



CENTRAL BANK OF SAMOA

SAMOA FINANCIAL
INTELLIGENCE UNIT
2017-2018 ANNUAL REPORT

OUR VISION

Samoa to be the leading Pacific Island Nation in the most practical application of international standards on anti-money laundering ('AML') and countering terrorist financing ('CFT')

OUR MISSION

To effectively detect, deter disrupt and prevent money laundering and terrorist financing in Samoa in collaboration with the pertinent national agencies, private sector and international counterparts. This trail will blaze toward a stable and safe financial, social, economic and political environment.

An effective AML system requires appropriate laws, motivated sufficiently resourced and informed authorities, and an engaged private sector.

AML is no more effective in reducing the harm caused by crime than any other law if the law is not enforced.

OUR KEY STRATEGIC GOALS

- i. Strengthen AML/CFT capacity in view of risks and vulnerabilities of Samoa's financial sector;
- ii. Improve compliance of AML/CFT regime with Financial Action Task Force (FATF);
- iii. Improve information and intelligence network;
- iv. Increase engagement with Financial Institutions (FIs) and Designated Non-Financial Business and Professions (DNFBPs) to promote a better understanding of the AML/CFT obligations and ML/TF risks and trends facing Samoa; and
- v. Strengthen working relations and cooperation with law enforcement and supervisory agencies both domestically and internationally in terms of information sharing for the detection and prevention of ML/TF activities.

OUR STRUCTURE

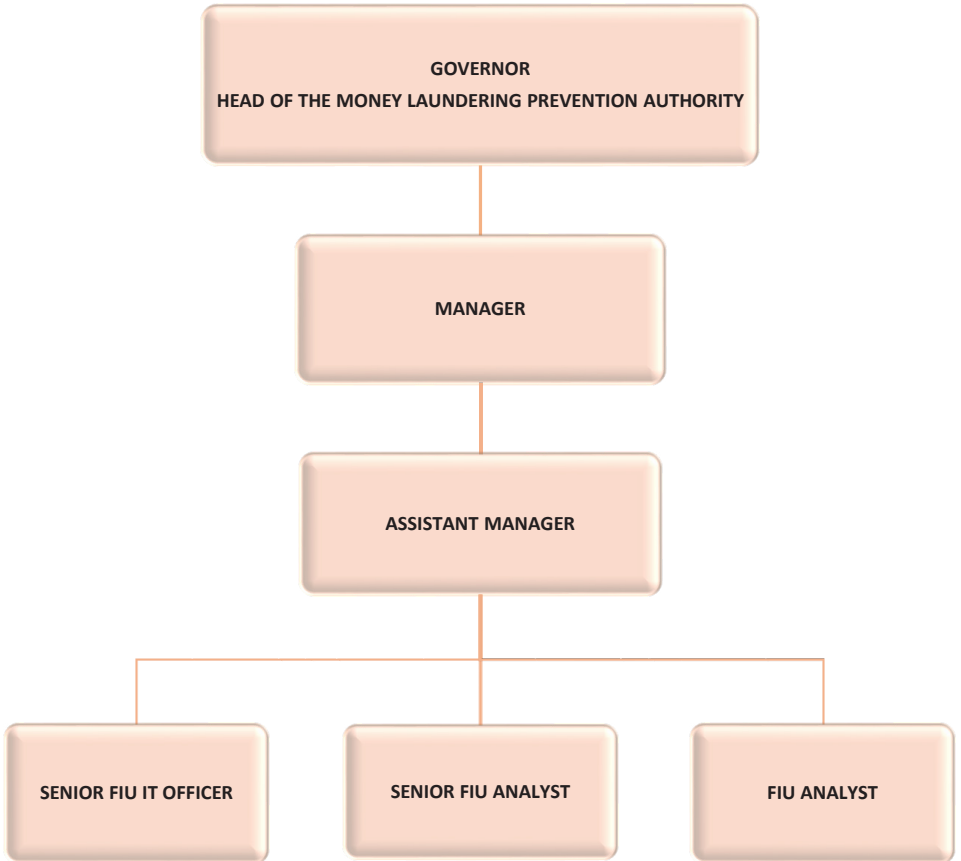


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GOVERNOR'S FOREWORD

It is my great pleasure as the Governor and Head of the Money Laundering Prevention Authority to introduce the 2017-2018 Annual report for the Samoa Financial Intelligence Unit (SFIU). The SFIU was established under the Money Laundering Prevention Act 2007 (MLP Act) to carry out the implementation of the international Anti Money Laundering and Counter Financing of terrorism (AML/CFT) standards or the Financial Action Task Force (FATF) standards. It is currently a department under the Central Bank of Samoa.

This report will look at providing a summary of the work and activities that the SFIU has carried out. This annual report will also provide the mandate and the duties and responsibilities of the SFIU. In a nutshell during this time the SFIU has carried out extensive work in implementing the AML/CFT standards. These have included implementing the National Strategy for Samoa 2016-2020 to enhance compliance and improving legislation, policies for AML/CFT frameworks.

This year the SFIU had a full on schedule as it carried out AML/CFT onsite inspections for the Financial institutions namely the Commercial Banks and the Money Transfer Operators. SFIU also hosted a scoping visit from the Asia Pacific Group secretariat on technical assistance for AML/CFT compliance for Samoa. This scoping visit involved key agencies and task force members.

In addition the SFIU has also carried out trainings with Financial Institutions and their compliance Officers as well as members of the Money Laundering Taskforce including relevant Law enforcement agencies regarding the standards. SFIU continues to work with other regional FIUs and relevant international agencies, to share relevant information and attend trainings that will improve our capacity to combat money Laundering.

Parliament in June 2018 also passed the amendments of the MLP Act and other related AML legislation to reflect the international standards. These amendments are to enhance Samoa's compliance framework and improve Samoa's international rating for complying with the standards. As a result of these amendments Samoa has officially sought an improved rating from the APG. This will ensure Samoa is not blacklisted for money laundering practices.

SFIU acknowledges that cooperation between our financial institutions and our national agencies is vital for strengthening our AML/CFT framework, we continue to work to maintain this cooperation. Also vital is the relationship with our regional partners such as the APG and regional FIU's and our goal is to foster and strengthen these relationships.



Maiava Atalina Ainuu-Enari

GOVERNOR

AND HEAD OF THE MONEY LAUNDERING PREVENTION AUTHORITY

1. BACKGROUND

Financial Action Task Force (FATF)

Financial Action Task Force (FATF)
Money laundering is a transnational crime and has become a global problem. In response to mounting concern over money laundering, the FATF was established in July 1989 by Group of Seven (G7) member countries in Paris in 1989. Its mandate focuses only on the fight against money laundering (ML) and terrorist financing (TF).

The FATF issued and developed a series of Recommendations that are recognized as international standards. They set and promote effective implementation of standards for combating ML, TF and Proliferation. It is a requirement for FATF member countries and associate members to comply with AML/CFT global standards as set out in the 40 Recommendations.

The FATF comprises 35 member countries, 2 regional organizations and 31 associate members. Every FATF member countries and associate members play a pivotal role in combating ML and TF. The FATF monitors the efforts of its members and associate members in promoting the adoption and implementation of the FATF Recommendations globally.

One of its core function is to conducts peer reviews of each member on an ongoing basis to assess levels of implementation of the FATF Recommendations. The FATF Methodology document sets out the criteria for assessment which was based on two components (i.e.) Technical Compliance and Effectiveness. The components are rated at different levels as clarifies in the following table:

TECHNICAL COMPLIANCE RATINGS		EFFECTIVENESS RATINGS	
Compliant	There are no shortcomings	High	Minor improvements needed.
Largely Compliant	There are only minor shortcomings	Substantial	Moderate improvements needed.
Partially Compliant	There are moderate shortcomings	Moderate	Major improvements needed.
Non-Compliant	There are major shortcomings	Low	Fundamental improvements needed.

Asia Pacific Group (APG)

The APG is an associate member of the FATF. It is an independent regional AML body, established in February 1997 by its 13 original founding members at the 4th Asia Pacific Group on Money Laundering meeting in Bangkok. Its mandate also aims on combating ML and TF in the Asia and Pacific region. The APG uses the FATF's 40 recommendations as their principles guidelines for the implementation of an effective AML/CFT measures. The APG facilitates its members in promoting the implementation of the FAFT 40 standards.

The APG has been growing in membership. From its original 13 founding member jurisdictions it now consists of 41 active members making it the largest FATF-style regional body (FSRB) in the world. The APG has worked closely with the FATF since its establishment. The APG and FATF undertake joint mutual evaluations of its members under the FATF methodology.

Financial Intelligence Unit (FIU)

Samoa has become a member of the Asia Pacific Group in July 2000. The minister of finance appoints the Money Laundering Prevention Authority (MLPA) who is the governor of the Central Bank of Samoa (CBS). The Authority established a unit in CBS, the FIU in June 2000 to implement AML standards and carry out functions and powers as stipulated in the MLP Act.

Samoa as an APG member is subject to the Mutual Evaluation (ME) program. Samoa had its first mutual evaluation in May 2001, second review in July 2006 and the third round in September 2015. Samoa is required to provide its 4th follow up report to the APG by January 2019.

The Samoa FIU works closely with the APG in promoting the implementation

of AML standards in Samoa.

2. OUR MANDATE

There are various changes to Samoa's AML/CFT legal framework since the establishment of the Authority and FIU.

Samoa had its first AML legislation in 2000, which was repealed and replaced in 2007 when some key pieces of the legislation was passed to update the legal framework for criminalizing ML, proceeds of crime and operating the FIU. Amendments to MLP Act were passed in June 2018 which is also part of the Crimes Act 2013. Significant changes includes provisions to increase ML penalties, expand the list of entities define as financial institutions and other consequential changes.

The following is the list of legislation administered by the SFIU and other related legislation to AML/CFT:

- Money Laundering Prevention Act 2007 / MLP Amendment Act 2018 (Consolidated);
- Money Laundering Prevention Regulation 2009;
- Money Laundering and Terrorist Financing Prevention Guidelines 2010;
- Counter Terrorism Act 2014;

- Proceeds of Crimes Act 2007; and
- Mutual Assistance in Criminal Matters Act 2007

The MLP Task Force was established to provide advice and recommendations to the Authority in relation to the prevention of ML and TF. The task force regularly meets to ensure close liaison, cooperation and coordination between its members, the Authority and the FIU.

The MLP Task Force consists of the Governor of CBS as the Chairperson or such other person as may be designated by the Governor, the Attorney General, the Commissioner of Police, CEO of SIFA, head of Customs, head of Immigration, director of FIU, director of the Public Prosecution; and such persons as may be appointed by the Minister, acting on the advice of the Authority.

The SFIU is established under section 6 of the Money Laundering Prevention Act (MLP Act) 2007. The SFIU coordinates every Task Force meetings and is one of the main agencies involved in the prevention and detection of money laundering and terrorist financing activities in Samoa. SFIU is also responsible for the regulation, supervision and enforcement of anti-money laundering (AML) and combating the financing of terrorism

(CFT) requirements as specified under the MLP Act and the Money Laundering Prevention Regulations (MLPR) 2009.

The functions and powers of the SFIU are stipulated under the MLP Act which includes:

1. Receiving reports and information from domestic and foreign agencies about suspicions of a serious offence, a ML offence or the offence of the financing of terrorism;
2. Collecting information, it considers relevant to serious offences, money laundering activities or the financing of terrorism;
3. Analyzing and assessing all reports and information;
4. Requesting information from any law enforcement agency or supervisory agency;
5. Providing information to foreign agencies for the prevention or investigation of money laundering or the prevention and suppression of terrorism;
6. Sending any report or information to the appropriate law enforcement and supervisory authorities;

7. Enforcing compliance by financial institutions with the requirements of the MLP Act;

8. Providing trainings for financial institutions and create public awareness programs;

9. Entering into Memorandum of Understanding (MOU) with domestic and foreign agencies to ensure close liaison, cooperation and secure exchange of information.

Domestically, the SFIU signed MOUs with members of the MLP Task Force including the Ministry of Police and Prisons, Ministry of Commerce and Labour (MCIL), Ministry of the Prime Minister and Cabinet (MPMC), Ministry of Finance (MOF), Ministry for Revenue (MfR), the Attorney General's Office (AGO), Samoa International Finance Authority (SIFA), Samoa Airport Authority (SAA), Samoa Audit Office (SAO) and the Ministry of Foreign Affairs and Trade (MFAT).

Internationally, SFIU is a member of the EGMONT GROUP of FIUs since July 2012. Additionally, SFIU signed Memorandum of Understandings (MOU) with other international FIUs including Indonesia FIU Fiji FIU and lately with PNG FIU. Moreover, Samoa FIU is one of the eight Pacific Island Countries (PIC) FIUs who signed

the regional MOU and is a member of the Association of Pacific FIU (APFIU). As such, it can now actively engage in sharing and exchanging relevant information that may assist in the effective investigation and prosecution of money laundering and terrorist financing offences committed not only in Samoa but in the international arena as well. In moving forward, the SFIU is planning to sign MOUs with other international Financial Intelligence Units in the fight against financial crime, including other serious criminal offences.

The SFIU has continued to liaise and consult with the key shareholders of the financial system on a number of important issues. In particular, their statutory obligations in keeping and maintaining customer and transaction records, the need for enhanced due diligence of particular customers, as well as the ongoing monitoring of customers' accounts and transactions alleged to be suspicious in nature.

3. REVIEW OF OPERATIONS IN 2017-2018

The SFIU works closely with the APG in the implementation of FATF international standards in Samoa.

3.1. The APG and the Authority activities – Implementing AML/CTF global standards.

3.1.1. APG Plenary Meeting (July 2017)

Samoa has made progress on technical compliance with national co-operation and co-ordination, having developed and implemented an AML/CFT National Strategy 2016-2020, a National Policy on AML/CFT and AML/CFT Policy Paper for 2016-2020.

This National Strategy seeks to enhance the quality of information available to inform AML/CTF efforts; improve the legislation in place to address non-compliance; and engage the private sector both through liaison and targeted intelligence-driven sanction. This National Strategy draws on the National Risk Assessment (NRA) 2014 and the Asia Pacific Group/Financial Action Task Force (APG/FATF) Mutual Evaluation (ME) and other sources to map a way forward.

This National Policy, prepared by the AML/CTF Task Force (“Task Force”) and issued by the Money Laundering Prevention Authority (MLPA) sets the course and provides the guiding principles that are the basis of the AML /CTF/Proliferation Financing Strategy and national AML/CTF efforts for the next four years (2016-2020). This policy has, at its core, the FATF Recommendations, the National Risk Assessment (NRA) 2014 and the collective capabilities of the agencies of the Task Force. To be effective, an AML/CTF system must have the capacity to detect money laundering, terrorist financing and proliferation financing as well as disrupting such activities, deterring offenders and would-be offenders and preventing repetition of offences or similar types of offences.

The AML/CFT Policy Paper examines the FATF 40 recommendation and whether such recommendations are acceptable within the context of Samoa as well as the national risk of Samoa.

The review team concluded that progress to largely compliant (LC) had been made on Recommendation 2 (National Co-operation and Co-ordination). At the plenary, it was agreed for Samoa to remain on enhance follow-up (expedited) and to provide the next FUR by 31 January 2018.

3.1.2. Samoa's Third (3rd) Enhanced Follow-up Report ("FUR") to the APG

Samoa submitted its third FUR on 31 January 2018 in accordance with the APG Third Round Mutual Evaluation Procedures 2016. This FUR analyses the progress of Samoa in addressing the technical compliance deficiencies identified in its Mutual Evaluation Reports ("MER"). Re-ratings are given where sufficient progress has been made. Samoa requested re-ratings of the following Recommendations: R3, R5, R6, R8, R10, R12, R16, R22, R23, R28 and R35 to upgrade from Partially Compliant (PC) to Largely Compliant and R29 and R32 to upgrade from Largely Compliant (LC) to Compliant (C) for the upcoming APG Plenary Meeting in July 2018.

3.1.3. APG Technical Assistant Scoping Visit

In February 2018, the MLPA hosted a representative from the APG Secretariat who visited Samoa for two days to meet with relevant stakeholders (such as government officials, law enforcement agencies, supervisors, private sector, etc.) to develop a map of the AML/CFT system in Samoa. The purpose of the visit is to assess Samoa's progress with its AML/CFT controls and measures. This is so that APG can assess the appropri-

ate technical assistance and training for Samoa.

The AML/CFT technical assistance & training is one of the APG's functions to provide practical support and training on AML/CFT matters. Such training will assist with the appropriate implementation of AML/CFT controls and measures in our own ministries and agencies.

3.2 The Amendment of the MLP Act

SFIU has taken the liberty of drafting amendments to the various legislation to assist in implementing various parts of the 40 recommendations for AML compliance. These include:

- i. Money laundering Prevention Act 2007 (MLPA);
- ii. Proceeds of Crimes Act 2007 (POCA);
- iii. Counter Terrorism Act 2014 (CTA);
- iv. Tax Administration Act 2012;
- v. Samoa Institute of Accountants Act 2006; and
- vi. Crimes Act 2013 (CA).

The MLP Amendment Bill took two years in the making as there were a lot of groundworks undertaken. There were trainings conducted for the law enforcement agencies in Samoa, thorough consultations with all the relevant stakeholders, both during the policy

development stage and the draft Bill stage. The Act was passed by Parliament and assented to by the Head of State on Friday 22 June 2018. The purpose of these amendments is to strengthen Samoa's anti-money laundering frameworks based on international standards that have been set by the Financial Action Task Force (FATF), and implemented by its regional branches such as the Asia Pacific Group (APG), of which Samoa is a member.

The amendment was also submitted to the APG who also provided comments on the amendment. The new amendments also means Samoa can now apply to the APG for an improved rating of its framework. An improved rating framework will further enhance Samoa's reputation and ensure we are not blacklisted for money laundering.

The significant changes that are contained in the amendment are as follows:

- i. The offence of money laundering has increased from 7 years to 15 years imprisonment, as well as the increase in penalty units to 1,000 (in the case of a natural person) or 10,000 penalty units (in the case of a body of persons, whether corporate or unincorporated);
- ii. All dealers or promoters in crypto-currency are now part of the an-

ti-money laundering framework. This means that those conducting any workshops or presentations on crypto-currency investments must first seek the approval or clearance from the Central Bank of Samoa. Any person or company that conducts workshops, presentations or any other related activity on crypto-currency investments without CBS approval, commits an offence. This is a deterrence to potential criminal activities to defraud/mislead the public on unregulated investment initiatives using complicated technology;

- iii. Repealing the power to freeze an account from Court and to be listed under the Governor of the Central Bank of Samoa. This is for practical and efficiency purposes;

- iv. The inclusion of non-profit organizations as financial institutions under the Anti-Money Laundering framework;

- v. Include a definition of "beneficial owner" consistent with international standards and improve obligations for CDD of new and existing customers;
- vi. Consequences amendments that affect other legislation such as the POCA, Tax Administration Act, Crimes Act and Counter Terrorism Act. These amendments are in line with the standards which also affect the MLP Act.

The amendment include the increase in scope of the term 'property' in the Proceeds of Crimes Act (POCA), increase in the sanctions associated with the Money Laundering offence in the Crimes Act, inclusion of tax evasion as an offence in the Tax Administration Act, the amendments to the Counter Terrorism Act to include a fault element broaden the scope of Terrorist Financing and increased sanctions. All of these amendments are made to improve Samoa's technical compliance to FATF recommendations.

3.3 Standard Operating Procedures

SFIU developed standard operating procedures (SOP) for border currency reporting (BCR) and seizure, detention, retention and release of undeclared excess/declared suspicious cash or negotiable bearer instrument (NBI).The draft SOP was distributed to the Samoa Airport Authority (SAA) and Customs for comments before the document is final.

3.4 Confiscated Assets Fund (CAF)

The Governor is appointed as the Administrator of property forfeited or restrained under the Proceeds of Crime Act 2007. Her appointment was made by the Attorney General under section 82 of POCA. As the Administrator of the Confiscated Assets Fund (CAF), the Authority continues to liaise closely and work to-

gether with the Police, Customs and the Attorney General's Office in transferring, storage and safe keeping of assets.

The following reflects developments that took place during the period under review:

FY2017/2018

During this period, \$40,000.00 was re-invested as term deposit for twelve months. CAF account balance stood at \$1,200.06 as at the end of June 2018.

3.5 Funding and Administration

The operation of the Samoa FIU is fully funded by the Central Bank. Every financial year, the SFIU prepares its annual budget and submit to the CBS Budget Committee for review and then to the CBS Board for approval.

4 SFIU CORE ACTIVITIES

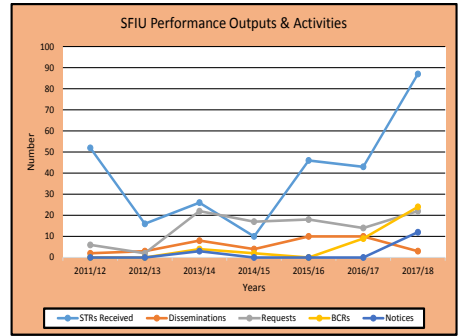
The SFIU has two core functions, Intelligence work and supervisory role.

4.1 Intelligence

The SFIU serves as the national center for the receipt and analysis of suspicious transaction reports (STRs), border cash reports (BCRs) and other information relevant to money laundering and financing of terrorism. One of the core function of SFIU is to disseminate intelligence assessment report to law enforcement agencies, government authorities for further investigation and appropriate action. SFIU also assist with requests from government agencies for due diligence and mutual assistance matters as well as to financial institutions and regulatory agencies for information on any enquiries received.

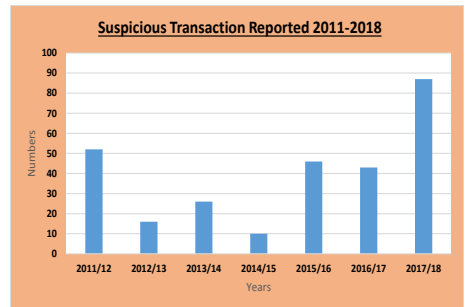
Below is a highlight of SFIU performance outputs and activities for the period (2011-2018)

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
STRs Received	52	16	26	10	46	43	87
Disseminations	2	3	8	4	10	10	3
Requests	6	2	22	17	18	14	22
BCRs	0	0	4	2	0	9	24
Notices	0	0	3	0	0	0	12



Source Samoa FIU

- (i) **Suspicious Transaction Reports**
The SFIU received and analyzed 87 suspicious transactions reports during the period under reviewed. An increase of 10.2% from the previous STRs of 43 received in 2016/17.

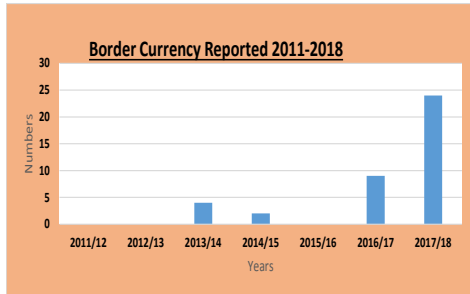


Source Samoa FIU

Financial Institutions are required under section 23 of the MLP Act to report suspicious transactions to the FIU. A suspicious transaction is a transaction or attempted transaction or information that a financial institutions has reasonable grounds to suspect may be related to serious offence, a money laundering offence or an offence of the financing of terrorism.

(ii) Border Currency Reports

The SFIU received 24 BCRs during the period under reviewed. This is an improvement from the previous numbers of BCRs received in 2016/17.



Under section 13 of the MLP Act, all travelers in or out of Samoa must declare if they are carrying currency or negotiable bearer instruments of \$20,000 or more (or its equivalent foreign currency).

(iii) Alert Notices to Financial Institutions

The SFIU issued twelve (12) notices during the reviewed period mostly to alert people on investments schemes such as cryptocurrency on one coin products and online fraud.

(iv) SFIU Enquiries with Financial Institutions

Under section 10 of the MLP Act, the SFIU has powers to examine the records and inquire into the business and affairs of financial institutions for the purpose of ensuring compliance with the Act or guidelines, or for the purpose of any investigation or analysis being undertaken by the SFIU. As part of its analysis process, the SFIU may enquire financial institutions to provide more information to develop further on information already provided on STRs. SFIU queries may also relate to an ongoing investigation.

SFIU queries sent to financial institutions included request for:

- Account Opening forms;
- Customer IDs and verification documents;
- Account statements;
- Transaction Vouchers;
- Telegraphic Transfers both in coming and outgoing transaction (s) etc.

(v) Investigative assistance provided to Law Enforcement Agencies

The SFIU also assist law enforcement agencies such as the Police for investigation purposes. During the reviewed period four (4) requests was received from law enforcement agencies. The requests for assistance from the Police are received in writing and are related to investigations of predicated offences such as forgery and fraud. Other request received from other government ministries relates to due diligence check or background check of an individual or a company.

(vi) Dissemination of Intelligence Assessment Reports

During the reviewed period, only three (3) Intelligence Assessments Reports were disseminated to Police for further investigations and action. Most of this intelligence reports relates to predicate offences such as forgery and fraud and other criminal cases.

SFIU received three (3) requests for information from foreign FIU via Egmont. The requests are more related to information regarding an offshore company register in Samoa and information pertaining person of interest. SFIU also made five (5) requests to Foreign FIUs for information to assist with Police investigation and other law enforcement

agencies request.

(vii) Customer profiling and due diligence checks

Another function of the SFIU is to conduct due diligence and background checks for requests from financial institutions, competent authorities and internal departments of the CBS. The purpose of the due diligence/background checks is to screen the legitimacy of a company/individual and also to see if there's a match/hits that a particular company/individual has in relation to serious offences, money laundering offences, an offence of financing terrorism or any other offences under the MLP Act.

4.2 SUPERVISION

The SFIU is required under the MLP Act to examine and supervise the financial institutions, through regular on-sites examinations, that a financial institutions complies with the requirements of the Act. Guidelines are also issued to assist financial institutions to gain a better understanding of their obligations under the law. SFIU also co-operates with law enforcement agencies, foreign FIU's, in any investigations, prosecutions or proceedings relating to a serious offence, a money laundering offence, an offence of the financing of terrorism or any other offence under the MLP Act.

Entities and businesses that are required to comply with requirement of the MLP Act.

Financial Institution such as:

- Commercial Banks;
- Money Transfer Operators;
- Trust or Corporate Service Providers (TCSP);
- Lawyers;
- Accountants;
- Casino;
- Insurance Business;
- Credit Unions;
- Real Estate Agents;
- Virtual Currency;
- Non-Profit Organizations

(i) Onsite Inspections

SFIU Carry out onsite inspections for Commercial Banks in June to December 2017 and Money Transfer Operators in April to May 2018. The purpose of the visit is to measure the Financial Institutions ('Fis") level of compliance with its statutory obligations as stipulated under the MLPA 2007 and Money Laundering Prevention Regulation 2009 ('MLPR'), and the level of effectiveness of the Fis system and controls for detecting, deterring, disruption and preventing money laundering ('ML') and terrorist financing ('TF') activities, based on the following four (4) important elements for an effective AML/CFT Program:

- i. Internal policies, procedures and controls;
- ii. Compliance officer;
- iii. Training; and
- iv. Compliance Audit

Overall, a very good improvement since the last visit in 2015. A few financial institutions did an excellent job in enhancing their AML/CFT program while some are recommended to address some of the key issues related to their AML/CFT program. SFIU commend all financial institution for the improvement in the level of AML/CFT compliance.

Casino is by nature a cash intensive business and the majority of transactions are cash based. It is the variety, frequency and volume of transactions that makes the casino sector particularly vulnerable to money laundering. Casino is classified as a financial institution under the MLP Act 2007, hence, is required to comply with the provisions of the MLP Act and Regulations. A pre-onsite inspection for the Casino was carry out in August 2017, to follow up discussions of the last visit in December 2016. The purpose of the visit is to ensure that systems are in place to address money laundering risk.

(ii) Compliance Officers AML/CFT Meeting

The SFIU efforts includes regular meetings with FIs Compliance Officers conducted every year. The meeting is to provide an update, share ideas and challenges concerning AML/CFT matters.

Highlights of some of the matters discussed during the reviewed period:

Matters Discussed

- CDD requirements for FIs
- De-risking issue and Border Control
- Scams and Virtual Currency
- Report from FIs on Independence Audit
- Cryptocurrency
- Amendments to AML Laws
- Cash Transaction Report and STR
- Timeframe for Repatriation of Approvals
- International Estate Planning and Structuring.

5. CO-OPERATION, COLLABORATION AND INFORMATION SHARING

The SFIU collaborates with various bodies and partners in implementing the FATF Standards as well as exchanging of information and intelligence in the effort to combat money laundering and counter terrorism financing. These include:

5.1 APG

The SFIU works together with the APG (of whom Samoa is a member) in ensuring that Samoa meets the required standards. As part of assessing compliance the SFIU (in consultation with FIs

and Taskforce members) submits Samoa’s follow-up reports detailing our progress in implementing the AML/CFT framework. In return the APG assesses the follow-up reports and provides recommendations on what needs to be improved. The APG and SFIU have also worked collaboratively in assessing Samoa’s needs including providing training and Technical assistance to further bolster SFIU’s work.

5.2 EGMONT Group

The SFIU is also a part of the Egmont group which is a network group of FIUs (containing 159 members) that was created to provide a forum for the exchange of information confidentially to combat money laundering and Counter terrorism financing. This is an important tool for gathering information and disseminating intelligence between FIUs. Samoa joined Egmont in 12 July 2011. Under this network FIUs can send requests amongst members for information regarding a particular matter, Sometimes it can be a direct request to a member or a general request to all members. This is done in an efficient and secure way using an encrypted emails only member FIUs can access. SFIU has facilitated various requests from other FIUs and have disseminated information as requested.

5.3 EXCHANGE OF INFORMATION / MEMORANDUM OF UNDERSTANDING

SFIU has signed Exchange of information agreements and memorandum of understandings with various agencies as part of the ongoing fight against Money Laundering and Counter Terrorism Financing. These include various local ministries and agencies as well as other Financial Intelligence Units such as Fiji, Indonesia and Papua New Guinea. These agreements provide guidance in the disseminating of information related to AML/CFT requests submitted by both parties. These types of agreements will continue to increase as the need for inter FIU cooperation becomes more important to address the challenges of AML/CFT.

6. CAPACITY BUILDING

One of the SFIU efforts is to develop and strengthen professional skills for SFIU staff in the AML and CFT area, and to improve performance in the execution of tasks and responsibilities in an effective, efficient and sustainable manner.

The SFIU also undertakes AML/CFT trainings and compliance trainings for financial institutions and some LEAs. This is to ensure that all stakeholders are well versed with AML matters and best practices.

6.1 *AML/CFT International Donors and Technical Assistance Providers*

The Central Bank is very grateful for the technical assistance and training opportunities received over the past years from the following organizations:

- Asia Pacific Group on Money Laundering (APG);
- International Monetary Fund (IMF);
- Asian Development Bank (ADB);
- United Nations Global Program on Drugs Control and Crime Prevention (UNODCCP);
- Pacific Financial Technical Centre (PFTAC);
- Australian FIU (AUSTRAC);
- New Zealand FIU;
- Anti-Money Laundering Assistance and Training of Australia (AMLAT);
- Pacific Anti-Money Laundering Project (PALP) of the US;
- Alliance for Financial Inclusion (AFI);
- Interpol General Secretariat; and the
- ADB/OECD Initiative on Anti-Corruption

Their assistance helped to develop and strengthen the capacity of the Samoa Money Laundering Prevention Authority to effectively undertake and implement its statutory role and functions in combating financial crimes.

Table 1: Trainings and Workshops SFIU staff participates for the period under reviewed.

Year	Course	Venue
2017	UNPRAC Pacific FIU Attachment Program	Fiji
2017	AML/CFT approaches for financial inclusion – AFI	Malaysia
2017	CTF Summit & APG Regional Workshop on NPO	Malaysia
2017	APG/FATF Trein Joint Typologies Workshop	South Korea
2018	Criminal Networks Training – Interpol General Secretariat	Nadi, Fiji
2018	Implementing the International AML/CFT standards – Enhancing entity transparency	Singapore
2018	Cybercrime – Stakeholders Training hosted by Office of the AG	Taumeasina, Samoa

a. Training programs for Samoa Law Enforcement Agencies

The SFIU conducted local training for requested law enforcement regarding basic Money Laundering concepts and understand the purpose and functions of the Financial Intelligence Unit in Samoa.

Table 2: AML/CFT Trainings for Law Enforcement Agencies

Year	Course	Venue
2017	AML/CFT Training for Samoa Airport Authority	Faleolo Airport, Samoa

b. AML/CFT Awareness Trainings for Financial Institutions

SFIU conducted local training for requested Financial Institutions for basic Money Laundering concepts and to understand functions and purposes of the Samoa Financial Intelligence Unit in Samoa.

Table 3: AML/CFT Awareness Trainings for Financial Institutions

YEAR	COURSE	VENUE
2017	AML/CFT Training – Fexco/WU New Recruits	Tanoa
2017	Discussion with Samoa Institute of Accountants (SIA) on AML/CFT developments.	CBS, Conference Room
2018	AML/CFT Training – FEXCO New Staff	Tanoa
2018	Cryptocurrency – CBS Staff	CBS, Conference Room
2018	AML/CFT Training – KlickEx	FM Building, Savalalo

c. United Nation Office on Drugs and Crimes (UNODC)

The UNODC is a global leader in the fight against illicit drugs, crime in all its forms, and terrorism. The UNODC maintain an eLearning platform (an interactive tool) specifically designed to assist AML authority and other relevant agencies with enhancing their capacities in the fighting of money laundering and counter terrorism financing.

The UNODC provides assistance and access to SFIU and other LEAs staff to complete 13 modules courses on ML and TF and other related crimes. The UNODC e-Learning program is a positive way to improve the standard of the SFIU and its task force members, and to assist with the implementation of AML/CFT standards, as well as the development of policies and procedures in Samoa.

d. CAMS Examination

The Certified Anti-Money Laundering Specialist (CAMS) designation symbolizes a higher level of understanding of international AML/CFT principles. When pass the CAMS, distinguishes you as an AML/CFT authority, who can help mitigate institutional financial crime risks. CAMS is a Golden standard in AML and CFT compliance, which is acknowledge internationally renowned and accepted by world governments and also recognized worldwide by financial institutions and regulators as a serious commitment to protecting financial system against money laundering.

Two (2) SFIU staff registered CAMS Examination and are preparing to sit the exam in September 2018. The knowledge and experience from CAMS would be in assist to the development of the SFIU and promoting AML compliance in terms of regulating the financial institutions, embedded effective AML program to combat ML/TF activities, provide ongoing training on detection and prevention of ML/TF.

7. LIST OF ACRONYMS

ADB	Asia Development Bank
AFI	Alliance for Financial Inclusion
AGO	Attorney General's Office
AML/CFT	Anti-Money Laundering/Countering the Financing of Terrorism <i>(also used for Combating the financing of terrorism)</i>
APFIU	Association of Pacific FIU
APG	Asian Pacific Group on Money Laundering
AUSTRAC	Australian Transaction Reports and Analysis Centre
BCR	Borders Control Report
CAF	Confiscated Assets Fund
CAMS	Certified Anti-Money Laundering Specialists
CBS	Central Bank of Samoa
DNFBPs	Designated Non-Financial Business and Professions
FATF	Financial Action Task Force
FI	Financial Institution
FIU	Financial Intelligence Unit
FSRB	FATF Style Regional Bodies
FUR	Follow-up Report
ICRG	International Cooperation Review Group
IMF	International Monetary Fund
MCIL	Ministry of Commerce Industry and Labour
MER	Mutual Evaluation Report
MFAT	Ministry of Foreign Affairs and Trade
MfR	Ministry for Revenue
MLP Act	Money Laundering Prevention Act
MLPA	Money Laundering Prevention Authority
MLPR	Money Laundering Prevention Regulation
MOF	Ministry of Finance
MOU	Memorandum of Understanding
MPMC	Ministry of the Prime Minister and Cabinet
MTO	Money Transfer Operator
NRA	National Risk Assessment
PFTAC	Pacific Financial Technical Assistance Centre
PIC	Pacific Island Countries
POCA	Proceeds of Crimes Act
RBA	Risk Based Approach
SAA	Samoa Airport Authority
SAO	Samoa Audit Office
SFIU	Samoa Financial Intelligence Unit
SIA	Samoa Institute of Accountant
SIFA	Samoa International Finance Authority
STR	Suspicious Transaction Report
TC	Technical Compliance
UNODC	United Nation on Drugs and Crime