-based approach to the allocation of resources and the implementation of measures to prevent or mitigate ML/TF.

The World Bank tool is designed to assist jurisdictions in assessing their ML/TF risks, aiming to help them build a more effective, risk-based AML/CFT regime. It also supports capacity building by improving data and information collection practices, while fostering awareness and cooperation between government and private sector stakeholders.

Structured into nine (9) modules, the tool primarily focuses on ML risk assessment with seven (7) core modules. It also includes separate modules for assessing Terrorism Financing and Non-Profit Organisations. The National Vulnerability Module and sector-specific vulnerability modules utilize more complex logic, involving weighted averages and formulas, while the Threat and Terrorism Financing Assessments rely on simpler matrix-based structures.

As a part of the assessment, the Working Groups examined the ML/TF risks with respect to development of new products and new business practices, including new and developing technologies, across the FI and Listed Businesses sectors. This includes products such as e-banking and pre-paid cards, as well as internet/online and non-face-to-face transactions which are offered by FIs.

Trinidad and Tobago is proactively enhancing its efforts to AML/CFT through continuous monitoring and updates to the NRA. Building on the second NRA's findings, the country will refine and document its National AML/CFT Policy/Strategy to better allocate resources across agencies and implement targeted measures to address identified risks. This approach will result in further strengthening the legal, regulatory, and procedural frameworks across sectors prioritized on the basis of risk. This report will highlight both the progress made and the ongoing steps to further improve the AML/CFT regime, reflecting Trinidad and Tobago's strong commitment to prioritizing and effectively addressing financial crime risks.

### Sources of Data Collection

The ability to conduct a comprehensive and reliable analysis of the ML/TF risks faced by Trinidad and Tobago depends largely on the collection and examination of a wide range of relevant data and statistics. In applying the World Bank Assessment tools, both quantitative and qualitative data were sourced from: (i) the public sector, particularly the NAMLC, law enforcement authorities, other competent authorities; and (ii) the private sector.

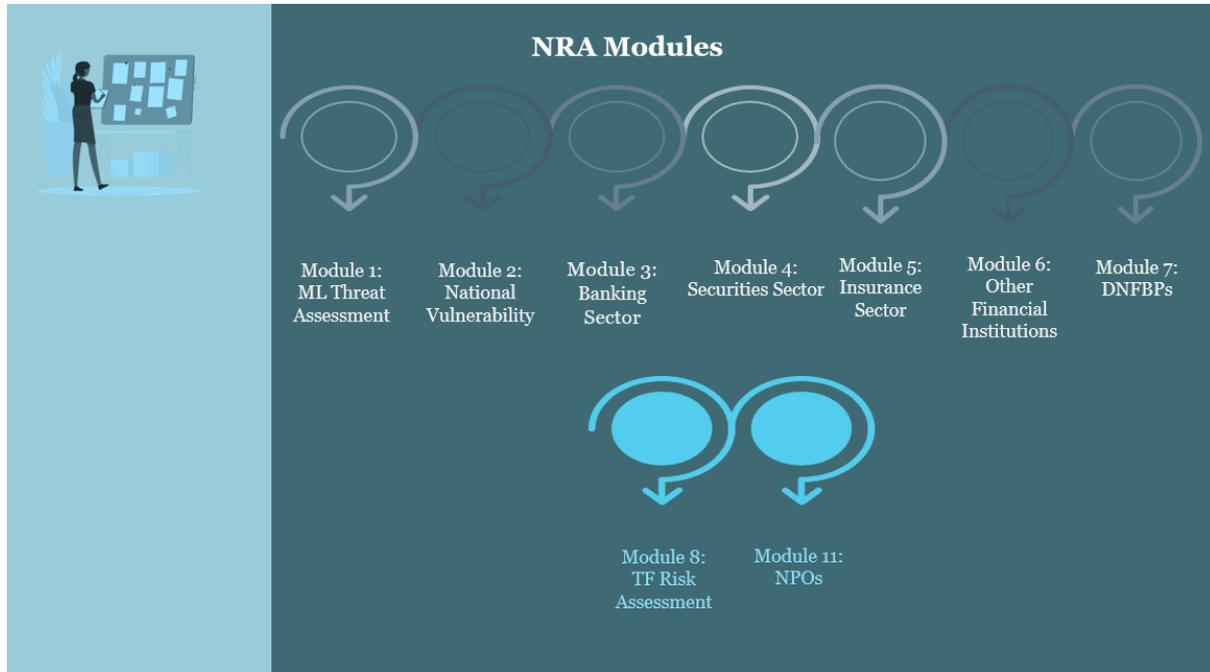
Various data collection exercises were carried out with these stakeholders in 2021- 2023, one objective of which was to gather a more comprehensive data set from industry. However, certain data fields in respect of some sectors were still not readily available. Predominantly the data used in this report covers the period **2016-2020**. It is however important to note that Data across the report in some areas is non-uniform and is taken from different parties at different times. The non-uniformity of data available has impacted on analysis in the process, and therefore the report should be considered in this manner. The relevant Working Groups have however maintained cognizance of this challenge and addressed this, as far as possible through (1) comparison of quantitative data over narrower periods where data overlapped; and (2) qualitative analysis. A number of areas have however also been flagged for further data collection and analysis.

The methodology utilized to identify the findings in this report was grounded in the understanding that the ML/TF risk is a function of threats, vulnerabilities, and consequences. By the evaluation of these three key factors—threats that may cause harm, vulnerabilities that can be exploited, and the consequences of ML/TF activities on financial systems, economies, and societies—the approach provided a comprehensive framework for identifying and understanding ML/TF risks for Trinidad and Tobago.

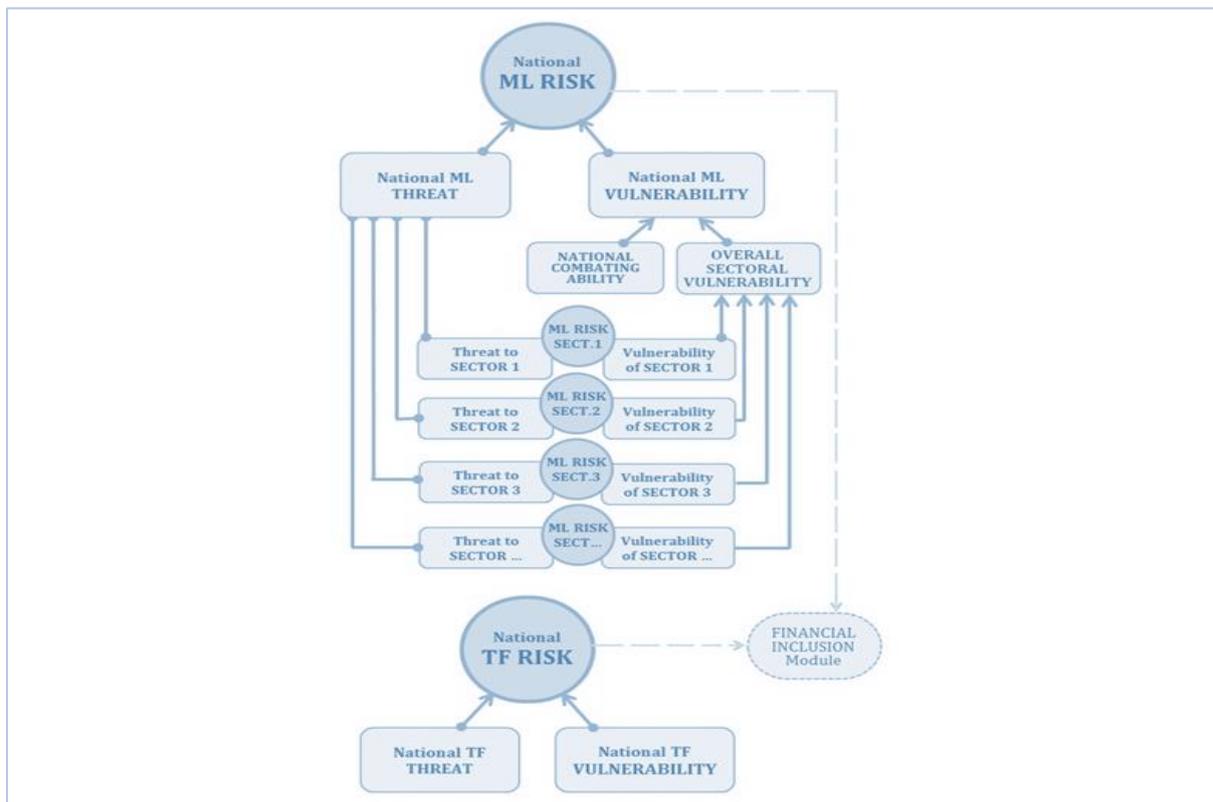


## CHAPTER 4: OVERALL KEY FINDINGS

NRA Modules:



Relationship between the different Modules:



## The National Risk Assessment Report

### ML Risks

- **ML Threats**

In the context of this assessment, ML threats are predicate crimes that generate illicit proceeds, which may then be laundered in, from or through Trinidad and Tobago. In this regard, the country's highest ML risks come from the laundering of the proceeds of human and drug trafficking, corruption, fraud and illicit arms trafficking, all of which were rated **High-threat**. The offences that were rated as **Medium** were gambling, gaming and betting, gang and gang related activity and tax evasion. The assessment concluded that the laundering of criminal proceeds is likely to involve a chain of cross border transactions across USA, UK, SVG and other Caribbean nations.

- **Overall ML National Vulnerabilities**

The national vulnerability was determined by the assessment of three (3) components, these are national vulnerability, the national ability to combat money laundering and the ML vulnerability of key sectors in the financial services industry and Designated Non-Financial Businesses and Professions (DNFBPs). National vulnerabilities create structural or systemic weaknesses that can be exploited by illicit actors and ultimately, can adversely impact the effectiveness of the national AML regime. The overall national vulnerability rating is rated as **Medium-High**.

- **ML Sectoral Vulnerabilities**

The sector most at risk of being used for these purposes is the Gaming Houses/Pool Betting Sector (rated High-vulnerability). This was followed by the Banking, MVTS, Private Members Clubs and Real Estate sectors (all rated Medium-High vulnerability). The banking sector was identified due to the complexity, high volumes and cross border nature of transactions. The products identified as most vulnerable to ML for the banking sector were Wire Transfers and Deposits (both retail and held by legal persons), both of which were rated **Medium-High** and the overall banking sector vulnerability was assessed as **Medium-High**. The money laundering risks from domestic criminality, primarily arise from drug trafficking and fraud, and the laundering of the proceeds of these crimes are most likely to involve the retail banking sector and the use of cash.

### TF Risks

The finding of the NRA with regard to terrorist financing risks is **Medium**. Terrorist financing is most likely to arise in the context of businesses operating internationally potentially being used to support foreign terrorist organisations and individuals, by funds being passed through or administered from Trinidad and Tobago. Terrorist financing from businesses operating internationally is most likely to arise in the context of secondary terrorist financing, where criminal proceeds are used to fund terrorism. There is also a risk that funds raised in the country for legitimate purposes may be diverted subsequently to support foreign terrorism such as terrorists and terrorist organisations operating outside of the jurisdiction.

The risk of funds being raised in or sent into the country to support domestic terrorist activity is **Medium-Low** for all sectors and products. This is on the basis that Trinidad and Tobago's demographic, geographical, political and cultural profile make it very unlikely that domestic

terrorist activity would occur. The TF NRA Report and the analysis of the data gathered by the working group resulted in findings that the current level of TF Risk that exists in Trinidad and Tobago, is rated **Medium**. The fundamental concepts for this risk assessment included:

1. TF threats by terrorist organisations and individuals;
2. National TF threat in respect of raising, moving, storing and using funds to finance terrorism;
3. Sectoral threats and vulnerabilities; and
4. The level of national TF vulnerabilities, which stem from the gaps and weaknesses in the national measures for the prevention and detection of TF and the enforcement of CFT.

## **Module 1 - Money Laundering (ML) Threat Assessment**

The main objectives of this module are to:

- Identify money laundering threats and understand those threats in terms of the type of predicate offense, origin, and sector;
- Systematically collect data to assess money laundering threats; and
- Analyze cross-border threats from foreign jurisdictions.

The outcome of the threat assessment will be used to inform policy measures, support implementation efforts, and to improve the collection of data within the country.

The findings from the analysis conducted by the working group underscore the **Medium** level of ML threat present in Trinidad and Tobago. This assessment encompasses a wide range of predicate offences, with particular emphasis placed in the report on high-threat and medium-threat categories.

### **1. Predicate Offences**

#### **High-Threat Predicate Offences**

Significant challenges are posed by predicate offences such as human trafficking and related offences; drug trafficking; illicit arms trafficking corruption; and fraud. These crimes persist despite proactive measures and enforcement efforts within the jurisdiction.

#### **Medium-Threat Predicate Offences**

Medium-threat predicate offences include illegal gambling, gaming, and betting; gang and gang-related activity; and tax evasion. These offences reflect a complex interplay of factors, necessitating targeted interventions to mitigate associated ML risks effectively.

#### **Low-Threat Predicate Offences**

Certain offences, such as robbery/theft and environmental crimes, present relatively lower ML risks. However, vigilance is essential in addressing emerging threats and preventing potential vulnerabilities from escalating.

The main ML TF offences for the period 2016 to 2020 are shown in the table below in order of priority.

Predicate Offence	Money Laundering Threat Rank
Human Trafficking and Related Offences	High
Drug Trafficking	High
Corruption	High
Fraud	High
Illicit Arms Trafficking	High
Gambling, Gaming and Betting	Medium
Gang and Gang-Related Activity	Medium
Tax Evasion	Medium
Larceny Related Offences	Low
Theft	Low
Robbery	Low

The remaining offenses are categorized as unclassified as a result of a lack of available data pertaining to investigations, prosecutions, convictions, as well as the seizure and confiscation of proceeds of both the predicate offense and related ML associated with these predicate crimes. In cases where there were challenges in obtaining quantitative data, heavier reliance was placed on qualitative data from various local and international sources<sup>5</sup>.

## 2. Origin Breakdown

The analysis of ML investigations over the review period revealed a total of eighty-eight (88) cases originating from both domestic and foreign jurisdictions. This dual-jurisdictional criminality underscores the complex nature of ML threats facing Trinidad and Tobago. Despite limitations in data adequacy, this analysis offers valuable insights into the prevalence of cross-border criminal activities and the continuing need to utilize formal and informal international cooperation mechanisms in combating ML.

## Module 2 - National Vulnerability

Threat and national vulnerability are the two (2) main factors impacting the risk of ML at the national level. National vulnerability assesses the defense and reaction mechanisms available for combating money laundering. National vulnerability is also impacted by the vulnerabilities of the various sectors that could potentially be abused for ML.

The main objectives of this module are to:

- Identify the overall vulnerability of a given country to money laundering;
- Identify the weaknesses and gaps in the country's ability to combat money laundering; and
- Prioritize actions that will improve the country's ability to combat money laundering by strengthening anti-money laundering (AML) controls at the national level.

In addition to assessing ML and TF related threats, the NRA also assessed how vulnerable the financial and DNFBP sectors were to ML and TF. It is important to understand that vulnerability refers to characteristics, traits or other features that can be exploited by threats or may facilitate their activities. While conducting the National Sectoral Vulnerability Assessment, the Financial Sector and DNFBPs were examined.

<sup>5</sup> see Limitations to the NRA in Chapter 8.

The national ML vulnerability is **Medium-High**. This is influenced by the ML vulnerabilities identified in the sectoral and national AML frameworks. In assessing vulnerabilities in these frameworks, variables which reflect key features of the frameworks were assessed.

The following two (2) tables present a summary of the ML vulnerability risk ratings of the Financial and DNFBP Sectors.

**Table 1: Financial Sector**

Financial Sector	ML Risk Rating
Banking	Medium-High
MVTS	Medium-High
Credit Union	Medium
Money Remittance	Medium
Payment Service Providers	Medium
Insurance	Medium
Securities	Medium
Bureau de Change	Medium-Low
Finance Companies	Low

**Table 2: DNFBP Sector**

DNFBPs	Overall Rating
Gaming Houses/Pool Betting Sector	High
Private Members Club Sector	Medium-High
Real Estate	Medium-High
Art Dealers	Medium
Precious Metals and Stones (Jewelers)	Medium
Motor Vehicle Sales	Medium
Trust and Company Service Providers (TCSPs)	Medium
Accountants	Medium
Attorneys-at-Law	Medium
National Lotteries On-Line Betting Games (NLCB)	Low

These sectors have been assessed based on their unique characteristics, clientele, the offered products and services, their geographic reach, and the channels they operate through.

The assessment of ML investigations highlighted several sectors with heightened vulnerability to ML activities. Banking, legal persons, insurance, real estate, money value transfer services, and other financial institutions emerged as areas vulnerable to ML risk. Analysis of Suspicious Transaction Reports/Suspicious Activity Reports (STRs/SARs) submitted to the FIUTT further reinforced the significance of these sectors in terms of potential ML risks. The sectoral vulnerability assessment indicates that Gaming Houses/Pool Betting Sector was the only sector rated High-risk while most of the Financial and DNFBP sectors have a **Medium-High** and **Medium** vulnerability to ML. Targeted measures within these specific areas are essential to bolster AML efforts and mitigate sector-specific vulnerabilities effectively.

## Sectoral Key Findings

### *The Banking Sector*

This vulnerability of this sector was assessed as **Medium-High**. This was attributed to its materiality in the overall financial system of Trinidad and Tobago and the complexity and interconnectedness of banking products/services. The sector also serves a broad spectrum of customer segments, both at the individual and corporate level. These include but are not limited to, individuals, corporate customers, politically exposed persons (PEPs), gaming houses, attorneys and real estate agents. The availability of a range of products of services including cross-border services coupled with the high volume and speed of transactions elevates the ML vulnerability of the sector.

Given customers' risk profiles and the inherent risks posed by products/services and distribution channels, the banks have implemented risk based controls including documented policies and procedures and comprehensive AML Compliance Programmes to counter ML risk. The assessment identified that is important for the sector to continue to strengthen their transaction monitoring systems and the AML/CFT knowledge of banking staff. Additionally, the Central Bank should prioritize the implementation of its risk based AML supervisory framework which was delayed due to the onset of the COVID-19 pandemic. The overall AML controls were assessed as **Medium**.

### *The Insurance Sector*

The overall ML vulnerability of the Long-term Insurance sector was assessed as **Medium**. In terms of products, individual annuities and Universal Life and Investment-linked policies were identified as the most vulnerable to ML, while the General AML/CFT controls were rated as **Medium**. The AML controls which have been reported as being effective in the mitigation of the risk of the sector were: Comprehensiveness of the AML Legal Framework; Level of Market Pressure to Meet AML Standards; an Availability and Effectiveness of Entry Controls. Areas requiring strengthening are staff training and monitoring systems. General Insurance, Health and Term Life products remain significantly less vulnerable to ML risks based on the characteristics of the products (low value, no investment component, non-refundable premiums, and no cash surrender value).

The banking and insurance sectors are regulated and supervised by the Central Bank of Trinidad and Tobago (Central Bank), via on-site and off-site supervisory tools. The Central Bank introduced its Risk Based AML Supervision framework in January 2020, but implementation was adversely affected by the COVID-19 lock-down measures. As such, a priority action for the Central Bank is to advance the implementation of the framework, which will inform the frequency and intensity of on-site and off-site supervisory actions. Additionally, prioritizing the legislative efforts to introduce a regulatory framework for administrative monetary penalties for AML/CFT breaches will strengthen the enforcement powers of the three (3) supervisory authorities, and cure a 4<sup>th</sup> Round Mutual Evaluation deficiency.

### *The Securities Sector*

The ML vulnerability attributed to the securities sector was assessed as **Medium**. The factors which impacted this rating included a lack of administrative sanctions and insufficient AML resources and training, (notwithstanding the delivery of AML/CFT training). The risks attributed to the sector were mitigated by a structured supervisory framework (guided by the TTSEC's supervisory inspection manual which guides the inspection process) and proactive remedial

actions. Compliance reviews unearthed common deficiencies and irregularities in trading which signaled sectoral vulnerabilities. The risk exposure identified would be reduced by targeted interventions and supervisory enhancements.

## Assessment of the Financial Sector Vulnerability with sub-sector assessments

### Module 3 - Banking Sector

The banking sector dominates the financial system accounting for 48.4% of the total financial system assets as at December 31, 2020. The ML vulnerability of the sector is elevated due to its role in facilitating transactions through a range of products and services, its wide distribution networks through which a high volume and velocity of cross-border transactions are conducted, and its exposure to a larger proportion of customers with higher ML risks, including complex corporate structures. In addition to the risk at sector level, the vulnerability of the banking sector has an impact on the overall national vulnerability.

The main objectives of Banking Sector Vulnerability Module are to:

- Identify the overall vulnerability of the banking sector;
- Identify bank products/services/channels with high vulnerability; and
- Prioritize action plans that will strengthen anti-money laundering (AML) controls in the banking sector.

The overall banking sector vulnerability to ML was assessed as **Medium-High**. Analysis of the information submitted by the sector on the ML vulnerability of products/services, indicates that the most vulnerable products are: incoming and outgoing wire transfers due to the significant flows; retail deposits due to high level of cash activity and the extensive functionality of the product; deposits held by legal persons due to high cash activity and significant average transaction size, coupled with the gaps identified in the assessment of availability of independent and reliable identification sources.

The banking sector consistently produces the highest volume of STRs, approximately 89% of reports submitted by the financial sector. Notwithstanding, some gaps were identified in the suspicious activity monitoring and reporting processes, with the FIU/T issuing thirty-three deficiency letters during the reporting period, which resulted in regulatory meetings between the Central Bank and institutions with higher deficiency rates. An improved trend was subsequently observed over the period 2018-2020.

Additionally, over the reporting period, external audit reports demonstrate an improved compliance trend with the number of high and medium priority findings decreasing to no high priority findings and 1 medium priority in 2020.

The Central Bank's market entry controls and supervisory processes are generally considered to be robust. Key findings were *inter alia* that AML on-site examinations were limited during the review period due to the COVID-19 pandemic leading to greater reliance on off-site monitoring tools for supervisory oversight. The sufficiency of AML resources should be reassessed to ensure adequate coverage of the banking sector, given its materiality to the overall financial sector and the number of sectors which fall under the supervisory remit of the Central Bank. Priority actions for the Central Bank include implementation of the risk based AML supervisory framework and together with other supervisory authorities, to advance legislative efforts to introduce a regulatory

framework for administrative monetary fines for AML/CFT breaches. This will strengthen the enforcement powers of the three (3) supervisory authorities and cure a 4<sup>th</sup> Round Mutual Evaluation deficiency.

## Module 4 - Securities Sector

The securities sector's vulnerability to ML and the ML threat to the securities sector together cause the ML risk to the sector. In addition to the risk at the sector level, the vulnerability of the securities sector has an impact on the national vulnerability.

The main objectives of the Securities Sector Vulnerability Module (the module) are to:

- Identify the overall vulnerability of the securities sector;
- Identify securities institution types that have high vulnerability;
- Identify on a needs basis the products or services offered by the securities institution types with high ML vulnerability; and
- Prioritize action plans that will strengthen anti-money laundering controls (AML controls) in the securities sector.

Based on the inherent vulnerability ratings of the institution types assessed, the overall inherent vulnerability of the securities sector was assessed as **Medium**, with higher levels of vulnerability derived inter alia from institutions whose primary securities activities involve wealth/portfolio management, online brokerage trading and sales and repurchase agreements.

Each type of institution faces vulnerabilities ranging from high to low risk, necessitating tailored risk management strategies to effectively address the identified weaknesses. TTSEC's supervision procedures were implemented two (2) years prior to the start of the review period and though its inspection framework included a risk-based approach, this was still nascent and under review in terms of its effectiveness. Further challenges to effective AML supervision resided in the requirement to conduct both prudential and AML supervision, ensuring adequate resources are dedicated to supervision of AML matters. TTSEC is strengthening its Risk-Based Supervision (RBS) framework, including the related impact and risk assessment tools for its registered entities.

## Module 5 - Insurance Sector

The insurance sector's vulnerability to ML and the ML threat to the insurance sector together cause the ML risk to the insurance sector. In addition to the risk at sector level, the vulnerability of the sector has an impact on the national vulnerability.

The main objectives of Insurance Sector Vulnerability Module are to:

- Identify the overall vulnerability of the insurance sector;
- Identify insurance products with high vulnerability; and
- Prioritize action plans that will strengthen anti-money laundering (AML) controls in the insurance sector.

The overall insurance sector vulnerability to ML was assessed as **Medium** taking into account the investment type features and materiality of the products within the insurance sector, the risk ratings and mitigating control measures. The insurance products most vulnerable to ML are Individual Annuities and Investment-Linked policies. These products allow large/flexible premiums,

withdrawals, and cash surrender options before maturity or retirement, and represented approximately 47% of total Gross Premium Income. Several AML controls, including the comprehensiveness of the AML legal framework, level of market pressure to meet AML standards and availability and effectiveness of entry controls, contributed positively to mitigating the sector’s vulnerability.

The key findings for the sector are inter alia, deficiencies in the AML knowledge of insurance employees and the effectiveness of the compliance functions of the insurance companies. For the Central Bank, similar to the banking sector, the sufficiency of AML resources should be reassessed to ensure adequate supervisory coverage to provide effective oversight of all the sectors supervised by the Central Bank. The administrative monetary fines regulatory framework must be advanced to strengthen the Central Bank’s enforcement powers.

## Module 6 - Other Financial Institutions

This module covers all categories of financial institutions (FIs), other than the banking sector, insurance sector and securities sector. In this regard, the assessment included the Bureau de Change (“BDC”), Finance Companies, Credit Unions and Money and Value Transfer Service (“MVTs”) sector. The MVTs sector assessment is comprised of the following sub-sectors: money remitters and payment service providers (“PSP”).

The main objectives of the module are to:

- Identify the vulnerability of each of the other relevant FI categories in a country;
- Identify high vulnerability other FI categories;
- Identify on a needs basis, the products/services/channels offered by these other FI categories with high ML vulnerability; and
- Prioritize action plans to strengthen anti-money laundering (AML) controls for other FI categories.

**Table 3: Other Financial Institutions Vulnerability Ratings**

Sector	Rating		
	Inherent Vulnerability	AML Controls	Overall Rating
Credit Union	Medium-High	Medium	Medium
Money Remittance	Medium-Low	Medium	Medium
Payment Service Providers	Medium-Low	Medium	Medium-Low
Bureau de Change	Medium-Low	Medium	Medium-Low
Finance Companies		Medium	Low

### *Credit Unions*

The overall ML vulnerability score was assessed as **Medium**. Given that the prudential and AML supervision is split between the Commissioner and the FIUTT, Credit Unions are under continuous supervision by the FIUTT for AML/CFT and subject to the regulatory oversight of the Commissioner of Cooperatives. The Trinidad and Tobago Credit Union League also plays a crucial role in supporting governance within Credit Unions. However, governance, primarily overseen by Boards of Directors was deemed to carry the highest perceived risk of ML and related illicit activities, underscoring the need for enhanced oversight and governance practices within these institutions. Several key gaps in AML training within Credit Unions sector was identified in the assessment. These include but are not limited to inconsistent frequency and depth of training

programs, variability in content coverage, lack of tailored training to different roles, insufficient updates on regulatory changes, and limited monitoring of training effectiveness. These gaps highlight the clear need to improve the consistency and depth of AML training across the sector.

To address the identified deficiencies, the FIUTT has reaffirmed its commitment to a risk-based supervision approach. Consequently, there has been an intensified effort to conduct second-round examinations, where those Credit Unions who were previously selected for compliance examinations are then notified of another round of evaluation. The second-round evaluation is geared to ensure compliance on the part of the Credit Union and to determine whether gaps in the culture of compliance was alleviated. Additionally, the FIUTT intends to continue its outreach and awareness initiatives through sector-specific seminars. These seminars facilitate direct engagement with sector representatives, fostering dialogue and promoting deeper collaboration.

Overall, the Credit Union sector exhibits strengths in implementing foundational integrity measures and providing basic AML training. However, there are opportunities for improvement in standardizing background checks, enhancing the effectiveness of AML training programs, and fostering sector-wide collaboration to address emerging risks more proactively. By strengthening these areas, credit unions can bolster their resilience against financial crime and uphold high standards of integrity and regulatory compliance within their operations.

### ***Money Remittance***

The assessment of the money remittance sector considered the specific features of the sector that make it vulnerable to ML risks, i.e., inherent vulnerability factors, and the quality and effectiveness of control measures implemented by the sector to combat ML risks.

The sector's overall ML vulnerability score was assessed as **Medium**. Although there is a high level of cash activity with 97% of transactions being conducted in cash and 96% of transactions represents international/cross-border activity, the small size of the sector, coupled with the small average transaction size for both domestic and cross-border transactions, results in a low vulnerability assessment for ML in the sector. The total value of transactions and the average size of send and receive transactions are low which does not make the remittance sector an attractive vehicle for ML purposes. Notwithstanding, there is room for improvement in the quality of AML controls in the sector as well as opportunities to strengthen the regulatory framework for the sector, primarily in respect of the Effectiveness of Supervision/Oversight Activities, AML Knowledge of Institution Staff, the Effectiveness of Compliance Function, the Effectiveness of Suspicious Activity Monitoring and Reporting.

### ***Payment Service Providers***

The sector's overall ML vulnerability score was assessed as **Medium-Low**. The assessment considered the specific features of the PSP sector that make it vulnerable to ML risks, that is inherent vulnerability factors, and the quality and effectiveness of control measures implemented by the sector to combat ML risks.

The PSP sector is inherently exposed to ML risk due to transactions being predominantly made in cash and services offered primarily through agents. However, the risk is lowered as transactions are all domestic i.e. there is no cross-border activity, and the volume and value of payments are low-value and primarily consumer payments to utility companies for specific invoiced amounts.

As such, the nature of the transactions presented low ML vulnerability.

Notwithstanding, the sector's understanding of ML risk and its implementation of AML controls are at a nascent stage for the review period. The AML control variables which materially impacted the assessment were the effectiveness of regulation and supervision, including the effectiveness of market entry controls, the effectiveness of the administrative sanctions regime, and the strength of the AML/CFT framework implemented by the PSP and the level of AML knowledge and awareness amongst staff.

### ***Bureau de Change***

The assessment of the BDC sector considered the specific features of the sector that makes it vulnerable to ML risks, that are inherent vulnerability factors, and the quality and effectiveness of control measures implemented by the sector to combat ML risks. Based on the inherent vulnerabilities present in the sector and the quality of the AML controls, the sector's overall vulnerability to money laundering was assessed as **Medium Low**. The cash-based operations and the use of a network of agents, inherently expose the sector to ML/TF risks, however, based on the small size of the sector, in terms of asset size (less than 1% of total financial sector assets), the value and volume of transactions (less than 1% of total foreign exchange transactions) and the low value average transaction size (USD\$ 500) coupled with regulatory transaction thresholds, mitigate the risk. The areas which require strengthening based on the assessment are: AML Knowledge of Institution Staff, Effectiveness of the Compliance Function, Effectiveness of Suspicious Activity Monitoring and Reporting, and Availability and Enforcement of Administrative Sanctions.

### ***Finance Companies***

The finance companies' vulnerability to ML was assessed as **Low**. The Finance Companies sector comprises of three (3) institutions: Agricultural Development Bank ("ADB"); Home Mortgage Bank ("HMB") and Trinidad and Tobago Mortgage Finance Company Limited ("TTMF")<sup>6</sup>. These three (3) entities are specialised body corporates established by the GoRTT to primarily address niche areas of the economy, such as agriculture and micro-enterprise financing for farmers (ADB), mortgage financing (TTMF and HMB), as well as personal lending. Their role is largely developmental focused on meeting the specific financing needs of the respective markets by offering primarily three (3) products (i) retail loans (primarily residential mortgages); (ii) commercial loans; and (iii) retail deposits.

The retail deposits have a low level of cash activity with the average transaction size in line with scheduled loan payments. The finance companies' vulnerability to ML was assessed as Low, taking into consideration the inherent ML vulnerability as well as the AML control measures that exist in the sector such as the integrity of staff, AML knowledge of Business/Staff and availability of Independent Information sources and Access to Beneficial Ownership information. The factors contributing to the 'low' rating for the finance companies were mainly due to the business models of the entities in which the client base and the level of cash activity makes the sector less attractive for ML.

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<sup>6</sup> As at August 2021, the Boards of the TTMF and the HMB approved the merger of the entities.

## Module 7- Designated Non-Financial Business and Professions (DNFBPs)

The main objectives of this module are to:

- Identify the vulnerability of each of the other relevant businesses and professions that make up the country's designated non-financial businesses and professions (DNFBP) sector;
- Identify businesses/professions of high vulnerability in the DNFBP sector;
- Identify, on a needs basis, the products/services offered by the businesses/professions with high ML vulnerability; and
- Prioritize action plans that will strengthen anti-money laundering (AML) controls in the DNFBP sector.

LBs encompass business activities or professions enumerated in the First Schedule of the Proceeds of Crime Act, Chap 11:27 (POCA). These include (i) Accountants, (ii) Art Dealers, (iii) Attorneys-at-Law, (iv) Gaming Houses and Pool Betting, (v) Jewelers, (vi) Motor Vehicle Sales, (vii) National Lotteries On-Line Betting Games, (viii) Private Members Clubs (PMCs), (ix) Real Estate, and (x) Trust and Company Service Providers. Therefore, in the context of the NRA Module 7 assessment, the Listed Businesses (LB) sector encompasses these sub-sectors.

As of June 2020, there were a total of Supervised Entities numbered 3,337 LBs registered with the Supervisory Authority<sup>7</sup>. The registrations are dominated by two sectors, Attorneys-at-Law and Real Estate, which accounted for approximately 70% of the total. Notably, four (4) sectors, namely Motor Vehicle Sales, National Lotteries On-Line Betting Games, Real Estate, and PMCs, were responsible for 91% of the total revenue generated within the entire LB sector.

With respect to the overall vulnerability among the ten (10) DNFBP sectors, the sector most vulnerable to misuse for ML purposes was identified as Gaming Houses/Pool Betting Sector (rated High) and followed by Private Members Clubs and Real Estate sectors (rated Medium-High). There is the need for enhanced AML/CFT training, particularly among these sectors to improve risk identification and reporting of SARs and STRs, enhanced compliance mechanisms and strengthening collaboration with the FIUTT to bolster these sector's resilience against ML.

**Table 4: Overall Vulnerability Rating of Listed Businesses by Sector**

Sector	Rating		
	Inherent Vulnerability	AML Controls	Overall Rating
Gaming Houses/Pool Betting Sector	High	High	High
Private Members Club Sector	Medium-High	Medium	Medium-High
Real Estate	Medium-High	Medium-High	Medium-High
Precious Metals and Stones (Jewelers)	Medium-High	Medium	Medium
Motor Vehicle Sales	Medium-Low	Medium	Medium
Trust and Company Service Providers	Medium	Medium	Medium

<sup>7</sup> The designated Supervisory Authority (SA) responsible for overseeing AML/CFT/CPF compliance within the Listed Businesses (LBs) sector is the Financial Intelligence Unit of Trinidad and Tobago (FIUTT).

(TCSPs)			
Accountants	Medium	Medium	Medium
Attorneys-at-Law	Medium	Medium	Medium
Art Dealers	Low	Medium	Medium
National Lotteries On-Line Betting Games (NLCB)	Low	Low	Low

### Art Dealers

The First Schedule of the POCA defines an Art Dealer as “an individual or company that buys and sells works of any category of art”. The overall level of vulnerability of the Art Dealers sector is **Medium**. As at December 31, 2020 the size of the art industry can be classified as relatively small as there were sixteen (16) Art Dealers registered with the FIUTT comprised of both sole proprietors and limited liability companies with an average of five (5) employees. The assessment of the Art Sector weighed inherent vulnerability factors such as high-value art, high net-worth customers, ease of transportability, the possibility of using art as an investment, against the efficacy of the controls employed by the sector to combat ML risks identified. The inherent vulnerability of the sector was assessed as **Low**. In concluding the overall assessment, the AML/CFT controls in the sector rated lower were the absence entry barriers or licensing requirements for entities seeking to join the art dealership sector in Trinidad and Tobago, the lack of a formalized, documented AML training programs and conduct of regular training sessions, documented risk-based framework for customer risk rating and the absence of any Suspicious Transaction Reports (STRs) or Suspicious Activity Reports (SARs) to the FIUTT.

### Dealers of Precious Metals and Stones (Jewelers)

As of December 2020, the sector consists of 190 jewelers with 57 new registrants over the review period. The industry has a combination of both retail (sole traders) and wholesale operators, where the retailers are the dominant, small (single person operations) and family-owned businesses. In order to operate, jewelers are required to obtain a business license in dealers of precious metals and stone from the respective Licensing Committee of the Judiciary supported by a police report with background checks inclusive of a criminal record check prior to the license being granted. Due diligence conducted by the industry predominantly involves collection of essential information such as names, addresses, contact numbers, and identity verification. The industry demonstrated a moderate reliance on cash transactions with a significant proportion of purchases made using non-cash payment methods with proactive efforts undertaken to mitigate associated vulnerability through regulatory compliance. The sectors’ susceptibility is exposed through several aspects, including the efficiency of the compliance function, the level of AML awareness among business personnel, access to impartial information, and the adequacy of monitoring for suspicious activities. The overall level of vulnerability of the Precious Metals and Stone Sector is rated as **Medium**.

### Motor Vehicle Sales (MVS)

The Motor Vehicle Sales (MVS) industry generates an estimated annual income of \$2.5 billion, equivalent to US\$400 million, through imports. This sector primarily consists of both New and Used Motor Vehicle sales. The Used MVS segment further divides into two categories: foreign used vehicles and locally used Motor Vehicles Sectors. The overall vulnerability of the Motor Vehicle Sector is rated as **Medium**.

All Motor Vehicle Dealers, encompassing a variety of legal statuses such as natural persons, legal entities, and partnerships, engaged in the sale or leasing of new or used motor vehicles, fall within the purview of AML/CFT/CPF supervision by the FIUTT. This oversight mechanism is risk based and encompasses various dimensions, including offsite monitoring, hybrid examinations, periodic on-site inspections, adherence to Fit and Proper Guidelines, and compliance with pertinent laws, regulations, and guidelines.

The proactive stance adopted by the FIUTT in conducting compliance examinations through diverse methodologies underscores its steadfast commitment to maintaining rigorous AML/CFT/CPF supervision despite prevailing challenges. This adaptable approach underscores the FIUTT's dedication to safeguarding the integrity of the sector's operations and ensuring compliance with AML/CFT/CPF regulations amidst evolving circumstances. The inherent vulnerability level was assessed as **Medium-Low**.

### **Private Members Clubs (PMCs)**

During period under review, the FIUTT actively monitored fifty-two (52) private members' clubs, which encompassed a diverse range, ranging from significantly large establishments to more modest entities and constituting the entirety of PMCs obligated to register with the FIUTT. To manage AML vulnerability inherent in the operations of PMCs, several measures are employed: 1. AML Legal Framework: the sector benefits from the presence of well-defined AML/CFT laws, regulations, guidelines, and mechanisms for enforcement; 2. On-site Inspection and Monitoring: the FIUTT conducts on-site inspections and monitoring activities within the sector to ensure compliance with AML standards; 3. Training and Outreach: AML training programs and outreach efforts are implemented to educate and raise awareness within PMCs regarding their obligations and best practices; and 4. Suspicious Transaction Reporting: the sector is required to adhere to Suspicious Transaction Report (STR) and Suspicious Activity Report (SAR) requirements to alert authorities of potential ML/FT activities.

The AML Controls and oversight activities for the sector was supported by a supervisory framework which comprised a blend of on-site, off-site and hybrid examinations devised in response to the challenges presented by the Pandemic. The overall vulnerability of the PMC sector is rated as **Medium-High**.

### **National Lotteries On-Line Betting Games (NLCB)**

The National Lotteries Control Board (NLCB) stands as the sole representative within its sector. In terms of AML/CFT regulations and enforcement mechanisms, the approach taken parallels the supervisory methods employed for Gaming houses and Private Members Clubs (PMCs).

The supervisory activities for the NLCB encompass various aspects: 1. On-site, off-site, and hybrid examinations are conducted to assess the NLCB's compliance with AML/CFT laws and regulations; 2. Guidance Notes are issued to provide assistance in meeting regulatory obligations effectively; and 3. Outreach and awareness sessions are organised to keep the NLCB informed and updated about the evolving AML/CFT requirements. This approach to supervision demonstrates commitment to ensuring the NLCB's adherence to AML regulations while recognising the unique challenges posed by the nature of the NLCB's operations involving third-party agents. The AML Controls for the availability of reliable identification infrastructure and the enforcement of administrative and criminal sanctions was rated as **High** and the overall rating of sector is **Low**.

## Trusts and Corporate Service Providers (TCSPs)

Trusts and Corporate Service Providers (TCSPs) are defined as legal and natural entities engaged in various activities on behalf of clients, including acting as formation agents, directors, secretaries, providing registered office addresses, and trustee services. As of December 31, 2020, there are eighteen (18) registered TCSPs under the FIUTT. These entities exhibit diversity in services offered, operational size, client relationship duration, and business volume. Most TCSPs employ 1-5 individuals and are more inclined towards Company services. ML risks are controlled and mitigated in the sector through the TCSP's business and staff's capability and AML knowledge, compliance function and SAR and STR monitoring and reporting. The Overall Vulnerability of the sector was rated as **Medium**.

## Gaming Houses/Pool Betting

The Trinidad and Tobago Racing Authority (TTRA) holds the regulatory mandate over horse racing activities within Trinidad and Tobago. Concurrently, the Betting Levy Board (BLB) serves as a governmental entity responsible for tax collection and oversight within the Gaming House and Pool Betting (GHPB) industry. As of June 2020, the Betting Levy Board registered a total of 15 establishments encompassing Gaming House and Pool Betting (GH&PB) operations. Among these, 14 are situated in Trinidad, with one (1) situated in Tobago. The activities of GH&PB entities are conducted in accordance with the regulations outlined in the Gambling and Betting Act, Chapter 11:19. The overall vulnerability level of the sector is rated as **High** (varying client base profile, use of cash in day-to-day operations).

The ML vulnerability was mitigated by the entry controls and licensing framework via the Trinidad and Tobago Racing Authority (TTRA) and tax compliance via the Betting Levy Board (BLB), regulatory supervision, and use of cash thresholds and monitoring.

## Real Estate

The real estate market is characterized by diverse property transactions for residential, commercial and industrial properties. Real estate agents are classified as any natural or legal person, partnership or firm carrying on the business of buying, selling or leasing land and any interest in land or any, buildings thereon and appurtenances thereto. The number of real estate agents registered with the FIUTT as at December 2020 is 1,178 and account for the second largest listed business (LB) sector registered with the FIUTT, representing approximately 34%. The vulnerability level of the sector is rated as **Medium-High**.

In Trinidad and Tobago, the procedure for the buying or selling of property usually involves several key players which include a real estate agent, property developer, purchaser, vendor, an attorney at law and the financial institution. The estimated value of property brokered annually within the real estate sector averages TTD \$2 billion, highlighting its substantial economic impact. Real estate agents who actively operate in the sector but fail to register with the FIUTT, increase the vulnerability of this sector to ML.

## Accountants

The Institute of Chartered Accountants of Trinidad and Tobago (ICATT) is the main regulatory body. The Accounting sector provides a wide variety of services such as bookkeeping, auditing, tax preparation and financial consultancy and plays a crucial role as gatekeepers in the financial system. For the purposes of this assessment, not all Accountants operating in the country were assessed based on the FATF functional definition. A focus was therefore placed on Accountants

who provide services listed under the POCA including creating, operating and managing corporate structures and managing client funds, which can be exploited to facilitate ML activities. The total number of accountants that are registered with the FIUTT as at December 2020 is 142. The estimated total annual income earned by accountants registered with the FIUTT is estimated to be \$60M<sup>8</sup>. The overall vulnerability is rated as **Medium**.

### **Attorneys-at-Law**

The legal profession plays a crucial role in facilitating legitimate business transactions and provision of services such as real estate transactions, trust and company formation and client funds handling which places the sector in a unique position of vulnerability to ML abuse. Attorneys at law are governed by the Legal Profession Act, Chapter 90:03 and have reporting obligations to the FIUTT for AML/CFT purposes. Based on data from the Trinidad and Tobago Gazette dated September 15, 2020, 2,896 practicing certificates were issued to Attorneys-at-Law for the law term 2019/2020 by the Registrar of the Supreme Court. By December 2020, 890 Attorneys-at-Law were registered with the FIUTT as Designated Non-Financial Businesses and Professions (DNFBPs), with an estimated 50% engaging in all business activities outlined in the First Schedule of the POCA.

Attorneys-at-Law conduct business with a variety of clients, including individuals, companies and non-residents, the latter comprising approximately 3% of their client base. Additionally, Attorneys-at-Law serve politically exposed persons (PEPs), with international transactions accounting for an estimated 2% of their activities, rated as low risk. The estimated total annual income earned by Attorneys-at-Law registered with the FIUTT is approximately \$65 million, encompassing revenue generated from services beyond those specified under POCA. Considering these factors, the inherent vulnerability size and turnover of the legal sector are rated as High. The overall vulnerability of the Sector was rated as **Medium**.

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<sup>8</sup> This figure also reflects revenue derived from providing other services in addition to those listed under POCA.

## Module 8 - Terrorist Financing (TF) Risk Assessment

The objective of this Terrorist Financing Risk Assessment (TF-RA) is to assist countries in the assessment and understanding of their TF risks as per FATF Recommendation 1. The outputs of this risk assessment will guide Trinidad and Tobago in applying a risk-based approach to the design and implementation of regimes for CFT and improve the effectiveness of CFT measures at national and sectoral levels.

The national TF Risk for Trinidad and Tobago was assessed to be **Medium-Low**. **Based on the following analysis, the overall threat rating is Medium-Low, overall sectoral vulnerability is Low and national measures are Medium-high to close to excellent.**

### National TF Vulnerability Assessment by Sector

Information pertaining to fifteen (15) sectors within Trinidad and Tobago were analysed and formed the basis of the overall sectoral analysis. The TF vulnerability reflected across the sectors ranged from low to medium with an overall sectoral vulnerability of **Low**. Against background, the two sectors identified as being predominantly at risk were:

- i) MVTIS and Money Remitters with an overall risk to TF as Medium; and
- ii) the Banking Sector which reflected an overall risk to TF as Medium-Low.

### Domestic and Foreign Terrorism Financing Threat

key variables were assessed to determine the jurisdiction's National Terrorist Financing Threat:

(i) terrorist activities (ii) terrorist entities (iii) the presence of sympathisers (iv) the potential TF threat arising from neighbouring jurisdictions (v) the ability of the jurisdiction to function as a finance and trade hub (vi) the provision of strategic goods and services (See Table 1). The assessment deduced an overall medium score (0.50) for Internal, Incoming and Outgoing TF threats and a Low (0.30) score for the Transit TF Threat. The domestic TF threat arising from persons sympathetic to terrorist organisations, persons or ideology and the incoming TF threat arising from neighbouring jurisdictions warrant concern as both attained scores of medium and increasing.

The assessment of the TF threat relative to terrorist organisations was found to be generally **Low**, however, taking into consideration potential acts being carried out by radicalised individuals, the TF threat relative to this group was found to be **Medium-Low**. The national TF threat which assesses all aspects of raising, moving, storing, and using the funds that aim to finance terrorists, terrorist organisations, and/or operations, was rated as **Medium-Low**.

The national measures for the prevention, detection and enforcement against TF generated high ratings of effectiveness, quality and controls, with the majority of variables scoring from Medium-High to Close to Excellent.

## Module 11- Non-Profit Organizations

This assessment of the level of TF abuse in the NPO sector in Trinidad and Tobago received responses from one hundred and eighty-four (184) NPOs. From this sample, one hundred and forty-six (146) NPOs were categorised as FATF defined NPOs. The assessment revealed that there was a **Low** level of abuse for TF by NPOs.

The WG reviewed five (5) cases stemming from intelligence reports that were disseminated by the FIUTT to law enforcement authorities. These IRs were in relation to the suspicion of systemic TF abuse through (i) the diversion of funds, (ii) affiliation with a terrorist entity, (iii) abuse of programming, and (iv) possible support to recruitment efforts. There was only one case of suspected diversion of funds by an internal actor. All other cases involved suspicion of diversion of funds by external parties. Further, the investigations into all of these cases remained ongoing as at the end of the reporting period. In addition, these cases did not result in the identification of terrorism financing abuse of NPOs and were ultimately all closed by the investigative authorities subsequent to the reporting period. There were therefore no convictions or prosecutions related to the aforementioned.

The WG noted that some categories of FATF NPOs provided donations to beneficiaries located in other jurisdictions. However, the WG found that contributions to beneficiaries in jurisdictions that are impacted by terrorism were only made by a few NPOs categorised as Educational and Religious. These NPOs were subject to a **medium**-level of inherent vulnerability which flowed from such NPOs not having formalised internal policies and procedures, nor adequately considering the risk to TF abuse in their project assessments, and the absence of internal measures to adequately mitigate their risk of TF abuse.

Further, in assessing the treatment of NPOs, the WG identified opportunities for strengthening the risk-based alignment of the mitigating measures implemented by the GORTT. The WG noted that the NPO Act was passed in 2019. Further, amendments to POCA have placed a subset of NPOs as a Listed Business under the supervision of the FIUTT. The FIUTT Act enables the FIUTT to determine the frequency and intensity of its oversight. However, the WG concluded that the characterization of NPOs as Listed Businesses would be disproportionate to risk and not in alignment with international best practices. The WG reflected those legislative amendments were necessary to ensure a better balance is struck between protecting NPOs from TF abuse and allowing them to conduct their good works. Such measures should be focused on those FATF NPOs identified as higher-risk as opposed to the broad-brush approach to all NPOs.

The WG identified instances of de-risking of NPOs by financial institutions and noted that this phenomenon could drive NPOs to turn to the informal sector to conduct financial transactions as well as to place greater reliance on cash for their operations. This should be addressed at all levels of governance including through supervisors providing targeted guidance and outreach to financial institutions on adopting risk-based measures in relation to NPOs and to encourage NPOs to continue rely upon the formal financial sector.

### *Non-Profit Organisations (NPOs)*

This sector was assessed as being exposed to a **Low** level of abuse for terrorism and TF. Based on the findings and the methodology utilised, concerning the TF threat of the FATF NPOs, the WG rated the TF threat as **Low** for NPOs whose purposes were religious, social, and charitable, since there were not many patterns or cases of TF abuse.

In light of the foregoing, the following were identified:

- i. Trinidad and Tobago has a **Low** overall level of TF abuse of FATF NPOs;
- ii. there is a generally **Low** level of existing TF threats within the jurisdiction;
- iii. the FATF NPOs with the highest overall ratings of inherent risks were the categorised as charitable, social and religious NPOs; and
- iv. the overall assessment relative to NPOs is **Low to Medium** in the absence of evidential support to show that NPOs are being used as conduits for TF.

## CHAPTER 7: TRINIDAD AND TOBAGO'S AML/CFT LEGISLATIVE FRAMEWORK AND KEY AGENCIES

### Legislative Framework

Trinidad and Tobago has a comprehensive suite of legislation to combat ML and TF.

### Core Legislation

Key laws in relation to AML/CFT include:

- **The Proceeds of Crime Act, Chap. 11:27**-The main objective of this Act is to establish the procedure for the confiscation of the proceeds of certain offences and for the criminalising of money laundering. The Financial Obligations Regulations effectively puts into place a compliance regime to be adhered to by financial institutions, listed businesses (DNFBPs) and persons to which the Anti-Money Laundering Combating the Financing of Terrorism framework (AML/CFT), would be applicable.
- **The Anti-Terrorism Act (ATA) and The Financial Obligations (Financing of Terrorism) Regulations, 2011 (FOFTR)Chapter 12:07**- The ATA criminalises terrorism and FT, and provides for the detection, prevention, prosecution, conviction and punishment of terrorist acts, and FT. It also makes provision for the confiscation, forfeiture and seizure of terrorists' assets.
- **The Financial Intelligence Unit of Trinidad and Tobago Act, Chap. 72:01**- The FIUTTA establishes the Financial Intelligence Unit of Trinidad and Tobago for the implementation of FATF Recommendation 29. The FIUTT is tasked with the responsibility of collecting financial intelligence and information, and the analysis, dissemination and exchange of such financial intelligence and information, for the purpose of preventing and detecting ML/TF/PF.
- **The Central Bank Act, Chap. 79:02** – The Central Bank Act provides for the establishment of a Central Bank to define the powers and duties thereof and for matters incidental thereto.
- **The Mutual Assistance and Criminal Matters Act, Chap. 11:24**- The Act makes provision with respect to the Scheme relating to Mutual Assistance in Criminal Matters within the Commonwealth and to facilitate its operation in Trinidad and Tobago and to make provision concerning mutual assistance in criminal matters between Trinidad and Tobago and countries other than Commonwealth countries.
- **The Customs Act, Chap 78:01**- This Act is an Act that relates to Customs and governs the importation, exportation, and management of goods entering or leaving the country.
- **The Economic Sanctions Act, Chap 81:05** – This Act provides for the implementation of Economic Sanctions imposed by Regional or International Organisations and for matters incidental thereto.

- **The Trafficking in Persons Act, Chap 12:10**- This Act gives effect to the United Nations Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, Supplementing the United Nations Convention Against Transnational Organised Crime and for matters connected therewith or incidental thereto.
- **The Non-Profit Organisations Act, No. 7 of 2019**- This Act provides for the registration of non-profit organisations, the establishment and maintenance of a register of non-profit organisations, the obligations of non-profit organisations and for related matters.
- **The Gaming and Betting Control Act, No. 8 of 2021** – This Act provides for the regulation and control of gaming and betting and matters related thereto.
- **The Financial Institutions Act, Chap. 79:09** - provides for the regulation of banks and other financial institutions which engage in the business of banking and business of a financial nature, for matters incidental and related thereto.
- **The Insurance Act, Chap. 84:01** – This Act provides for the regulation of insurance businesses and privately administered pension fund plans and for other related purposes.
- **The Exchange Control Act, Chap. 79:50** – This Act provides for the administration of a system of exchange control and matters incidental thereto.
- **The Securities Act, Chap. 83:02**- **This Act** repealed and replaced the Securities Industry Act, Chap. 83:02 and aims to provide protection to investors from unfair, improper or fraudulent practices; foster fair and efficient securities markets and confidence in the securities industry in Trinidad and Tobago; to reduce systemic risk and for other related matters.
- **The Public Procurement and Disposal of Public Property Act, No. 1 of 2015** –this Act provides for transparency in public procurement of goods and services. The Act aims to provide for public procurement, and for the retention and disposal of public property in accordance with the principles of good governance, namely accountability, integrity, transparency, and value for money and to promote local industry development, sustainable procurement and sustainable development. Although the full implementation of this Act will serve to strengthen the rule of law in Trinidad and Tobago and increasing investor confidence, a phased rollout is necessary and contingent building upon existing procurement processes, contracts, and the allocation of human and technical resources to enable readiness of state enterprises in the public sector.
- **The Summary Courts (Amendment) Act, No. 3 of 2022** - The Act repeals and replaces section 64(2) of the Summary Courts Act, Chap. 4:20 to remove the requirement of consent for joinder of complaints in summary judicial matters. The amendment is intended to alleviate the problems of the multiplicity of proceedings and waste of judicial resources surrounding the requirement for consent in the joinder of complaints for two or more defendants where several complaints have been laid and refer to the same matter.

The amendment no longer requires that the Magistrate inform the defendant of the right

to have complaints heard separately, as this procedural matter will be determined within the discretion of the Magistrate, in the interest of justice, where the circumstances of the case requires. The Act was assented to on March 8, 2022. It is expected that the removal of duplicated matters at the summary level will allow the redirection of judicial resources to focus on the AML/CFT matters arising.

- **The Bills of Exchange (Amendment) Act, No. 12 of 2022** - which amended the Bills of Exchange Act, Chap. 82:31 to facilitate the implementation of an electronic cheque clearance system.
- **The Miscellaneous Provisions (Trustees, Exchequer and Audit Act, the Minister of Finance (Incorporation) Act, Proceeds of Crime, Income Tax, Companies, Partnerships, Securities, Tax Information Exchange Agreements, the Non-Profit Organizations and Mutual Administrative Assistance in Tax Matters) Act, No 1 of 2024 and The Miscellaneous Provisions (Global Forum) Act, No. 15 of 2024**- These two Acts amended various pieces of legislation so as to comply with Trinidad and Tobago's obligations under international standards. The legislation requires trustees of any trust to hold basic information on other regulated agents of, and service providers to, the trust, including investment advisors or managers, accountants and tax advisors. The legislation introduces criminal penalties for non-disclosure of Beneficial Ownership information by trustees to competent authorities including law enforcement agencies.
- **The Miscellaneous Provisions (Registrar General, Companies, Registration of Business Names, and Non-Profit Organisations) Act, No. 4 of 2024 (CROS)**- The CROS legislation introduced a threshold for "beneficial owner" to include the natural person who ultimately owns or controls ten per cent or more of the shares or membership interest of the company through direct ownership; indirect ownership or control through other means. The Act requires a company to maintain and keep updated a register of all the beneficial owners. The Register would contain the name, nationality or the latest known address or, telephone, email and other contact details and the date on which any person ceased to be beneficial owner.
- **The Miscellaneous Provisions [Proceeds of Crime, Anti-Terrorism, Financial Intelligence Unit of Trinidad and Tobago, Securities, Insurance, Non-Profit Organisations, Civil Asset Recovery and Management and Unexplained Wealth and Miscellaneous Provisions (FATF Compliance)] Bill, 2024** seeks to amend various pieces of legislation in order to enhance the regulatory framework of the levying of administrative monetary penalties for AML/CFT/CPF breaches. This Bill was passed in the House of Representatives on November 15<sup>th</sup> 2024 and was passed in the Senate on November 29<sup>th</sup> 2024.

As part of the regulatory process proposed in the legislation, if the Financial Institutions or Listed Businesses fail to pay the fine and remedy or discontinue the breach in compliance with the Notice issued by the Supervisory Authority under new Sections:

- s.57(1C) Proceeds of Crime Act;

- s.42(1B) Anti-Terrorism Act; and
- s.27(5) Finance Intelligence Unit of Trinidad and Tobago Act

The Supervisory Authorities will be authorised to refer the matter of the breach, committed by the FI or LB, to the Commissioner of Police to consider commencing an investigation into the criminal offence created in s. 57(1) Proceeds of Crime Act, s. 42(1) Anti-Terrorism Act, and s. 27(4) Financial Intelligence Unit of Trinidad and Tobago Act aforesaid.

Based on the analysis conducted by each WG and findings of the ML/TF risk assessment, there were several legislative areas identified that require amendments to strengthen the country's AML/CFT regime.

These areas include:

1. Enactment of legislation to grant each supervisory authorities the power to levy administrative monetary penalties for AML/CFT/CPF breaches.
2. Amend securities legislation to strengthen TTSEC's enforcement powers for AML/CFT breaches, including ability to impose administrative fines.
3. Full proclamation of the Gambling (Gaming and Betting) Control Act, No. 8 of 2021.
4. Full proclamation of the Non-Profit Organisations Act, No. 7 of 2019.
5. Full proclamation of the Civil Asset Recovery and Management and Unexplained Wealth Act, No. 8 of 2019.

The analysis by the WG also identified areas requiring further analysis in terms of the materiality of sub-sectors which would in turn inform adapting the existing risk-based approach to supervision. This includes the CBTT completing a review of the regulatory framework for finance companies which are deemed as SIFIs<sup>9</sup> with the view to introducing measures for the establishment of a suitable and risk-based regulatory framework of these entities.

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<sup>9</sup> The three (3) finance companies which are deemed Strategically Important Financial Institutions (SIFIs) are Agricultural Development Bank (ADB), Home Mortgage Bank (HMB) and Trinidad and Tobago Mortgage Finance Company Limited (ITMF).

## CHAPTER 8: KEY AML/CFT AGENCIES

At the Government's strategic level, the Inter-Ministerial Committee (IMC) is a standing feature of Trinidad and Tobago's AML/CFT/CPF framework. The IMC demonstrates a clear line of sight from the strategic (Cabinet) level to the operational levels and evidences high-level political commitment by the Government of Trinidad and Tobago in addressing AML/CFT issues, fast-tracking the approval and implementation of compliance measures and aiding in accelerating the rate of decision-making. The IMC comprises three (3) essential Ministers dealing primarily with AML/CFT/CPF matters, namely: (i) the Minister of Finance; (ii) the Minister of National Security; and (iii) the Attorney General and Minister of Legal Affairs as the Chair of the IMC.

The IMC supports the NAMLC for enactment of AML/CFT/CPF legislation in the Parliament and implementation of various mechanisms, procedures and policy documents required for Trinidad and Tobago's AML/CFT/CPF regime to ensure national coordination and cooperation and demonstrate effective implementation of the FATF standards in the jurisdiction.

The Government of Trinidad and Tobago has, by statute or delegation, designated the following agencies to play a leading role to address AML/CTF matters:

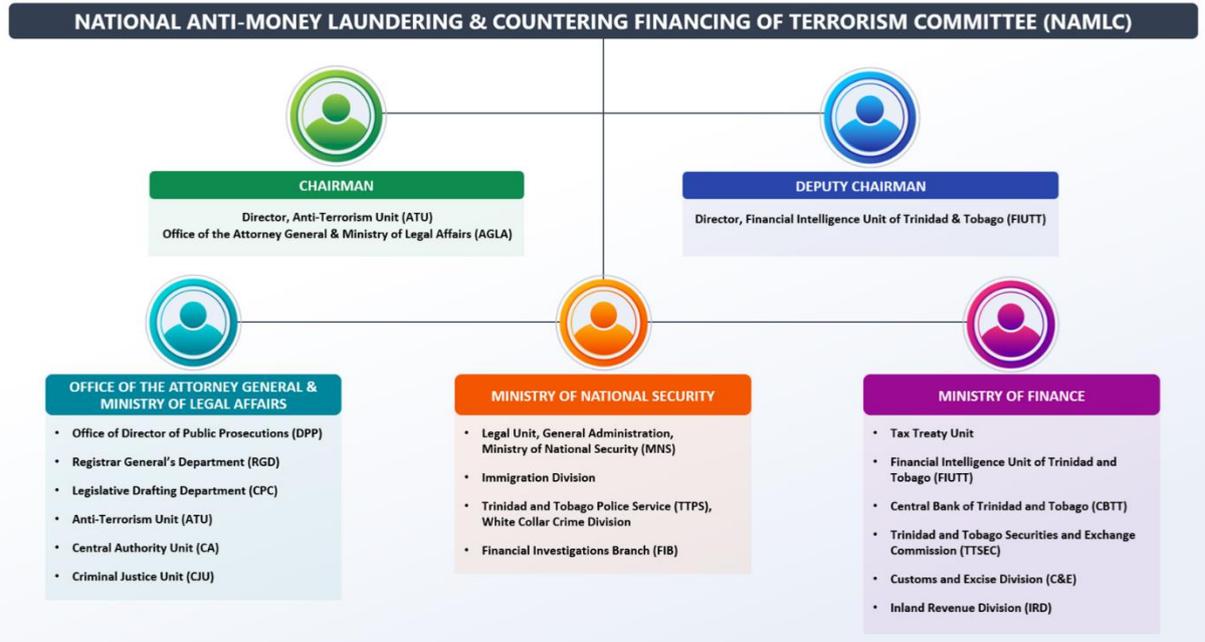
- *The National Anti-Money Laundering and Counter Financing of Terrorism Committee*

The Proceeds of Crime Act, Chapter 11:27 (POCA) was amended by the Miscellaneous Provisions (Proceeds of Crime, Anti-Terrorism and Financial Intelligence Unit of Trinidad and Tobago) Act, No. 20 of 2018 to *inter alia*, establish the National Anti-Money Laundering and Counter Financing of Terrorism Committee (NAMLC) in law.

With regard to the mandates of the legislatively established NAMLC, Section 57A(1) of the POCA, stipulates that the NAMLC will be *inter alia* responsible for –

- (a) (i) making recommendations to the Minister in relation to the development; and  
(ii) coordinating the implementation of national anti-money laundering, counter financing of terrorism and proliferation financing policies;
- (b) collecting and compiling statistics with respect to anti-money laundering, counter financing of terrorism and proliferation financing; and
- (c) for coordinating the conduct of national risk assessments and mutual evaluations.

The NAMLC and its sub-working groups played a crucial role in supporting the NRA coordinator during the process of the risk assessment. The NAMLC's unique blend of membership, including law enforcement, surveillance functions, and expertise in the financial and non-financial sectors makes it an integral and essential component of Trinidad and Tobago's efforts to combat ML/TF/PF. The NAMLC comprises fifteen (15) members from the following entities: Ministry with responsibility for finance, the Ministry with responsibility for National Security, the Attorney General and Minister of Legal Affairs, the Director of Public Prosecutions, the Commissioner of Police, the Financial Intelligence Unit of Trinidad and Tobago, the Central Bank of Trinidad and Tobago, the Chairman of the Board of Inland Revenue and the Trinidad and Tobago Securities and Exchange Commission. The diagram below illustrates the Organizational Chart of the NAMLC.



- *The Office of the Attorney General and Ministry of Legal Affairs-* By virtue of Presidential Directions dated April 10, 2019, the Attorney General and Minister of Legal Affairs was assigned the responsibility for Anti-Money Laundering, Counter Financing of Terrorism and Proliferation Financing with effect from April 8, 2019. The Attorney General and Minister of Legal Affairs is the Prime Contact to the Caribbean Financial Action Task Force (CFATF) and is required, in collaboration with the Ministry of Finance and with support from the Minister of National Security, to ensure that this country's Anti-Money Laundering/ Countering the Financing of Terrorism/Countering Proliferation Financing (AML/CFT/CPF) architecture is in keeping with the international standards imposed by the FATF.
  - *The Anti-Terrorism Unit-* Within the Anti-Terrorism Unit, there is a subsidiary unit, the Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) Compliance Unit. The AML/CFT Compliance Unit provides support to the NAMLC in the domestic coordination and continuous implementation of Trinidad and Tobago's regime *vis à vis* national efforts to implement the Financial Action Task Force (FATF) Forty (40) Recommendations and Eleven (11) Immediate Outcomes which embody the international standards on combatting money laundering and the financing of terrorism and proliferation of weapons of mass destruction (AML/CFT/PF).
  - *The Criminal Justice Unit-* The Criminal Justice Unit is focused on promoting the development of Trinidad and Tobago's criminal justice system in order to enhance public safety; prevent and reduce the harmful effects of criminal and delinquent behaviour on victims, individuals, and communities; formulate sanctions against offenders that are fair, just, effective and efficient and introduce mechanisms aimed at rehabilitation and reintegration of offenders in order to avoid recidivism and reduce criminality. The CJU continues to take steps towards improving the country's AML/CFT regime by enacting major criminal justice reforms which aims to speed up consideration of ML and TF matters before the court.

- *The Central Authority Unit*- The Central Authority Unit as established under the Mutual Assistance in Criminal Matters Act, Chap 11:24 (MACMA) is the designated authority responsible for facilitating outgoing requests and executing incoming requests for Mutual Legal Assistance. In this regard, the primary duty of the Central Authority includes satisfying itself that all incoming MLA requests, both domestic and foreign, can be properly executed and to ensure that all the necessary information is provided to satisfy the requirements of the MACMA. Similarly, the CAU is responsible for ensuring that outgoing MLA requests comply with the legislative and procedural requirements of the partner jurisdiction. The Central Authority Unit is also responsible for the sharing of confiscated, forfeited or seized assets with other countries and for the negotiation of Mutual Legal Assistance agreements, International Cooperation Agreements and Treaties with other countries. The CAU is also responsible for the execution of Extradition requests which are either issued by a foreign jurisdiction or issued to a foreign jurisdiction and is also responsible for determining whether a request for extradition can be executed in accordance with the Extradition (Commonwealth and Foreign Territories) Act Chap, 12:04.
- *The Registrar General's Department* - The Registrar General's Department (RGD) oversees civil, land & commercial registration in Trinidad & Tobago. The RGD maintains the national archive of births, adoptions, marriages and deaths from 1893; record land titles and maintain a register of companies/businesses. In particular, the Companies Registry is the central repository for both basic and beneficial ownership information for all legal persons and arrangements in Trinidad and Tobago. The RGD ensures that the administration of justice functions speedily, efficiently and effectively and provides reasonable access to justice for all persons irrespective of their means.
- *The Office of the Director of Public Prosecutions* - The Office of the Director of Public Prosecutions is responsible for public prosecutions, confiscation and conviction-based forfeiture of assets. The ODPP prosecutes criminal offences, including in relation to ML and TF.
- *The Legislative Drafting Department*- The Legislative Department plays a critical role in the implementation of Government policy. The Legislative Drafting Department produces technically sound legislation for client Ministries, advises the Government on the Constitution and all legal aspects of legislation, advises Parliament on issues relating to Parliamentary procedure and legal matters.
- *The Ministry of National Security*
  - *The Ministry of National Security, General Administration*- The General Administration Division provides the support services required to facilitate the efficient functioning of all other Divisions in the Ministry of National Security. This Division has responsibility for ensuring that Government's policies and programmes are implemented by the respective Divisions.
  - *The Immigration Division*- The Immigration Division of the Republic of Trinidad and Tobago is a Division of the Ministry of National Security and the principal government agency responsible for the administration and enforcement of immigration, passport and citizenship laws. The overall function of the Division is

to preserve national security by effectively monitoring and controlling the movement of persons into, within, and out of Trinidad and Tobago and to provide an efficient passport service to citizens.

- *White Collar Crime Division*- Within the TTPS, White Collar is investigated by the Fraud Squad, the Anti-Corruption Investigations Bureau and the Financial Investigations Branch, Cyber and Social Media Unit.
  - The Fraud Squad investigates fraud, financial crimes and other public interest investigations.
  - The mandate of the ACIB includes the investigation of all reports and allegations of corruption against Government Officials, Public Officers, Police Officers and Public and Statutory Bodies.
  - The Financial Investigations Branch, Trinidad and Tobago Police Service (FIB)– The FIB, is mandated to investigate and prosecute persons for Money Laundering and Terrorist Financing offences pursuant to the Proceeds of Crime Act (POCA), 11:27 and the Anti-Terrorism Act, Chap 12:07. The FIB also identifies, traces, evaluates, investigates, freezes, seizes, and confiscates property and funds under the Proceeds of Crime Act (POCA) and the Civil Asset, Recovery and Management and Unexplained Wealth Act, No. 8 of 2019.
  - Cyber and Social Media Unit - The Cyber and Social Media Unit (CSMU) serves as a vital support system for Trinidad and Tobago Police Service investigators in technology-driven cases. Primarily functioning as an intelligence-gathering arm, the unit also provides analytical perspectives crucial to investigative processes. Its specialized expertise extends to providing technological support across the entirety of the Trinidad and Tobago Police Service. Comprising trained police officers, the CSMU specializes in probing crimes occurring online or facilitated through digital devices.
- *The Ministry of Finance*- The Ministry of Finance oversees the economy of Trinidad and Tobago and has overall responsibility for providing a framework for the financial management and control of Government activities and finances.
  - *The Financial Intelligence Unit of Trinidad and Tobago*- The Financial Intelligence Unit (FIU) of Trinidad and Tobago, incorporated under the Financial Intelligence Unit of Trinidad and Tobago Act of 2009, has been established to implement the anti-money laundering and combatting the financing of terrorism (AML/CFT) standards of the FATF. The FIUTT is the AML/CFT regulator for NRFIs and LBs and the primary institution responsible for the collection of financial intelligence and information and the analysis, dissemination, and exchange of such financial intelligence. The FIUTT also monitors the effectiveness of anti-money laundering policies by maintaining comprehensive statistics on:
    - Suspicious transaction or suspicious activity reports received and transmitted to law enforcement
    - Money laundering investigation and convictions;
    - Property frozen, seized and confiscated; and
    - International request for mutual legal assistance or other co-operation.

- *The Central Bank of Trinidad and Tobago* - The Central Bank established under the Central Bank Act, Chap. 79:02 (CBA) is responsible for, inter alia, promoting the soundness and stability of the financial system of Trinidad and Tobago. The Central Bank is the regulatory and supervisory authority for banks and non-banks licensed under the Financial Institutions Act, 2008 (FIA), insurance companies and intermediaries registered under the Insurance Act, 2018 (IA), Bureau de Change operators licensed under the Exchange Control Act and Payment Service Providers licensed under the CBA. Additionally, the Financial Obligations Regulations 2020, as amended (FOR), made pursuant to POCA, identifies the Central Bank as the AML/CFT Supervisory Authority for the banking sector, long term insurance companies and the Bureau de Change sectors. The Central Bank is also the AML/CFT supervisory authority of the ADB, the HMB and the TTMF. The Central Bank has remit of reviewing ML/TF risks of financial institutions on an ongoing basis. This oversight is performed by a dedicated unit within its Financial Institutions Supervision Department which has responsibility for monitoring ML/TF risks in the banking sector.
- *The Trinidad and Tobago Securities and Exchange Commission* - The Trinidad and Tobago Securities and Exchange Commission is an autonomous agency whose primary roles are the protection of investors and fostering the orderly growth and development of the local capital market.
- *Customs and Excise Division*- The CED plays a primary role in the detection, investigation and prosecution of trade based predicate offences as well as the detection and investigation of trade-based money laundering and TF and PF targeted financial sanctions violations. The CED also enforces laws relating to the cross-border movement of cash and bearer negotiable instruments (BNIs). Customs Officers are empowered to detain and seize undeclared cash and BNIs. The CED coordinates and cooperates with other law enforcement agencies to ensure that parallel money laundering investigations are conducted as appropriate to access financial intelligence and other relevant information in support of investigations into predicate offences.
- *Tax Treaty Unit*- The Unit also serves as a resource base for the Ministry on International Taxation matters with a specific focus on the negotiation of international taxation treaties. The Tax Treaty Unit works in tandem with the BIR to play a crucial role in facilitating the automatic exchange of information (AEOI) to support AML related to tax matters.
- *The Board of Inland Revenue* - The BIR is the competent authority in respect of tax matters. The Inland Revenue Division, Ministry of Finance is also responsible to monitor compliance with the obligations to register for taxation purposes. The Inland Revenue Division has access to Registrar General's Department database of registered companies. This access allows the Inland Revenue Division to view the details all entities registered, such as shareholding and beneficial ownership and use as a source for gathering information on beneficial ownership for AML investigations.

## CHAPTER 5: LIMITATIONS TO THE NRA EXERCISE

Throughout the ML/TF NRA process, several challenges emerged, particularly in data collection, data/statistical reporting inconsistencies, and securing active responses to questionnaires. However, Trinidad and Tobago successfully addressed these challenges with a collaborative and adaptive approach. Despite initial inconsistencies in data collection across various agencies and financial institutions, the processes were streamlined to ensure the most critical data was collected for analysis of the findings.

Trinidad and Tobago also reconciled the discrepancies between investigation levels and prosecution outcomes by recognizing the time lag in judicial proceedings, which provided a clearer understanding of the data's context and improved our overall analysis. Furthermore, the scope of investigations were expanded, ensuring that interconnected criminal activities were captured, thereby enhancing the depth of data analysis.

To address coordination issues among working groups, the working groups fostered stronger collaboration, minimizing duplication of efforts and ensuring more efficient data requests. While securing participation from some professionals and institutions initially posed a challenge, competent authorities were able to build trust and reassure stakeholders about the confidentiality and significance of the NRA exercise. This strengthened the overall response and ensured a more complete and accurate assessment of risks in the Listed Businesses sector in particular. Through these combined efforts, Trinidad and Tobago successfully navigated the challenges and laid the foundation for a more robust and effective national risk assessment framework.

## CHAPTER 6: PRIORITY ACTIONS

This structured assessment resulted in the identification of priority actions which would form key components of effective strategies to mitigate the risks associated with money laundering and terrorist financing.

<b>AML Policy and Strategy</b>	<ul style="list-style-type: none"> <li>✓ Document a national policy to prioritize and drive ML/TF risk mitigation and policy implementation.</li> <li>✓ Amend policies and procedures to ensure parallel ML/TF investigations occur when cross-border predicate offences involve a domestic person.</li> <li>✓ Review and enhance the legal framework for imposing sanctions on AML/CFT breaches to ensure effectiveness, proportionality, and dissuasiveness.</li> <li>✓ Strengthen the legislative framework for administrative fines to facilitate the effective application of both criminal and civil sanctions.</li> <li>✓ Ensure allocation of resources for AML/CFT policy development across all competent authorities.</li> </ul>
<b>Data Gathering</b>	<ul style="list-style-type: none"> <li>✓ Expand data collection and management efforts of cases to enhance risk understanding particularly by the LEAs and Judiciary.</li> <li>✓ Strengthen data-sharing mechanisms between law enforcement agencies to improve collaboration and intelligence gathering.</li> </ul>
<b>Supervision</b>	<ul style="list-style-type: none"> <li>✓ Continue to prioritize higher-risk sectors for ongoing AML/CFT supervisory approaches.</li> <li>✓ Continue to prioritize training and awareness</li> <li>✓ Continue to monitor and report suspicious activity</li> </ul>
<b>Investigation and Prosecution</b>	<ul style="list-style-type: none"> <li>✓ Enhance national-level training for law enforcement agencies (LEAs), prosecutors, and the Judiciary to strengthen their understanding of the domestic AML regime and improve ML prosecution capabilities.</li> <li>✓ Improve coordination of investigation and prosecution resources across supervisory and law enforcement agencies.</li> <li>✓ Address challenges faced by the LEAs in identifying ML including processing inefficiencies and resource limitations.</li> <li>✓ Assess challenges in identifying and investigating tax evasion as a common predicate offence and develop solutions to address them.</li> </ul>
<b>Guidance and Communication</b>	<ul style="list-style-type: none"> <li>✓ Further strengthen communication with the Financial Institutions and Listed Businesses by:             <ul style="list-style-type: none"> <li>- Providing increased feedback on Suspicious Activity Report (SAR) outcomes.</li> <li>- Conducting trend analyses and sharing key themes and typologies.</li> <li>- Publishing more detailed and granular trend analyses.</li> </ul> </li> <li>✓ Issue typology reports for new and emerging risks, such as Virtual Asset Service Providers (VASPs).</li> </ul>
<b>Legislation</b>	<ul style="list-style-type: none"> <li>✓ Regularly assess the statutory AML/CFT framework to mitigate structural vulnerabilities and ensure compliance with international standards.</li> </ul>

**In addition to the above, and the period under review, there are several Bills developed by the NAMLC under review by the Legislative Review Committee, a Ministerial Sub-Committee of the Cabinet, which are intended to strengthen the AML/CFT/CPF regime; namely, but not limited to:**

- **The Controlled Operations Bill, 2024** - The purpose of this Bill is to further strengthen the regime for the authorisation, conduct and monitoring of controlled operations for the

purpose of obtaining evidence that may lead to the prosecution of persons for offences that involve or may involve criminal conduct. It includes provisions by which all the authorized persons participating in the controlled operation would not be subject to civil or criminal liability. It also includes oversight mechanisms including judicial oversight and a structured reporting process, including ministerial accountability to Parliament.

- **The Miscellaneous Provisions (Illegal Mining) Bill, 2024** - The proposed legislation seeks to tackle the criminality involved with the scourge of illegal mining and provides for a framework to treat with illegal mining and quarrying in Trinidad and Tobago. The Bill aims to increase penalties for these activities to detect illicit financial flows that fuel such environmental crime and how the proceeds are laundered. The proposed legislation seeks to fill certain legislative gaps in the following Acts to increase the penalties and sentences for illegal quarrying:
  - o Larceny Act, Chap. 11:12;
  - o Proceeds of Crime Act, Chap. 11:27;
  - o Highways Act, Chap. 48:01;
  - o Water and Sewerage Act, Chap. 54:50;
  - o State Lands Act, Chap. 57:01;
  - o Minerals Act, Chap. 61:03; and
  - o The Asphalt Industry Regulation Act, Chap. 87:50.

**Operationalisation of the Real Estate’s Agent Act, No. 12 of 2020** – This Act provides for the registration and regulation of real estate agents in order to promote transparency, accountability and integrity in the real estate profession, to protect and assist persons engaged in transactions with real estate agents and to assist in the detection and prevention on Money Laundering and Terrorist Financing, and other related matters.

## Conclusion and Way Forward

The National Risk Assessment (NRA) highlights Trinidad and Tobago’s exposure to ML/TF risks, with key vulnerabilities identified across financial and listed businesses sectors. The highest ML threats stem from human and drug trafficking, corruption, fraud, and illicit arms trafficking, contributing to ML risk of **Medium**. TF risks remain at a Medium level, primarily associated with the potential misuse of funds for foreign terrorism.

With respect to the national vulnerability, the sector most vulnerable to misuse for ML purposes was identified as Gaming Houses/Pool Betting Sector (rated High-risk). This was followed by the Banking, MVTs, Private Members Clubs and Real Estate sectors (all rated Medium-High risk) National ML vulnerability was rated as **Medium-High**.

The banking sector, due to its complexity and volume of transactions, remains the most vulnerable to ML activities. Other financial institutions, including credit unions and money remittance services, also present low to medium vulnerabilities (See Table 3), necessitating enhanced regulatory oversight and risk mitigation measures. Similarly, DNFBPs such as gaming houses, private members' clubs, and real estate businesses require targeted interventions to strengthen their AML/CFT frameworks.

Despite these risks, the report acknowledges significant efforts by authorities to enhance the national AML/CFT regime, including strengthened compliance frameworks, improved

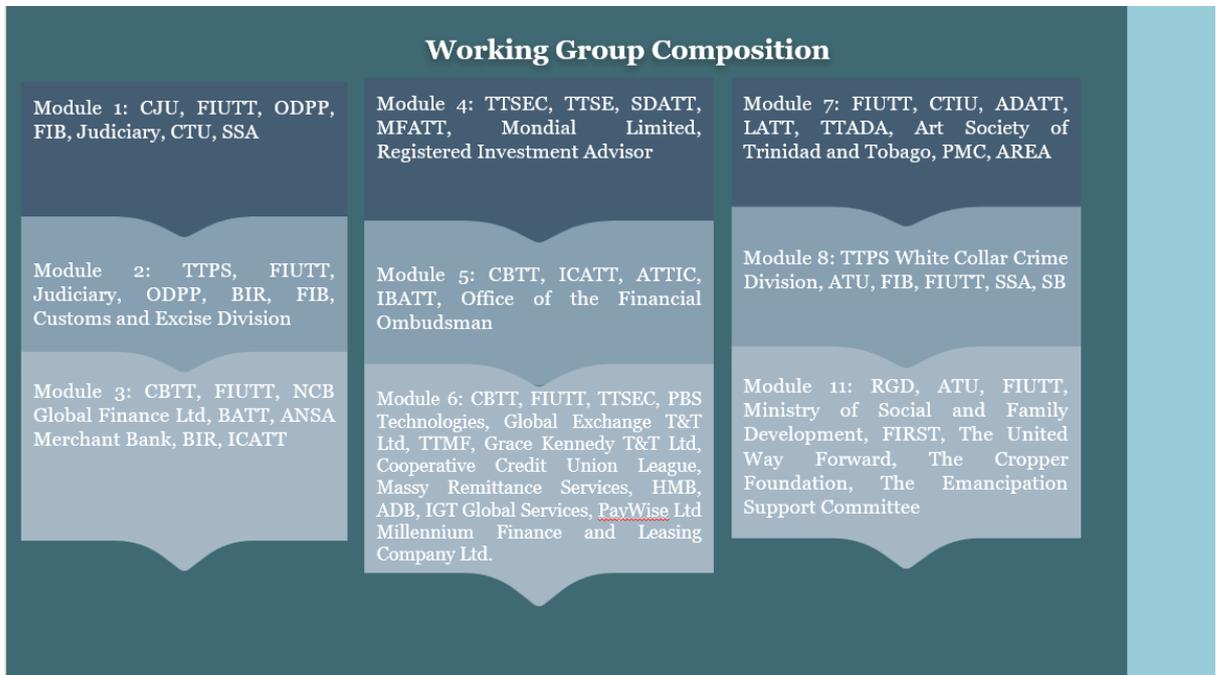
supervisory mechanisms, and ongoing legislative reforms. However, challenges persist, particularly in data collection and sectoral compliance gaps, which require continuous monitoring and strategic improvements.

Going forward, Trinidad and Tobago must prioritize the enhancement of AML/CFT controls, foster international cooperation to combat cross-border threats, and strengthen regulatory enforcement. A risk-based approach, combined with public-private sector collaboration, will be critical to mitigating existing vulnerabilities and safeguarding the financial system against illicit activities. Risk Assessments are underway for the money lenders sector, legal persons/legal arrangements sector, and virtual assets and virtual asset service providers.

These Key Findings offer essential ML/TF risk insights to all public and private stakeholders. This report provides a clear understanding of ML/TF risks, enabling the development of effective preventive measures and controls in alignment with the risk-based approach. By fostering a comprehensive understanding of these risks, the report supports a coordinated and proactive response to mitigate threats, enhance compliance, and protect the integrity of the domestic financial and regulatory systems.

## APPENDIX I

### WORKING GROUPS FOR 2021 ML/TF THREAT AND VULNERABILITY ASSESSMENTS AND ORGANISATIONAL CHART



## APPENDIX II

### ACRONYMS

ACRONYM	MEANING
<b>ACO</b>	Alternative Compliance Officer
<b>ADB</b>	Agricultural Development Bank
<b>AG</b>	Attorney General
<b>AML</b>	Anti-Money Laundering
<b>AML/ CFT</b>	Anti-Money Laundering/Counter Financing of Terrorism
<b>AML/CFT/CPF</b>	Anti-Money Laundering/Counter Financing of Terrorism and Proliferation Financing
<b>AREA</b>	Association of Real Estate Agents
<b>ATTIC</b>	Association of Trinidad and Tobago Insurance Companies
<b>ATA</b>	The Anti-Terrorism Act, Chap. 12:07
<b>ATM</b>	Automated Teller Machine
<b>ATU</b>	Anti-Terrorism Unit
<b>AUM</b>	Assets Under Management
<b>BATT</b>	Bankers Association of Trinidad and Tobago

ACRONYM	MEANING
<b>BDs</b>	Broker Dealers
<b>BIR</b>	Board of Inland Revenue
<b>CAs</b>	Competent Authorities
<b>CAPA</b>	Crime and Problem Analysis Department
<b>CAT</b>	Cybersecurity Assessment Tool
<b>CAU</b>	Central Authority Unit
<b>CBA</b>	Central Bank Act, Chapter 79:02
<b>CBTT</b>	Central Bank of Trinidad and Tobago
<b>CDD</b>	Customer Due Diligence
<b>CENTRAL BANK / BANK</b>	Central Bank of Trinidad and Tobago
<b>CFATF</b>	Caribbean Financial Action Task Force
<b>CFT</b>	Countering the Financing of Terrorism
<b>CISs</b>	Collective Investment Schemes
<b>C&amp;I</b>	Compliance and Inspections
<b>CJU</b>	Criminal Justice Unit

ACRONYM	MEANING
<b>COs</b>	Compliance Officers
<b>COSL</b>	Commissioner of State Lands
<b>CP</b>	Compliance Programmes
<b>CPF</b>	Counter Proliferation Financing
<b>CRA</b>	Composite Risk Assessment
<b>CT</b>	Counter Terrorism
<b>CTF</b>	Counter Terrorism Financing
<b>CTIU</b>	Criminal Tax Investigation Unit
<b>CTU</b>	Counter Trafficking Unit
<b>DNFBPs</b>	Designated Non-Financial Businesses and Professions
<b>DPP</b>	Office of the Director of Public Prosecutions
<b>DR&amp;CF</b>	Division of Disclosure Registration and Corporate Finance
<b>DTI</b>	Deposit-taking institutions
<b>EAR</b>	External Audit Report

ACRONYM	MEANING
<b>EDD</b>	Enhanced Due Diligence
<b>EMA</b>	Environmental Management Authority of Trinidad and Tobago
<b>ESO</b>	Economic Sanctions Order
<b>EU</b>	European Union
<b>FATF</b>	Financial Action Task Force
<b>FFIEC</b>	Federal Financial Institutions Examination Council
<b>FI</b>	Financial Institution
<b>FIA</b>	Financial Institutions Act, 2008
<b>FIB</b>	Financial Investigations Branch
<b>FINANCIAL INSTITUTION</b>	All commercial banks and non-banks licensed under the FIA
<b>FIUA</b>	Financial Intelligence Unit Act, Chap. 72:01
<b>FIUTT</b>	Financial Intelligence Unit of Trinidad and Tobago
<b>FOIA</b>	Freedom of Information Act
<b>FORs</b>	Financial Obligation Regulations

ACRONYM	MEANING
<b>FTFs</b>	Foreign Terrorist Fighters
<b>FSAP</b>	Financial Sector Assessment Programme
<b>FSC</b>	Financial Stability Committee
<b>FSR</b>	Financial Stability Report
<b>FSRB</b>	FATF Style Regional Body
<b>GDP</b>	Gross Domestic Product
<b>GoRTT</b>	Government of the Republic of Trinidad and Tobago
<b>GPI</b>	Gross Premium Income
<b>GTI</b>	Global Terrorism Index
<b>HMB</b>	Home Mortgage Bank
<b>IAs</b>	Investment Advisors
<b>IA 2018</b>	Insurance Act, 2018
<b>IBATT</b>	Insurance Brokers Association of Trinidad and Tobago
<b>ICAAP</b>	Internal Capital Adequacy Assessment Process
<b>ICATT</b>	Institute of Chartered Accountants of Trinidad and Tobago

ACRONYM	MEANING
<b>ICRG</b>	International Cooperation Review Group
<b>IMF</b>	International Monetary Fund
<b>KYC</b>	Know Your Customer
<b>KYE</b>	Know Your Employee
<b>LATT</b>	Law Association of Trinidad and Tobago
<b>LEA</b>	Law Enforcement Authority
<b>LT</b>	Long-term
<b>MEEI</b>	Ministry of Energy and Energy Industries
<b>MER</b>	Mutual Evaluation Report
<b>MEV</b>	Mutual Evaluation
<b>MFATT</b>	Manufacturers Association of Trinidad and Tobago
<b>ML</b>	Money Laundering
<b>ML/TF</b>	Money Laundering, Terrorism Financing
<b>ML/TF/PF</b>	Money Laundering, Terrorism Financing and Proliferation Financing
<b>MMOU</b>	Multilateral Memoranda of Understanding

ACRONYM	MEANING
<b>MMRF</b>	Micro and Macro-Prudential Reporting Framework
<b>MOPD</b>	Ministry of Planning and Development
<b>MOU</b>	Memorandum of Understanding
<b>MR&amp;S</b>	Market Regulation and Surveillance
<b>MSDFS</b>	Ministry of Social Development and Family Services
<b>NAMLC</b>	National Anti-Money Laundering and Countering the Financing of Terrorism Committee
<b>NFI</b>	Non-Bank Financial Institution
<b>NGO</b>	Non-Governmental Organisation
<b>NIB</b>	National Insurance Board
<b>NPO</b>	Non-Profit Organisation
<b>NRA</b>	National Risk Assessment
<b>NRAQ</b>	National Risk Assessment Questionnaire
<b>NRFI</b>	Non-Regulated Financial Institution
<b>OAGLA</b>	Office of the Attorney General and Ministry of Legal Affairs

ACRONYM	MEANING
<b>OTC</b>	Over the Counter
<b>PEP</b>	Politically Exposed Person
<b>PF</b>	Proliferation Financing
<b>PMCs</b>	Private Members Clubs
<b>POCA</b>	Proceeds of Crime Act
<b>POS</b>	Point of Sale
<b>RAQ</b>	Risk-Assessment Questionnaire
<b>RBA</b>	Risk Based Approach
<b>RGD</b>	Registrar General Department
<b>SAR</b>	Suspicious Activity Report
<b>SB</b>	Special Branch, TTPS
<b>SDATT</b>	Securities Dealers Association of Trinidad and Tobago
<b>SDG</b>	Sustainable Development Goal
<b>SIFI</b>	Systemically Important Financial Institutions
<b>SOP</b>	Standard Operating Procedure

ACRONYM	MEANING
<b>SRA</b>	Sector Risk Assessment
<b>SSA</b>	Strategic Services Agency
<b>STR</b>	Suspicious Transaction Report
<b>TTADA</b>	Trinidad and Tobago Automotive Dealers Association
<b>TTMF</b>	Trinidad and Tobago Mortgage Finance
<b>TF</b>	Terrorist Financing
<b>TTEITI</b>	Trinidad and Tobago Extractive Industries Transparency Initiative
<b>TTPS</b>	Trinidad and Tobago Police Service
<b>TTSE</b>	Trinidad and Tobago Stock Exchange
<b>TTSEC</b>	Trinidad and Tobago Securities and Exchange Commission
<b>UN</b>	United Nations
<b>WB</b>	World Bank
<b>WBG</b>	World Bank Group

**APPENDIX III: National Vulnerability Ranking for Input Variables and Ranking  
Among Sectors**

RANKING FOR INPUT VARIABLES/NATIONAL ML COMBATING ABILITY FACTORS - LAST CASE/SCENARIO*	PRIORITY RANKING**
Quality of AML Policy and Strategy	
Effectiveness of ML Crime Definition	
Comprehensiveness of Asset Forfeiture Laws	5
Quality of FIU Intelligence Gathering and Processing	
Capacity and Resources for Financial Crime Investigations (incl. AF)	1
Integrity and Independence of Financial Crime Investigators (incl. AF)	2
Capacity and Resources for Financial Crime Prosecutions (incl. AF)	3
Integrity and Independence of Financial Crime Prosecutors (incl. AF)	
Capacity and Resources for Judicial Processes (incl. AF)	6
Integrity and Independence of Judges (incl. AF)	
Quality of Border Controls	
Comprehensiveness of Customs Regime on Cash and Similar Instruments	
Effectiveness of Customs Controls on Cash and Similar Instruments	10
Effectiveness of Domestic Cooperation	
Effectiveness of International Cooperation	
Formalization Level of Economy	8
Level of Financial Integrity	11
Effectiveness of Tax Enforcement	7
Availability of Independent Audit	
Availability of Reliable Identification Infrastructure	8
Availability of Independent Information Sources	12
Availability and Access to Beneficial Ownership Information	4

RANKING AMONG SECTORS - LAST CASE/SCENARIO*	PRIORITY RANKING**