



Activities report

Financial Intelligence Unit of
Andorra

2019



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1- INTRODUCTION

As we begin this new year, now we look back to present our Activities Report dealing with 2019.

Last year was full of good news, including our reception, from Moneyval, of some very notable ratings that place the Principality of Andorra in the leading group of this organization's Member States. The year was also marked by the laying of internal bases possessing the strength, solidity and professionalism required to allow us to successfully meet the challenges that await us.

Far from being empty words, these affirmations reflect the outcome of many years of effort and concern in our search for solutions. During these years, with the tenacity of all, we have blazed a path towards the international transparency and approval of our regulations and standards, having likewise achieved the necessary trust in and credibility of our institutions, which are gaining ever greater acknowledgement.

This path, however, still has a margin for improvement, allowing and requiring, of course, our progress towards new challenges that will entail a leap forward in quality, leading to positive results in our sphere of endeavour.

Moreover, the various projects that we had underway, as described in our previous Report, were completed in 2019, involving the following: (i) we now possess the necessary technical elements for the improvement of our IT system, (ii) on 27 November we presented our new website, which has been updated to include the new standards and regulations, as well as being more dynamic and easier to consult, appearing also in the English language in order to facilitate its understanding abroad; and (iii) more than ever, laws have been promulgated and documents have been published to facilitate the understanding of the obligations with which the reporting entities are to comply.

Additionally, in the last third of the year, we began the preparations for the pertinent proceedings to update our National Risk Assessment, with a plan of the work to be carried out as from January 2020, in order to complete this task by December of this year.

Lastly, we are continuing our work to comply with Moneyval's demands and its new conclusions, as well as to meet our annual commitment to the European Union in accordance with the annex setting out the new provisions to be implemented.

Before concluding these words, I would like to thank my colleagues and fellow workers for their dedication and constant effort. Likewise, on behalf of the Intelligence Unit, I wish to express my acknowledgement of, and deepest affection for, a person who, during all these years, has taught us, helped us and always shown the greatest good will to the Principality of Andorra; someone who, since the early 1990s, has been a key figure in the fight against money laundering and terrorist financing and who received the tribute of the Moneyval Plenary Meeting in December: Mr. Boudewijn Verhelst.

Carles Fiñana Pifarré
Head of the Financial Intelligence Unit of Andorra

2- BALANCE

Once again this year, our work has been intense, our goals have been achieved, and our commitments have been met.

Indeed, the growing number of cases received by the Operational Area, the impact on the improvement of our data processing, the effectiveness of the control of the Supervision Area (all of which are key aspects in the achievement of a suitable degree of efficiency in the prevention of money laundering), and the study of our internal legislation and its enhancement, based once again on the inclusion of new aspects in Law 14/2017, of 22 June, on prevention and the fight against the laundering of money or assets and terrorist financing, back up this statement.

a) Moneyval Fifth Round of Evaluations

The Principality of Andorra is following the course laid out by the rules of procedure established by Moneyval and it finds itself at this time in a very advanced stage of the Fifth-Round process.

This Fifth Round of evaluations began in September of 2015 with the commitment to submit the Mutual Evaluation Report for its adoption and approval in the event of its positive assessment, in September of 2017, which was followed by an initial follow-up report submitted in December of 2018, and subsequently by a second follow-up report in December of 2019. As a result of all this, at the request of the Moneyval Secretariat, we will be submitting a third and last follow-up report in July of 2021.

This last submission deadline, marking a longer term than the usual annual period, is due to the ratings received at the last Plenary Meeting held in Strasbourg between 2 and 8 December 2019, in which an upward re-rating was achieved of three more FATF Recommendations, situating us in an excellent position. To sum up this position in terms of technical compliance, we may point out that for 37 of the 40 Recommendations, Andorra currently has a rating of Largely Compliant (LC) or Compliant (C).

This improvement stems mainly from the Andorran Parliament's approval, on 28 November 2019, of the Draft Law on amendment of Law 14/2017, of 22 June, on prevention and the fight against the laundering of money or assets and terrorist financing.

Aside from this, it should also be pointed out that four Substantial and seven Moderate ratings were obtained for the 11 Immediate Outcomes.

Specifically, in a hypothetical ranking, we are the Moneyval member with the third-best rating on the Recommendations for which compliance has been achieved, and the highest-rated for Immediate Outcomes, so it may be said that we stand in an outstanding position in overall terms.

In conclusion, as regards the preparation of the third progress report for July 2021, we are focusing on the aspects highlighted by Moneyval, such as the deficiencies detected in the three Recommendations with which we are pending compliance, namely:

- Recommendation no. 8, on non-profit organizations (NPOs)
- Recommendation no. 31, on powers of law-enforcement and investigative authorities, and
- Recommendation no. 36, on international instruments of international cooperation.

These three Recommendations are directly linked as follows: the first, to the Ministry of Justice and Interior, with respect to the control and analysis of the risk presented by this type of organizations –primarily associations and foundations–; the second, to the judicial authorities and the possible amendment of the Criminal Code and of the Code of Criminal Procedure, and the approval of a Law of international judicial cooperation; and the third, to the Ministry of Foreign Affairs, with respect to international conventions for which signing and/or ratification are pending.

Turning to other matters, Moneyval, in consonance with FATF, which has started a new project to be carried out between October of 2019 and October of 2021 to face the new challenges which are being posed, namely: (i) the future of the mutual evaluations and other evaluations; (ii) the methodology applicable to the changes already underway and specifically with respect to Recommendation no. 15 on new technologies and virtual currencies; and (iii) the applicable rules of procedure in concordance with the established changes, has launched, in turn, through an ad hoc group, a comprehensive study aimed to analyse an organizational improvement of the work that is being carried out and, in short, to lay the bases for work on the organization and the rules that will soon be applicable.

b) Monetary Agreement

As is customary each year, the Joint Committee has continued to carry out its task of legislative and regulatory enhancement on the basis of the annually updated annex on the standards and regulations issued by the European Union.

Within this context, and particularly with respect to our participation in the annual meeting, which was held on this occasion in the Principality of Andorra on 19 November 2019, we presented on the one hand the legislative novelties based on the established and accepted annual annex, as well as the follow-up and progress in terms of the Moneyval Fifth Round of Evaluations, together with the legislative novelties included in the amendment of Law 14/2017, of 22 June, on prevention and the fight against the laundering of money or assets and terrorist financing, which was unanimously approved by the Andorran Parliament according to Law 21/2019, of 28 November, published in the Official Gazette of the Principality of Andorra (BOPA) number 3, of 15 January 2020.

On the other hand, we also presented the new regulatory annex for the effects of internal transposition for the period 2020 and 2021, which covers the following rules:

- Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, with a transposition deadline of 31 December 2020. This is the rule known as the Fifth Directive.
- Regulation (EU) 2019/758 of the European Parliament and of the Council of 31 January 2019 on the minimum action and the type of additional measures that credit and financial institutions must take to mitigate money laundering and terrorist financing risk in certain third countries, with a transposition deadline of 31 December 2020.
- Regulation (EU) 2018/1672 of the European Parliament and of the Council of 23 October 2018 on controls on cash entering or leaving the Union, with a transposition deadline ending on 31 December 2021.
- Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combatting money laundering by criminal law, with a transposition deadline of 31 December 2021 (also known as the Sixth Directive).

Likewise, another set of rules included in the aforementioned annex has either already been implemented through the issuance and the publication of the respective technical communiqués, as in the case of the Regulations addressed to including countries and jurisdictions classified as being of high risk on the European Union list, namely:

- Regulation (EU) 2018/105 of 27 October 2017, and Regulation (EU) 2018/212 of 13 December 2017, both of which had a transposition deadline of 31 March 2019, and
- Regulation (EU) 2018/1674 of 27 July 2018, which had a transposition deadline of 31 December 2019;

or else, since they are rules that only refer to and are only applicable to the Member States, they are not of application in our case.

c) Operational Area

Subsequently to the succinct explanation given in the previous Report with respect to the activity carried out by the various members of UIFAND, I would now like to highlight two aspects of their work which I consider to be especially significant

.

The first of these aspects involves the fact that the two matters to which reference was also made in the previous Report with respect to the improvements to be made, have been carried out and, consequently, we now possess both the internal working manuals and the technical elements of the new internal network linked to the banking financial sector, a network that will be effective and operating very soon.

The second aspect refers to the degree of effectiveness of the work carried out. It is true that although we already regularly provide the necessary data and figures in the Statistics section, a fact of the greatest importance is that, at this time, in the Operational Area there are no files that: (i) have not previously been analysed and that are pending an external reply or are pending a deeper ongoing analysis; and (ii) have been on hand for over one year since their recorded entry, that is to say, there are no files in process that date back further than 2019.

d) Supervision Area

The members of this Area are continuing their work, which is presented in detail in the Activities Report 2018, involving not only the analysis and control of all the reporting entities of Andorra but also tasks entailing the provision of information and knowledge.

To this end, new documents are constantly being published on our website, either because it is necessary to inform about new rules or else to provide information and/or communications on matters of compulsory compliance.

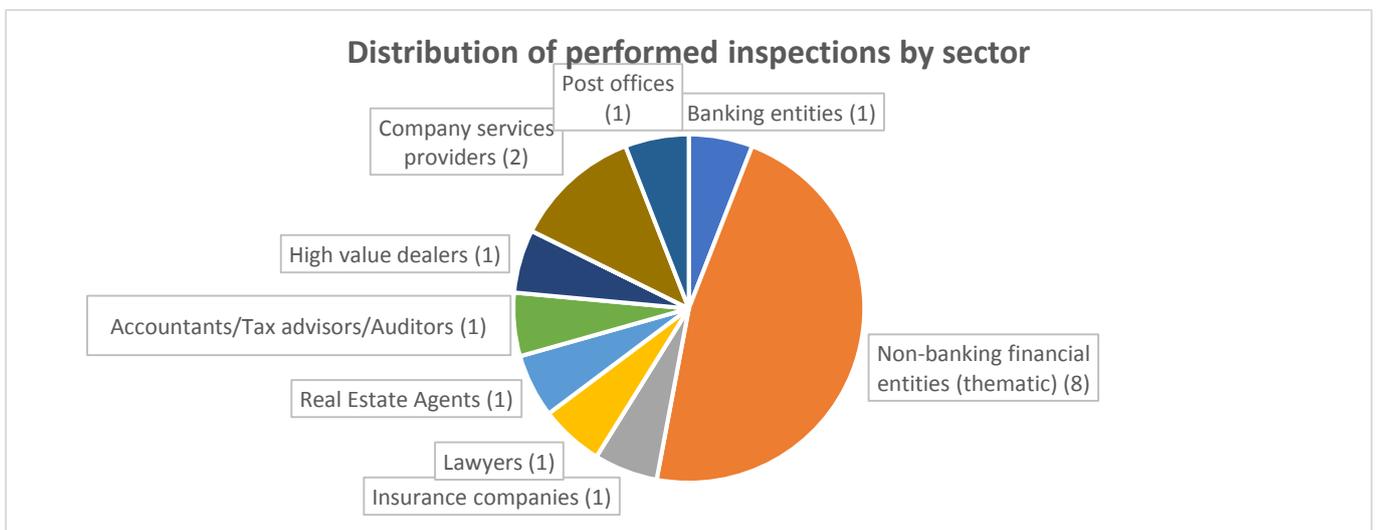
In the table below we provide data on this task of providing information and communications.

Designation	Targeted reporting entities	Date	Remarks
Technical communiqués (9)			
CT-01/2019 – Risk countries according to the FATF	All	25/02/19	Updated list of the countries classified as high risk by the FATF, published on 22/02/2019.
CT-02/2019 – Reassessment of beneficial owners	All	07/03/19	It establishes that the review of beneficial owner status should be made according to risk criteria and never with a periodicity of over 5 years.
CT-03/2019 – Cross-border movements of cash and high-value cash transactions	Financial reporting entities	29/05/19	Revision of CT-02/2015 to develop, in a way better suited to the current situation, the measures to be adopted by reporting entities with respect to cash transactions, in the framework of the measures for continuous monitoring of business relationships.
CT-04/2019 – Risk countries according to the FATF	All	25/06/19	Updated list of the countries classified as high risk by FATF, published on 21/06/2019.
CT-05/2019 – Instructions for audits in matters of prevention and fight against money laundering and terrorist financing	Insurance companies operating in life insurance	15/10/19	
CT-06/2019 – Instructions for audits in matters of prevention and fight against money laundering and terrorist financing	Non-banking financial entities	15/10/19	
CT-07/2019 – Instructions for audits in matters of prevention and fight against money laundering and terrorist financing	Bank entities	15/10/19	

CT-08/2019 – Instructions for audits in matters of prevention and fight against money laundering and terrorist financing	Post office giro institutions	15/10/19	
CT-09/2019 – Risk countries according to the FATF	All	21/10/19	Updated list of the countries classified as high risk by FATF, published on 18/10/2019.
Informative notes (2)			
Informative note – Aggregated feedback on inspections	Mainly bank entities	28/06/19	Informative note addressed to raising awareness of the main areas of risk detected in the course of the terrorist financing thematic inspection carried out on the banking entities, and of the recommended improvement actions.
Informative note addressed to the non-profit organizations sector	NPOs	08/07/19	Informative note providing NPOs with standards and examples of good practices of action to prevent the misuse of these organizations to channel funds or resources to persons and entities linked to terrorist groups or organizations.
Guides (3)			
Guide on beneficial ownership	All	March 2019	Provision of practical examples and guidelines for identification of the beneficial owners in the various types of legal structures.
Guide to cash-intensive activities	All	July 2019	Guide aimed to raise awareness among reporting entities with respect to the ML/TF risks associated with cash and with cash-intensive businesses, and to provide international good practices for their correct management.
Guide to application of restrictive measures – FATF Recommendations 6 & 7	All	December 2019	Update of the guide initially published in February 2017, in accordance with the laws in force.

With respect to the on-site inspections made in 2019, the work plan that is established at the beginning of each year was carried out completely, as shown in the following tables.

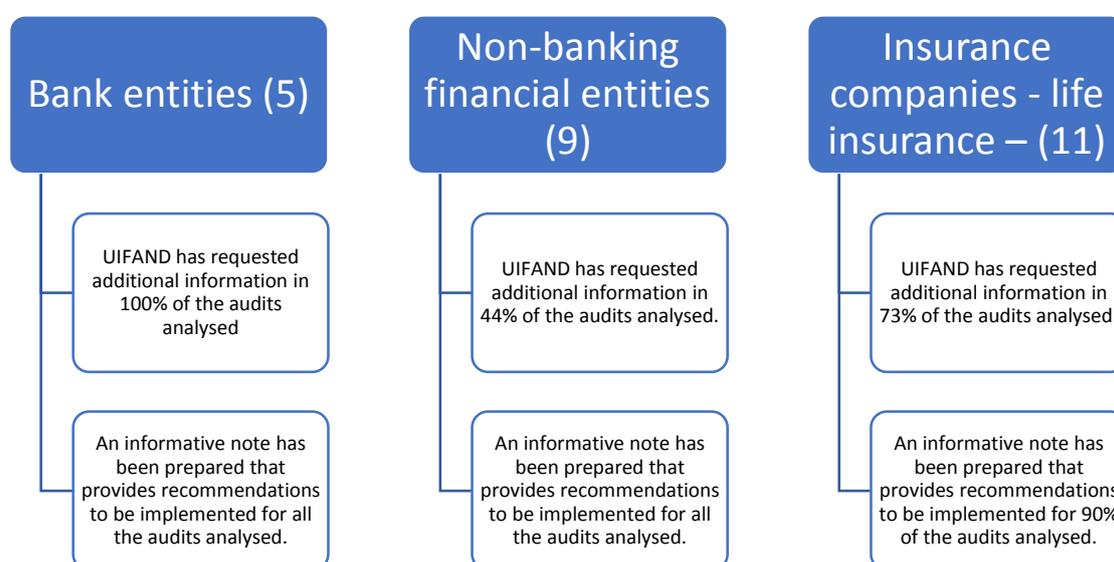
1st Quarter (January-March)		2nd Quarter (April - June)	
Financial Reporting Entities (1)	Non-Financial Reporting Entities (3)	Financial Reporting Entities (2)	Non-Financial Reporting Entities (3)
Bank entities Non-banking financial entities Postal office giro institutions Insurance companies (1)	Lawyers Real estate agents Accountants/Tax advisors/Auditors (1) Company services providers (1) High value dealers (1) Notaries NPOs	Bank entities (1) Non-banking financial entities Post office giro institutions (1) Insurance companies	Lawyers (1) Real estate agents (1) Accountants/Tax advisors/Auditors Company services providers (1) High value dealers Notaries NPOs
3rd Quarter (July - September)		4th Quarter (October - December)	
Financial Reporting Entities (4)	Non-Financial Reporting Entities (0)	Financial Reporting Entities (4)	Non-Financial Reporting Entities (0)
Bank entities Non-banking financial entities (4) (thematic) Post office giro institutions Insurance companies	Lawyers Real estate agents Accountants/Tax advisors/Auditors Company services providers High value dealers Notaries NPOs	Bank entities Non-banking financial entities (4) (thematic) Post office giro institutions Insurance companies	Lawyers Real estate agents Accountants/Tax advisors/Auditors Company services providers High value dealers Notaries NPOs
TOTAL YEAR 2019			
Financial Reporting Entities (11)		Non-Financial Reporting Entities (6)	
Bank entities (1) Non-banking financial entities (8) (thematic) Postal office giro institutions (1) Insurance companies (1)		Lawyers (1) Real estate agents (1) Accountants/Tax advisors/Auditors (1) Company services providers (2) High value dealers (1) Notaries NPOs	



In particular, in this point I wish to mention the fact that, for the first time, we have carried out, jointly with members of the Andorran Financial Authority (AFA), a joint supervision of a banking financial entity.

This is a highly significant fact from the standpoint of the cooperation between our organizations.

Likewise, the following two tables present the analysis of, and the respective work involved by, the external audits of banking and non-banking financial reporting entities which have been received.



	Bank entities	Non-banking financial entities	Insurance companies - life insurance -
Number of audits submitted and reviewed	5	9	11
Number of audits for which additional information was requested	5	4	8
Audit supplements	2	-	3
Requests for information	4	4	7
Informative notes	5	9	10

Lastly, in 2019 two proceedings were initiated with the opening of sanctioning administrative files owing to the detection of the possible commission of infringements provided in Law 14/2017, as specified below:

- On 17 April, against a banking financial entity for a very serious infringement, which came to be sanctioned with a fine of 200,000 euros.
- On 19 May, against a non-banking financial entity of the insurance sector, for a very serious infringement, with the imposition of a sanction of 90,001 euros.

e) International events and participations

A UIFAND delegation took part as an Egmont member in the 26th Plenary Meeting held in The Hague (Netherlands) between 1 and 5 July.



We took advantage of our stay in this city to visit the Europol organization, whose headquarters are located there. Europol officials explained to us the organizational chart of this body and its functioning.

Likewise, our usual delegation attended both of the two Moneyval sessions held in Strasbourg: the first was the 58th Plenary Meeting in July, and the second was the 59th Plenary Meeting in December. At the December meeting we submitted our second progress report on the Fifth Round of Evaluations, as we have explained in detail in Point a.

With respect to training, which is a matter of constant interest to us, the following table provides a summary of our participation in training received or provided in 2019:

Designation	Organizer	Venue	Date	No of UIFAND participants	Hours	Remarks
Received						
Corporate Tax	Alfa Capital – Crowe Andorra / Crèdit Andorrà	Crèdit Andorrà Building	31/01/2019	2	2	
Digital transformation– an emerging challenge of regulatory compliance	International Compliance Association (ICA)	ArtHotel	05/02/2019	1	1,5	
New regulatory challenges	Cases & Lacambra	Business Centre (Andbank)	28/02/2019	1	3	
Terrorist financing	Police Department, Financial Group Section of the Crime Squad	Police Corps Assembly Hall	20/03/2019	5	3,5	
10th BoNY Seminar in Andorra	BoNY Mellon	Park Hotel	28/03/2019	1	8	
Training seminar for evaluators of the 5th Round of Mutual Evaluations	FATF-GAFI/Moneyval	Rome, Italy	08-12/4/2019	1	40	Training programme on FATF Methodology and international standards aimed at allowing participants to become evaluators of the ML/TF systems of other countries.
How to improve effectiveness in IO11?	FIU Latvia	Riga, Latvia	27-28/5/2019	1	14	
Fight against counterfeiting	Police Department	Police Corps Assembly Hall	19/06/2019	2	3,5	
Technical Assistance and Training Working Group (TATWG)	Egmont Group	The Hague, Netherlands	1-7/07/2019	1	16	
Membership, Support and Compliance Working Group (MSCWG)	Egmont Group	The Hague, Netherlands	1-7/07/2019	1	16	

f) Other aspects

Two considerations should be kept in mind with respect to the year 2019: (i) the first is the customary matter of our participation in and cooperation with other international organizations with which the Principality of Andorra has held regular meetings over the course of the years; and (ii) the second consideration, however, is a novelty with respect to the updating of the National Risk Assessment (NRA).

In the case of the first point, within the framework of the Global Forum, of the Association Agreement with Europe, and of the OECD, we took part in various meetings inside and outside our country, and we contributed what we were asked to provide.

Likewise, in connection with the Andorra-European Union Joint Committee and with the Monetary Agreement, to which we have referred in greater detail in Point *b*, we prepared, drafted and presented the work carried out on the transposition of the international rules, at

the 8th Meeting, held in Andorra on 19 November 2019.

Specifically, it may be pointed out that the external representatives of the EU showed an interest in holding a preliminary meeting in particular with the UIFAND. This meeting was held on the day before the main meeting, with the attendance of both delegations, and they expressed a great satisfaction with the work carried out by our organization.

In relation to the National Risk Assessment, it may be recalled by way of introduction that the Principality of Andorra already possesses an analysis of this type, which was completed in December of 2016 and which was published in part in July of 2017.

Although there does not exist any specific written regulation since FATF Recommendation no. 1, which makes reference to the assessment of risks and to the application of a risk-based approach, does not mention any such rule, countries commonly make a new assessment and an update three or four years after the publication of the first study.

For this reason, following the same procedure and methodology that were previously used, UIFAND proposes, for the forthcoming year 2020, to begin a new study that we hope will provide and conclude with new and more positive data and with a new plan of action to be implemented.

Even though, as I have just mentioned, the working method will be the same, it is necessary to contextualize the times in which we now find ourselves and to approach this study from a specific current standpoint, which should be based on the following three premises:

- The risks and their accessory consequences should be differentiated since the risk of money laundering and the risk of terrorist financing are different.
- It should be attempted to make a very careful analysis of the non-profit sectors (NPOs) since they present some very specific features.
- A specific analysis should be made of the risk of legal entities, which necessarily differs from any other type of risk, such as, for example, the risk of natural persons.

In any case, the working process, the reliability of the data obtained, and the exhaustive character of the analysis should ensure a real and beneficial National Risk Assessment.

3. STANDING COMMITTEE FOR THE PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING

In this new year, the Standing Committee for the Prevention of Money Laundering and Terrorist Financing is continuing its work, much of which is of executive character, in connection with the matters already underway. It follows up these matters with the aim of closing them, deals with new issues that have been planned but not yet started, and handles other aspects that arise and require a response.

Accordingly, the Committee held three plenary meetings, on 16 January, 23 May and 18

September.

Among the various aspects to be highlighted, I wish to mention three works in particular which, together with others, have been the focus of its activity:

- The analysis of the implementation status of the measures derived from the Moneyval Fifth Round of Evaluations, and the subsequent conclusion, based on the progress report adopted by the Plenary Meeting.

In correlation to what has previously been said, the work to be carried out was planned in order to be able to present it at the December 2019 Moneyval Plenary Meeting, at which Andorra was invited to present a new follow-up report.

- The amendment of Law 14/2017, of 22 June, on the prevention and fight against money laundering and terrorist financing.

The work carried out within this framework was closed with the Draft Law on amendment submitted to the Andorran Parliament on 1 August, and unanimously approved in Law 21/2019, of 28 November.

- The analysis, follow-up and legislative implementation of the new legislative texts and of the commitments derived from the annex which the European Union prepares each year in relation to the Monetary Agreement.

Aside from this, we also participated in the meeting of 15 October 2019 of the Interministerial Committee, which had been established in late 2018 at the proposal of the Standing Committee. It is directed from the Ministry of Foreign Affairs and it is in charge of carrying out the follow-up and of planning the signing and ratification of international instruments, that is to say, of the international conventions derived mainly from the FATF Recommendation no. 36.

4. STATISTICS OF 2019 AND COMPARISON WITH 2018

We set out below the complete data of 2019 with respect to the activity carried out by the various areas which form the Financial Intelligence Unit, comparing these data with those of the previous year.

This graphic presentation, with its figures, gives an overview not only of the work carried out, but also of the careful analysis, performed year after year, of the numerical differences in the aim of drawing the pertinent conclusions.

Generally speaking, 2019 showed a slight increase in the percentages of suspicious transaction reports submitted, and small decreases in the figures for national and international cooperation, in addition to a very significant decrease in foreign investment – something that was already foreseen in the previous year –, resulting from the changes in our laws, as mentioned before.

**BALANCE OF WORK GENERATED AND PERFORMED AT UIFAND
- 2019 -**

1. OPERATIONAL ANALYSIS

Item	Number	Remarks
STRs received	138	116 Banks 2 Non-banking financial entities 7 Notaries 1 Accountant 11 Company services providers 1 High value dealer
Files on UIFAND initiative	-	-
National cooperation	23	23 Andorran Financial Authority (AFA)
International cooperation (FIU's)	44	33 – Other FIUs to UIFAND 11 - UIFAND to other FIUs
Volume of analysis generated:	205	-
Files forwarded to the Public Prosecutor's Office	87	71 from 2019 13 from 2018 3 from 2017
Value of files forwarded to the Public Prosecutor's Office with possibility of judicial seizure	72.491.078 €	Equivalent value in Euros
Files shelved	112	99 from 2019 13 from 2018
Volume of analysis performed:	199	
Files under investigation	29	25 from 2019 2 from 2018 2 from 2017
Persons investigated (natural persons & legal entities)	1035	635 natural persons 400 legal entities
Freeze of operations by FIU	-	-

2. FOREIGN INVESTMENT

Item	Number	Remarks
Requests received & analysed	26	Direct investment (companies): 23 Real estate investment: 3
Unfavourable notification	2	-
Police inquiry notification	11	-
Observations report to the Register of Companies	6	-
Withdrawal	-	-
Persons analysed in the framework of foreign investments	179	108 natural persons 71 legal entities

3. TOTAL

Item	Number	Remarks
Volume of work performed (operational analysis)	199	-
Number of foreign investment requests analysed	26	-
Total volume of work performed	225	-

BALANCE OF WORK GENERATED AND PERFORMED AT UIFAND					
YEAR 2018			YEAR 2019		Evolution % (2018-2019)
Item	Number	Remarks	Number	Remarks	
1. OPERATIONAL ANALYSIS					
STRs received	124	-	138	-	11,29%
Files on FIU initiative	1	-	-	-	-100,00%
National cooperation	25	24 Andorran Financial Authority (AFA) 1 Police	23	23 Andorran Financial Authority (AFA)	-8,00%
International cooperation (FIU's)	69	47 -Other FIUs to UIFAND 22 - UIFAND to other FIUs	44	33 – Other FIUs to UIFAND 11 - UIFAND to other FIUs	-36,23%
Volume of analysis generated	219	-	205	-	-6,39%
Files forwarded to the Public Prosecutor's Office	82	65 from 2018 17 from 2017	87	71 from 2019 13 from 2018 3 from 2017	6,10%
Value of files forwarded to the Public Prosecutor's Office with possibility of judicial seizure	124.374.390 €	Equivalent value in Euros	72.491.078,03 €	Equivalent value in Euros	-
Files shelved	118	104 from 2018 14 from 2017	112	99 from 2019 13 from 2018	-5,08%
Volume of analysis generated	200	-	199	-	-0,50%
Files under investigation	33	28 from 2018 5 from 2017	29	25 from 2019 2 from 2018 2 from 2017	-12%
Total persons investigated (natural persons & legal entities)	1728	779 natural persons 949 legal entities	1035	635 natural persons 400 legal entities	-40,10%
Freeze of operations by FIU	-	-	-	-	-
2. FOREIGN INVESTMENT					
Requests received & analysed	995	Direct investment (companies): 676 Real estate investment: 319	26	Direct investment (companies): 23 Real estate investment: 3	-97,39%
Unfavourable notification	-	-	2	-	200,00%
Police inquiry notification	82	-	11	-	-86,59%
Observations report to the Register of Companies	2	-	6	-	200,00%
Withdrawal	-	-	-	-	-
Persons analysed in the framework of foreign investments	2117	1756 natural persons 361 legal entities	179	108 natural persons 71 legal entities	-91,54%
3. TOTAL					
					-

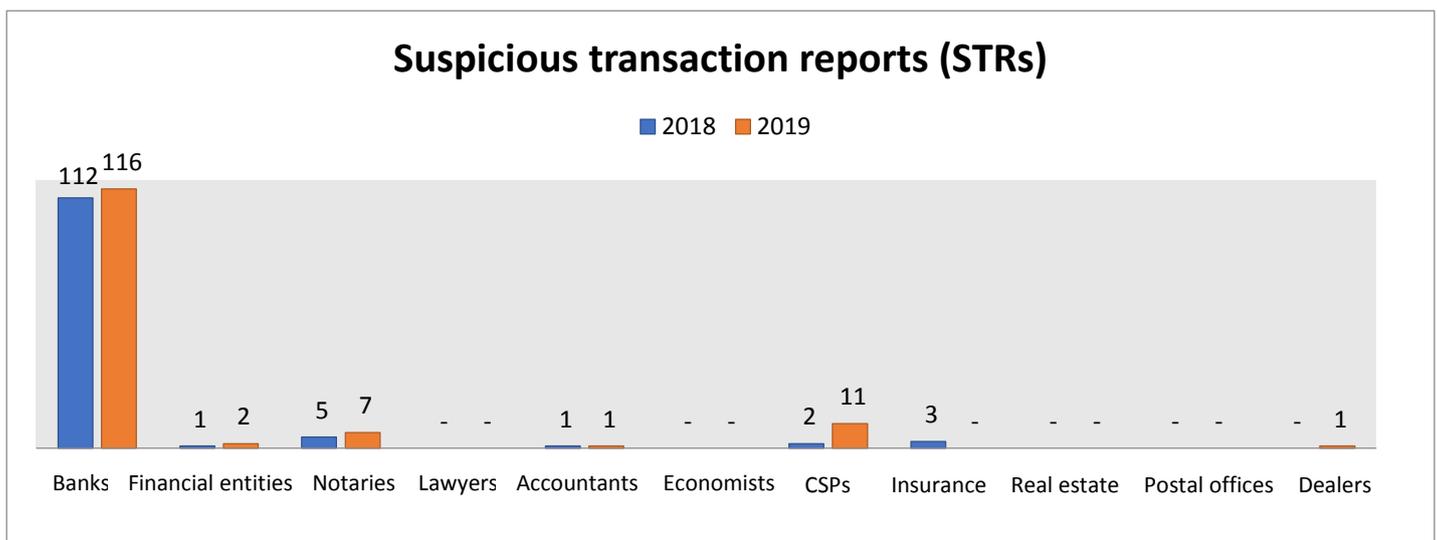
Volume of work performed (operational analysis)	200	-	199	-	-0,50%
Number of foreign investment requests analysed	995	-	26	-	-97,39%
Total volume of work performed	1195	-	225	-	-81,17%

a. Operational analysis

- **Suspicious transaction reports**

The total number of suspicious transaction reports increased slightly (in overall percentage, 11.29%), but as opposed to previous years, the most significant figure in this final result is that of reports submitted by non-financial reporting entities.

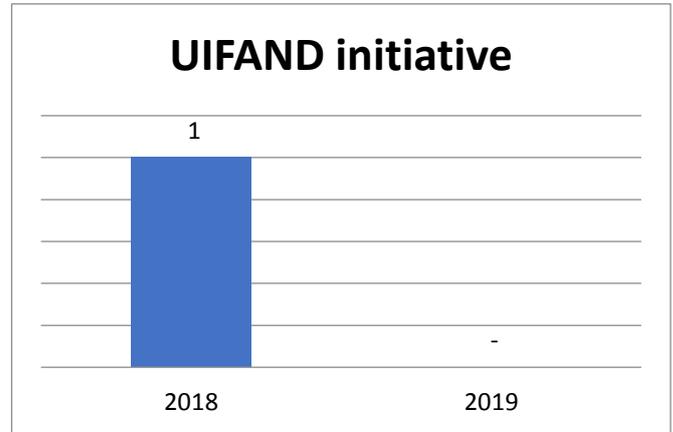
	Suspicious transaction reports (STRs)	
	2018	2019
Banks	112	116
Financial entities	1	2
Notaries	5	7
Lawyers	-	-
Accountants	1	1
Economists	-	-
Company services providers (CSPs)	2	11
Insurance companies	3	-
Real estate agents	-	-
Post office giro institutions	-	-
High value dealers	-	1
TOTAL	124	138



- **UIFAND initiative**

No files have been initiated ex officio.

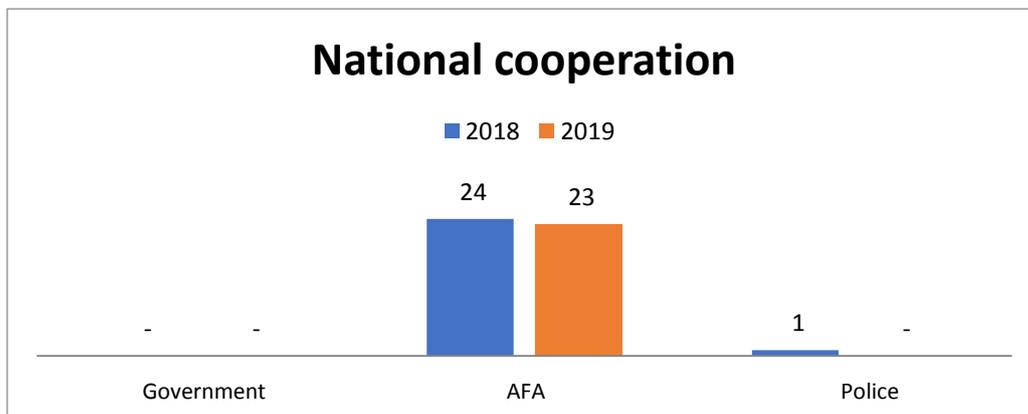
UIFAND initiative		
	2018	2019
	1	-
TOTAL	1	-



- **National cooperation**

In absolute terms, the number of cooperation requests received has remained stable and linear.

National cooperation		
	2018	2019
Government	-	-
AFA	24	23
Police	1	-
TOTAL	25	23



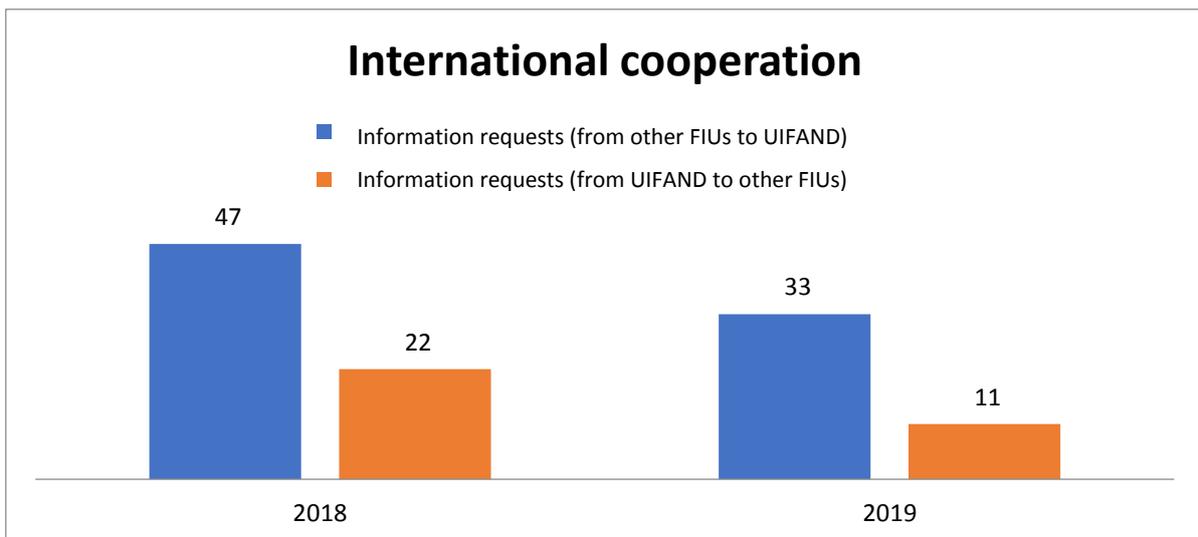
- **International cooperation**

In this sphere, there was a substantial decrease in petitions received or issued since it represents a proportion of 36.23% in absolute terms.

Nevertheless, it should be pointed out that this this item fluctuates widely, reflecting the internal or external information-gathering needs of each moment, which depend on the needs of each case.

Moreover, the reply time for the external petitions submitted by other jurisdictions should be highlighted since this is an important aspect. In 2019, this item showed an average of 14 days, thereby remaining on the level of the figures for previous years.

	International cooperation	
	2018	2019
Information requests (from other FIUs to UIFAND)	47	33
Information requests (from UIFAND to other FIUs)	22	11
TOTAL	69	44



INTERNATIONAL COOPERATION BY COUNTRIES – Year 2019 –						
Requesting countries	Number of requests	Number of spontaneous disseminations	Reply time (days)			
Argentina	1	2	57	7 (dissemination)	3 (dissemination)	
Belgium	-	1	1			
Bermuda	2	-	7	10		
Colombia	1	-	4			
Czech Republic	1	-	1			
France	6	-	15	19	41	19 3
			45			
Ghana	1	-	11			
Lithuania	1	-	2			
Luxemburg	-	2	1	-		
Malta	1	-	1			
Mexico	1	-	6			
Monaco	1	-	1			
Netherlands	1	-	In progress			
New Zealand	2	-	11	13		
Panama	1	-	20			
Peru	1	-	1			
Qatar	1	-	1			
Russia	1	-	7			
Senegal	1	-	11			
Spain	1	-	7			
Ukraine	1	-	3			
United Kingdom	2	-	13	48		
Total :	28	5				
Total international cooperation	33		Average 14 days			

INTERNATIONAL COOPERATION BY COUNTRIES – Year 2019 –	
Requested countries (UIFAND to other FIUs)	Number of requests
Argentina	1
Australia	1
Bahamas	1
France	1
Hong Kong	1
India	1
Panama	1
Spain	2
Switzerland	1
Turkey	1
Total international cooperation	11

- **Files submitted to the Public Prosecutor's Office and amounts with possibility of judicial seizure**

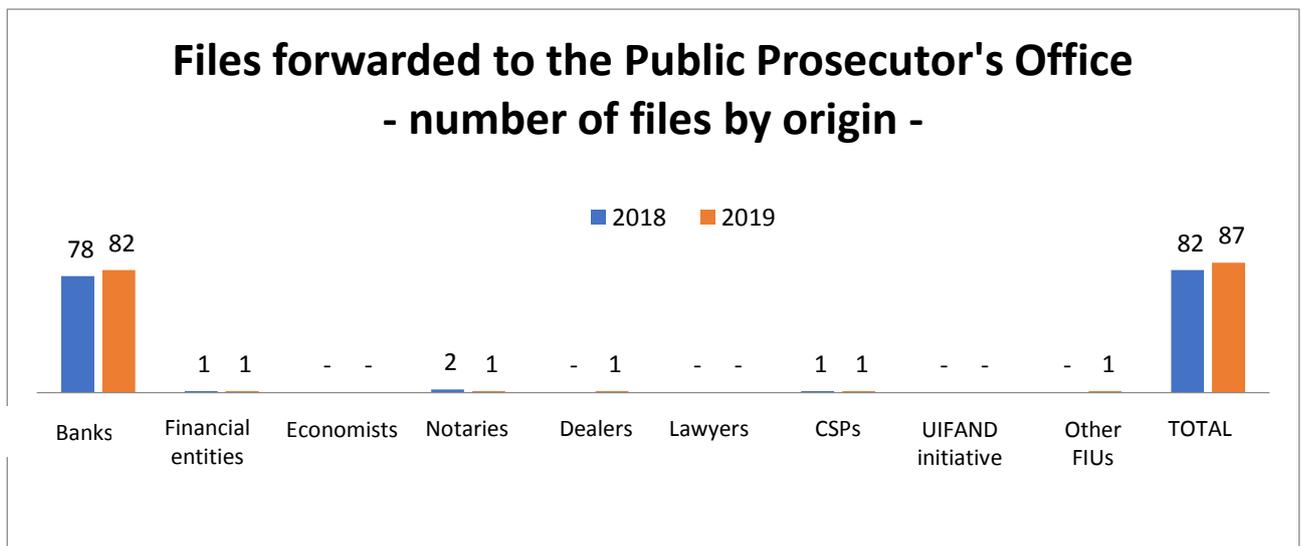
The two graphics below provide some essential data.

The first graphic gives the number of files that have been judicialized. This number shows a slight increase of about 6.10% more cases.

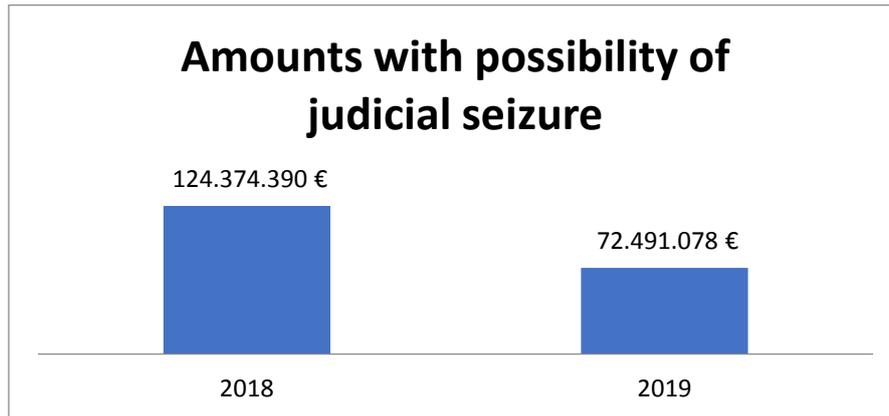
The second graphic, which is subsequent to the first one, deals with the equivalent value in euros and refers to amounts with possibility of judicial seizure.

This figure, just like the one for international cooperation, always fluctuates and is not directly related to the number of cases.

	Files forwarded to the Public Prosecutor's Office - Number of files by origin -	
	2018	2019
Banks	78	82
Financial entities	1	1
Economists	-	-
Notaries	2	1
High value dealers	-	1
Lawyers	-	-
Companies service providers (CSPs)	1	1
UIFAND initiative	-	-
Other FIUs	-	1
TOTAL	82	87



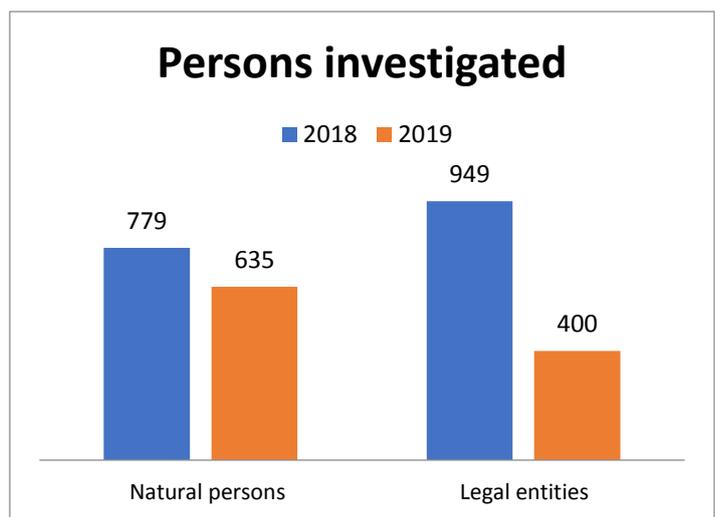
	Possibility of seizure	
	2018	2019
Possibility of judicial seizure	124.374.390 €	72.491.078 €



- **Persons investigated**

The figure given here is based on the number of persons analysed, which means that it is not necessarily proportional to the number of files received and analysed.

	Persons investigated	
	2018	2019
Natural persons	779	635
Legal entities	949	400
Total	1728	1035



b. Foreign investment

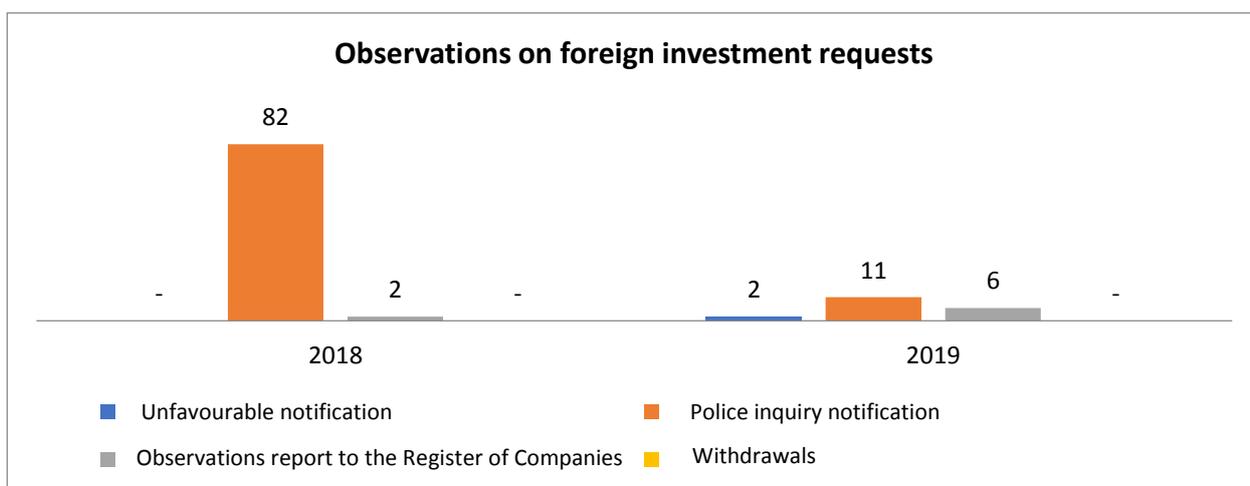
In the case of foreign investment, and recalling the arguments presented in the previous year with respect to the legislative change, with the approval by Decree of 5 November 2018 of the amendment of Paragraph 3 of Article 3 of the Regulation on application of Law 10/2012, of 21 June, on foreign investment in the Principality of Andorra, published in the Official Gazette of the Principality of Andorra (BOPA), number 52, of 7 September 2018, in 2019 the decrease was even larger, representing 97.39% of the total requests received.

This fact is consequently reflected in both the sphere of submitted requests and in that of persons analysed.

It is quite probable that this item will become stabilized from this point on.

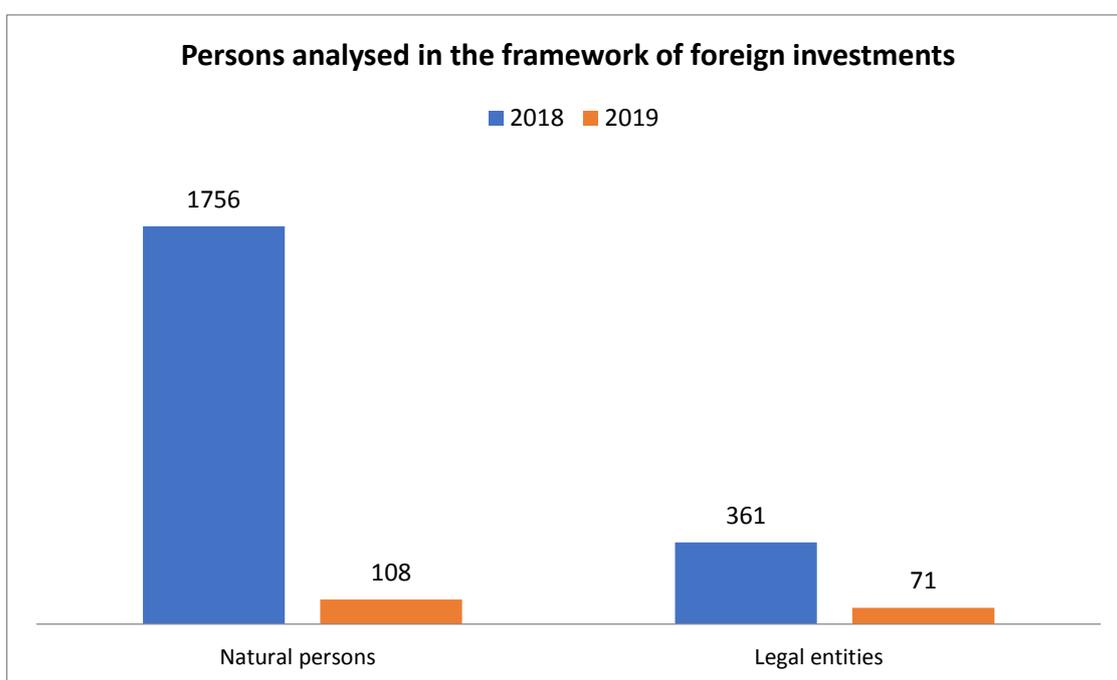
- **Submitted requests**

	Foreign investment	
	2018	2019
Requests received	995	26
Requests analysed	995	26
Unfavourable notification	-	2
Police inquiry notification	82	11
Observations report to the Register of Companies	2	6
Withdrawals	-	-
TOTAL	995	26



- Number of persons analysed (natural persons and legal entities)

	Persons analysed in the framework of foreign investments	
	2018	2019
Natural persons	1756	108
Legal entities	361	71
Total	2117	179





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