

ACTIVITIES REPORT 2023

Financial Intelligence Unit of Andorra

CONTENTS

1. PRESENTATION.....	2
2. REPORT	3
a) Moneyval’s evaluations.....	3
b) Areas of work: Operational and Supervision	5
• Operational area	5
• Supervision area.....	6
c) International Statements and Participations	10
d) Other aspects	11
3. PERMANENT COMMITTEE FOR THE PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING	15
4. STATISTICS FOR THE YEAR 2023 AND COMPARISON WITH 2022	16
a. Operational analysis	18
• Suspicious transaction reports	18
• National cooperation.....	19
• International cooperation	19
• Cases forwarded to the Prosecutor’s Office and amounts subject to potential judicial seizure.....	21
• Number of individuals under investigation.....	23
b. Foreign investment	24
• Applications submitted	24
• Number of individuals analysed	25

1. PRESENTATION

Having completed the year 2023, in accordance with the provisions of article 55.2 p) of Law 14/2017, of June 22, on the prevention and fight against money laundering and the financing of terrorism, it is necessary to present the activity report for this exercise in order to evaluate the effectiveness of the prevention and fight system against these criminal activities.

Considering the definition given by the Catalan language dictionary of the Institute of Catalan Studies for the term effective: "*to have the virtue of producing the desired effect*", and highlighting the conclusions reached once again by the latest report of the Basel Institute titled: "Basel AML Index 2023: 12th Public Edition," it must be concluded that our level of prevention and control, and ultimately the effectiveness of the system, continues to be highly positive.

However, the will to improve and surpass the continuous work carried out is permanent, and to this effect, emphasis must be placed on the actions initiated during this exercise, some of which were highlighted last year, particularly aimed at: (i) facing the next cycle of the 6th evaluation round with Moneyval, and (ii) the implementation in our internal legal system of those legal measures that will allow us to achieve an improvement in the rating of those FATF Recommendations, still partially compliant today.

But this work, led and coordinated by the Financial Intelligence Unit, must necessarily be accompanied by the will and unidirectional commitment, not only of the public administration bodies, but also of private entities and companies, both of which play an essential role in our field.

Finally, I would like to thank once again all the members of UIFAND for their always good disposition in the tasks they carry out.

Carles Fiñana Pifarré

Head of the Financial Intelligence Unit of Andorra

2. REPORT

This section covers a significant part of the activity carried out during the period under review.

It is also important to keep in mind, and if necessary, reread what was indicated in the previous activity report for the period 2022, as it is necessary for a correct understanding and monitoring of the development of some tasks that have longer durations than the annual periodicity.

a) Moneyval's evaluations

Regarding the Principality of Andorra, we are currently immersed in parallel and jointly having to face two Moneyval evaluations at the same time, namely the 5th and 6th rounds.

As for the completion of the 5th evaluation round, and in our particular case, as we have previously mentioned, we are committed to presenting a new Follow-up Report for the plenary session in December 2025, as agreed after the proposal presented by the Secretariat, which was unanimously accepted during the 64th Moneyval plenary session held in December 2022.

Regarding the start of the 6th evaluation round, we already have the roadmap that we will have to face, with the dates set for the participating countries, and with the new applicable procedural regulations.

The new "*Rules of procedure*", whose content was extensively explained in our previous activity report, both in terms of technical compliance and system effectiveness, and after intense analysis and debate among the jurisdictions, were finally approved during the 65th Moneyval plenary session in May 2023.

Along with these, the new FATF methodology to be applied in this new round of evaluations is being developed with the working groups, focusing not only on the technical compliance of the revised Recommendations but also on the so-called Immediate Outcomes.

Among the notable changes, it is necessary to refer to the Key Recommended Actions (KRA) and the applicable roadmap, which will involve the type of follow-up to be followed, and in the event of improper/insufficient implementation of these KRAs within the stipulated time frame, it may lead to enhanced follow-up (ICRG), directly applied by the FATF.

This situation is quite concerning, as it is the process by which the FATF identifies, reviews, and continuously monitors jurisdictions with strategic deficiencies in AML/CFT that pose a risk to the international financial system and closely monitors their progress.

The Recommendations that will be re-evaluated, regardless of the previous score obtained, are as follows:

i) The 11 recommendations where there have been interpretative changes, namely:

- R.1:** risk assessment and application of a risk-based approach,
- R.2:** national cooperation and coordination,
- R.4:** confiscation and provisional measures,
- R.8:** non-profit organizations,
- R.15:** new technologies,
- R.24:** transparency and beneficial ownership of legal persons,
- R.25:** transparency and beneficial ownership of legal arrangements,
- R.30:** responsibilities of law enforcement authorities in charge of investigations,
- R.31:** powers of law enforcement and investigative authorities,
- R.38:** mutual legal assistance, freezing, and confiscation, and finally,
- R.40:** other forms of international cooperation.

ii) The Recommendations in which there has been modifications in the domestic legislation of the Jurisdiction subject to analysis.

iii) Any other recommendation that the evaluators themselves consider.

Thus, the laws and other comparable texts are documents to be taken into account for technical compliance, and statistics are key to demonstrating effectiveness (data from the five years prior to the evaluation is requested).

In any case, and in a global manner, the information is analysed taking into account the risk and the country's context.

In general, and from an operational point of view, it is important to note that:

- The deadlines are shorter,
- The extraordinary importance of statistics,
- International financial sanctions on certain individuals (TFS) that everyone must implement, including obligated entities,
- Cross-border flows and their control,
- The seizure and confiscation of assets of criminal origin, including “non-conviction based” seizures, and the cooperation regime with other countries,
- Legal entities and other similar legal structures, which include Andorran legal entities, legal entities constituted in the country with activities abroad, and also legal entities constituted abroad but with relations with the country, and finally,
- Tax evasion committed abroad.

Finally, it should be noted that, during the 66th Moneyval Plenary held in December 2023, the Secretariat also presented, for approval, the final document entitled "*Planning and sequencing for the 6th round of mutual evaluations*," which sets, for the period 2024-2027, among other things, the start date of the evaluation of each jurisdiction. As it pertains to us, regarding the Principality of Andorra, we will be the ninth country evaluated, with three work stages planned as follows:

1. After receiving the pertinent official communications in the last third of 2025, between February and March 2026, the Mutual Evaluation Report (MER) must be presented to the Secretariat, the evaluation team, and scientific experts. This report constitutes the first document/draft around which the entire process will revolve.
2. A visit by the evaluators to the country is scheduled for September/October 2026, lasting three weeks.
3. Once the final report is completed, it will be presented for analysis, discussion, and, if applicable, approval at the plenary session scheduled for May 2027.

b) Areas of work: Operational and Supervision

- Operational area

In line with previous exercises, the members of the Area continue to maintain, for yet another year, a very high level of work regarding the analysis not only of the new cases presented but also of those already in progress. This has resulted in an extremely high resolution rate of these cases.

The details of the data are specified in sections 4.a) and b) of this report.

Furthermore, in exercising its functions, this Area may identify, during the internal handling of dossiers, dysfunctions or administrative irregularities, the competencies and analysis of which correspond to another body or entity within the general Administration.

In such circumstances, and under the provisions of Article 55.2(d) of Law 14/2017, of June 22, on the Prevention and Fight against Money Laundering and the Financing of Terrorism, which states, and I quote: "*UIFAND performs the following functions: to request and send to the judicial authorities, the Police Department, the Customs Body, or any entity of the Administration, any information that is relevant to the exercise of their functions*," the relevant information is provided for the appropriate purposes.

More specifically, in some cases, alleged irregularities in the tax obligations of the natural or legal person as a taxable entity are detected, which leads to the communication of this information to the Department of Taxes and Borders.

A summary of these cases is presented in the following chart.

Case file UIF	Year report	Taxpayers	Type of verification and applicable regime	Tax years	Type of tax	Type of infraction	Total tax debt
1056/13	2015	1 natural person	MANAGEMENT & SANCTIONS	2012-2013	IAE	2 MINOR FRAUDS	23.535,34 €
6046/17	2018	2 natural persons	GENERAL & SANCTIONS	2015-2017	IRPF, IGI	6 SERIOUS FRAUDS	101.269,44 €
6076/17	2018	1 legal entity	GENERAL & SANCTIONS	2014-2018	IS, IGI	4 VERY SERIOUS FRAUDS 6 SIMPLE FRAUS	348.444,66 €
6175/18	2018	1 legal entity	GENERAL & SANCTIONS	2015-2017	IS, IGI	6 DEFRAUDACIONS LLEUS	10.967,40 €
6295/18	2019	1 legal entity	GENERAL & SANCTIONS	2017-2019	IS, IGI	6 DEFRAUDACIONS LLEUS	37.150,02 €
6300/18	2019	1 natural person	GENERAL	2016-2018	IRPF	None	73.680,35 €
6433/19	2020	1 natural person	GENERAL & SANCTIONS	2016-2019	IRPF	4 MINOR FRAUDS	18.124,15 €
6440/19	2019	2 legal entities	GENERAL & SANCTIONS	2017-2019	IS, IGI	3 DEFRAUDACIONS GREUS 8 MINOR FRAUDS	409.064,15 €
6541/19	2020	2 natural persons 1 legal entity	GENERAL & SANCTIONS	2016-2019	IRPF, IS, IGI	4 SERIOUS FRAUDS 10 MINOR FRAUDS	127.641,36 €
6625/20	2020	1 natural person	GENERAL & SANCTIONS	2016-2020	IRPF	4 MINOR FRAUDS	257.343,03 €
6798/21	2021	1 legal entity	GENERAL	2018-2020	IS, IGI	None	353.202,16 €
7094/23	2023	1 natural person	GENERAL	2019-2021	IRPF	None	- €
7098/23	2023	1 legal entity	SANCTIONS	2019-2022	IS	3 MINOR FRAUDS 3 SIMPLE FRAUS	6.189,04 €
TOTAL							
		9 natural persons 8 legal entities				4 VERY SERIOUS FRAUDS 13 SERIOUS FRAUDS 43 MINOR FRAUDS 9 SIMPLE FRAUDS	1.766.611,10 €

From this reading, it emerges that for the period 2015-2023, a total of thirteen (13) dossiers have been submitted, comprising nine (9) individuals and eight (8) legal entities, relating to tax years between 2012 and 2022, and concerning various types of taxes—IAE, IGI, IRPF, IS.

Regarding these matters, and following an analysis of the case and the type of infraction detected, it has resulted that, taking into account the defrauded base, the resulting amount is identified. By adding this amount with the application of the corresponding interest, or the imposed penalty, or finally both parameters, the general Administration has been able to recover a total amount of 1,766,611.10 EUR.

- Supervision area

As usual, after drafting the inspection work plan "in situ" at the beginning of each term, which is developed quarterly, the set objectives have been fully achieved.

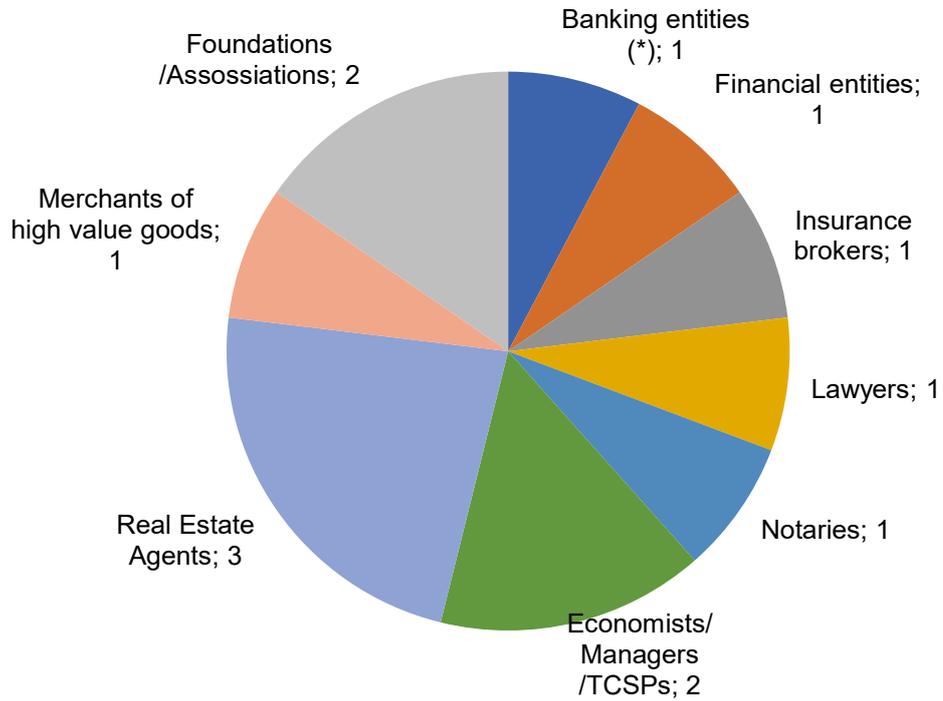
The figures and statistical data, which will be detailed below, demonstrate a significant increase compared to the previous exercise in 2022, the number of inspections amounting thirteen (13), carried out on various obligated entities, both financial and non-financial. All of these inspections were of a general and global nature concerning the analysis of the implemented preventive systems and the degree of implementation of the regulations.

On the one hand, following the previously implemented work plan for the banking financial sector, one (1) banking entity has been inspected, and for the non-banking sector, one (1) financial entity and one (1) insurance broker have also been inspected. On the other hand, regarding non-financial obligated entities, the range of those inspected covers a variety of sectors and amounts to a total of ten (10).

Thus, we present in the following two charts the data corresponding to the number of inspections conducted and the affected sectors.

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Financial reporting entities					
Banking entities (*)			1		1
Financial entities			1		1
Postal institutions					
Insurance companies					
Insurance brokers		1			1
Virtual assets service providers					
<i>(*) Joint inspection with AFA</i>					
Non-financial reporting entities					
Accountants/Auditors/Tax Advisors					
Lawyers				1	1
Notaries		1			1
Economists/ Managers /TCSPs	1		1		2
Real Estate Agents	1	1		1	3
Merchants of high value goods			1		1
Casinos					
Foundations /Assosiations	1			1	2
Art merchants					
Free trade zone					
Total	3	3	4	3	13

Distribution of inspections conducted by sector (2023)



Furthermore, concerning external audits requested from financial, banking, and non-banking obligated entities, all necessary information is provided in the following table, mainly focusing on the internal analysis work generated by these.

Reporting entities	Number of audits submitted and reviewed	Number of audit supplements	Number of information requests	Number of informative notes	Number of informative notes with recommendations
Banking entities	3	0	1	3	1
Financial entities	13	3	6	13	3
Insurance companies	10	3	5	10	4
Postal institutions	2	0	1	2	0

As for new publications, such as technical communiqués, information notes, guides, and updated versions of these, all of which are incorporated on our website, www.uifand.ad/en/, the attached table provides information on this dissemination work:

CT	Obligated entities affected	Date	Overview
CT-01/2023	All	13/02/2023	Update of CT-2/2019 regarding the re-evaluation of the identification and verification of the beneficial owner's identity.
CT-02/2023	All	13/02/2023	Update of CT 3/2019 concerning cash transactions.
CT-03/2023	All	24/02/2023	Updated list of high-risk countries by FATF-GAFI, as published on their website.
CT-04/2023	All	20/03/2023	Update of the list of EU high-risk countries.
CT-05/2023	All	27/06/2023	Updated list of high-risk countries by FATF-GAFI, as published on their website.
CT-06/2023	Insurance companies operating in life insurance	25/10/2023	Instructions related to audits in the field of prevention and combating money laundering and the financing of terrorism.
CT-07/2023	Non-banking financial entities	25/10/2023	Instructions related to audits in the field of prevention and combating money laundering and the financing of terrorism.
CT-08/2023	Banking entities	25/10/2023	Instructions related to audits in the field of prevention and combating money laundering and the financing of terrorism.
CT-09/2023	Postal institutions	25/10/2023	Instructions related to audits in the field of prevention and combating money laundering and the financing of terrorism.
CT-10/2023	All	30/10/2023	Updated list of high-risk countries classified by FATF-GAFI, as published on their website.

Date	Concept
17/01/2023	Informative note directed at the non-banking insurance sector.
21/02/2023	Updated version of the Beneficial Owner Guide.
21/02/2023	Updated version of the ERI Guide
21/02/2023	Updated version of the informative note directed at the non-profit sector.
21/02/2023	Updated version of the Typologies on usual operations likely to involve money laundering.
17/05/2023	Informative note directed at the real estate sector.
31/05/2023	Guide directed at the real estate sector.

c) International Statements and Participations

As is customary each year, the participation of UIFAND members in external events is a fact, and the following graph summarizes this notably in relation to the two reference organizations, namely Moneyval and the Egmont Group.

Date	Name	Organizing entity	Location
08/02/2023	Materiality Project Team Meeting	Moneyval	Virtual
24/03/2023	Moneyval Typologies Meeting	Moneyval	Virtual
18/04/2023	Materiality Project Team Meeting	Moneyval	Virtual
28/04/2023	6th Round Moneyval	Moneyval	Virtual
22/05/23 to 26/05/23	65th Plenary	Moneyval	Strasbourg
3/7/2023 to 11/7/2023	29th Plenary	Egmont	Abu Dhabi
04/12/2023	Informal Session 6th evaluation round key documents	Moneyval	Virtual
11/12/23 a 15/12/2023	66th Plenary	Moneyval	Strasbourg

On the other hand, as it is customary, we were present at the 29th Plenary held from July 3rd to 7th, 2023, in Abu Dhabi (Arab Emirates), having been present in the different *Working Groups*, the internal sessions of Directors, and the final plenary.



d) Other aspects

In this section, we address all the significant issues related to our work.

Firstly, we would like to mention the **training activities** in which our members have participated or provided throughout this year. The summary of these activities is presented in the following table:

Date	Subject	Organizing entity	Location
02/02/2023	Terrorism and the financing of terrorism.	Dolores Delgado	Consell Superior de Justícia (Andorra)
16/02/2023 to 12/05/23	Cryptocurrencies, with 8 sessions held from February to May 2023.	AFA / Alfredo Muñoz (et al., depending on the session)	Virtual
10/03/2023	Beneficial ownership, focusing on trends and models discussed in an international webinar.	Chile (member of the Financial Transparency Cohort of the Summit for Democracy), together with the US in its capacity of co-leader of the cohort	Virtual
11/05/2023	The 12th Financial Seminar of BNY Mellon	Bank of New York Mellon	Andorra (Hotel Plaza)
18/05/2023	The regulation of tax crimes.	Borja Aguado (Public Prosecutor's Office) and Carles Ferreira (Department of taxes)	Batlhia Andorra
14, 15 & 16/11/23	Money laundering trial.	Tribunal de Corts	Justice Headquarters (Andorra)
27/11/2023	Virtual Meeting on the Risk Based Guidance on Recommendation 25	GAFI - PDG	Virtual
28/11/2023	Potential Revisions to R16 - Card networks and banks	GAFI - PDG	Virtual
04/12/2023	Potential Revisions to R16 - Non bank financial institutions	GAFI - PDG	Virtual
05/12/2023	VACG Symposium	GAFI	Virtual
07/12/2023	VACG Symposium	GAFI	Virtual
08/12/2023	Potential Revisions to R16 - Payment Expert Group	GAFI - PDG	Virtual
18/12/2023	Information Session: R8/INR8 and the NPO BPP	GAFI - PDG	Virtual

Furthermore, regarding the opening of sanctioning administrative proceedings for non-compliance with the provisions of Law 14/2017, two procedures have been initiated against non-financial reporting entities in 2023, as detailed below:

Type of reporting entity	Type of person	Infraction class	Type of infraction	Type of sanction	Sanction amount imposed	Abbreviated sanctioning procedure (art 85.2)
Real estate agent	Legal entity	1 minor infraction	Any violation of the norms of the Law 14/2017 that is not specifically classified as a serious or very serious offense in the preceding articles (art. 73 de la Llei 14/2017).	Fine	1.500 €	Yes
Real estate agent	Natural person	2 serious infraction	Failure to conduct an adequate, sufficient, objective, and realistic individual risk assessment when such failure does not constitute a very serious offense (article 72.15 of Law 14/2017).	Fine	9.000 €	Yes
			Failure to establish adequate and sufficient internal control procedures when such failure does not constitute a very serious offense (article 72.13 of Law 14/2017).			

We have also been requested by various international organizations, in addition to our regular counterparts such as FATF and Moneyval, to respond to various questionnaires and provide the requested information. This is highlighted in the following table:

Name	Organization	Date
Request for inputs: Risks associated with citizenship and residency by investment programmes (CBI-RBI programmes)	GAFI	Jan. 2023
Survey: National Politically Exposed Persons list	World Bank Financial Integrity Unit	Feb. 23
Survey: Europe II Regional Plan	Europa II (Grup Egmont)	Mar. 23
Questionnaire RTMG Project on crowdfunding for terrorism financing	GAFI	Mar. 23
Questionnaire regarding ML/TF and cyber-enabled fraud	FATF/Egmont Group/INTERPOL (enviat pel GAFI)	Mar. 23
OSCE: Questionnaire regarding the Code of Conduct on politico-militar aspects of security	OSCE	Apr. 23
Input and/or updates on risk situation and international co-operation	Moneyval	Jun. 23
Questionnaire on the FIU's role combatting sanctions evasion project	Egmont Group (jointly with AUSTRAC and FinCEN)	Jun. 23
GIFCS Summary statement 2023	GIFCS (enviat per l'AFA)	Oct. 23
Indicateurs tabac 14 à 19	Ministeri de Justícia i Interior	Nov. 23
ML NRA Guidance Update Questionnaire	GAFI	Nov. 23

Additionally, in the last third of 2022, we recognized the need for a thorough review of our website in order to update its content. This includes incorporating the latest legislative developments and disseminating other relevant information, such as the publication of new guides and informative notes with more recent content. This extensive work, after identifying areas for improvement, has been carried out throughout the year 2023.

Lastly, I would like to mention the new report prepared and published by the Basel Institute on November 13th, 2023, titled "Basel AML Index 2023: 12th Public Edition." In the activities report for 2021, it was extensively explained: (i) the indicators and risk factors considered, and (ii) the percentages and weighting applied, which evaluators analyse for the reviewed jurisdictions, including 203 countries in this case. The conclusions of this report highlight that the Principality of Andorra ranks as the fourth best jurisdiction globally. For those interested, the report provides a summary, as the full report is available only through subscription and payment. It was published on April 8th 2024, on the UIFAND's website.



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

During the year 2023, the Permanent PBC/FT Commission (CPP) met on March 21st, July 20th, and December 18th. Several issues were discussed, among which I would like to highlight the following for their significance:

(i) Presentation at the request of the Public Prosecutor's Office of its report dated March 1st 2023, regarding virtual assets, entitled: "*Risk of BC/FT in Andorra: Perspective of the Public Prosecutor's Office, a First Approach.*"

This study aims to contextualize the problem and begin implementing actions to mitigate potential risks identified, given the risk associated with the proliferation of virtual assets in the context of Andorra, as well as in relation to the current situation of the Ukraine-Russia conflict. In this sense, it concludes that a first approach to a national risk study on BC/FT is needed.

Subsequent to the above, and for this purpose, a letter dated June 1st 2023, was sent to all involved sectors, requesting them to provide representatives for the formation of a Working Group. This request is directly linked to the new FATF Recommendation 15, entitled "New Technologies," on which, given the complexity of the matter and the challenges it generates, the FATF itself has issued a series of guides, guidelines, or reports on market evolution to ensure a uniform adoption of the standard¹.

In parallel, the World Bank has developed and made available to countries a new risk assessment module for BC/FT of virtual assets and virtual asset service providers (VASPs)².

(ii) At the same time, considering the FATF's revision of Recommendation 24, entitled "Transparency and Beneficial Owners of Legal Persons," which reinforces the need for a risk-based approach considering the real risks of legal entities operating in each jurisdiction, work has been done.

This is a first action on which subsequent actions to improve the national BC/FT prevention system must be based, all in an immediate manner, following a specific and sequential implementation schedule. Therefore, similarly, the collaboration of all involved sectors has been requested in the formation of a Working Group.

(iii) Analysis and consideration of the roles of the "*saig*" and the "*veedor digital*" as potential entities subject to Law 14/2017.

(iv) Finally, as usual, up-to-date information is provided on the various actions regarding the Moneyval evaluation rounds, for anything that may concern legislative implementation.

¹ <https://www.fatf-gafi.org/content/fatf-gafi/en/publications/Fatfrecommendations/Guidance-rba-virtual-assets-2021.html>

² <https://www.worldbank.org/en/news/video/2023/02/06&virtual-assets-risk-assessment-toolkit>

4. STATISTICS FOR THE YEAR 2023 AND COMPARISON WITH 2022

In general terms, and considering the evolution of the data from both years, a slight decrease is observed for 2023, in both the suspicious transaction reports (STRs) submitted and the national cooperation requests received, which are down by -5% and -7%, respectively. This is not the case for other areas that generate operational activity, such as international cooperation related to incoming external requests or foreign investment requests forwarded, each showing a more significant decrease of -33%.

These primary and key data points logically result in a reduction of other parameters, including the volume of analysis generated and the overall workload.

REPORT OF THE UIFAND'S WORK GENERATED AND CONDUCTED DURING 2023		
1. OPERATIONAL ANALYSIS		
Concept	Number	Observations
Received STRs (Suspicious Transactions Reports)	61	53 Banks 1 Notary 2 Real estate agents 2 Insurance 3 Postal institutions
UIF-initiated cases	2	-
National Cooperation	28	24 AFA 3 Government 1 Customs
International Cooperation (FIU's)	43	32 - Other FIUs to UIFAND 11 - UIFAND to other FIUs
Generated volume of analysis:	134	-
Number of cases sent to the Prosecutor's Office	35	9 of 2022 26 of 2023
Values of cases sent to the Prosecutor's Office with the possibility of judicial seizure	10.502.990 €	Converted into Euros
Number of archived cases	89	13 of 2022 76 of 2023
Volume of analysis conducted:	124	-
Number of ongoing investigation cases	22	2 of 2022 20 of 2023
Investigated persons (natural persons and legal entities)	533	297 natural persons 236 legal entities
Operations blocked by UIFAND	1	-
2. FOREIGN INVESTMENT		
Concept	Number	Observations
Incoming demands and analysed	26	Direct investment (legal entities):25 Real estate investment: 1
Negative notice	-	-
Notice for inquiry to the Police	15	-
Observation report to the Companies Registry	2	-
Withdrawal	1	-
Individuals analysed within the framework of foreign investment	107	58 natural persons 49 legal entities
3. TOTAL		
Concept	Number	Observations
Volume of work performed (operational analysis)	124	-
Number of analysed IE requests	26	-
Total volume of work performed:	150	

REPORT OF THE UIFAND'S WORK GENERATED AND CONDUCTED					
YEAR 2022			YEAR 2023		Evolution % (2022-2023)
Concept	Number	Observations	Number	Observations	
1. OPERATIONAL ANALYSIS					
Received STRs (Suspicious Transactions Reports)	64	60 Banks 1 Notary 2 Economists/ Managers /TCSPs 1 Postal money order entities	61	53 Banks 1 Notary 2 Real estate agents 2 Insurance 3 Postal institutions	-5%
UIF-initiated cases	-	-	2	-	-
National Cooperation	30	18 AFA 10 Government 1 Police 1 Customs	28	24 AFA 3 Government 1 Customs	-7%
International Cooperation (FIU's)	64	53 - Other FIUs to UIFAND 11 - UIFAND to other FIUs	43	32 - Other FIUs to UIFAND 11 - UIFAND to other FIUs	-33%
Generated volume of analysis:	158	-	134	-	-15%
Number of cases sent to the Prosecutor's Office	39	7 from 2021 32 from 2022	35	9 from 2022 26 from 2023	-10%
Values of cases sent to the Prosecutor's Office with the possibility of judicial seizure	36.701.720 €	Converted into Euros	10.502.990 €	Converted into Euros	-
Number of archived cases	108	16 from 2021 92 from 2022	89	13 from 2022 76 from 2023	-18%
Volume of analysis conducted:	147	-	124	-	-16%
Number of ongoing investigation cases	24	24 from 2022	22	2 from 2022 20 from 2023	-8%
Investigated persons (natural persons and legal entities)	1570	1181 natural persons 389 legal entities	533	297 natural persons 236 legal entities	-66%
Operations blocked by UIFAND	-	-	1	-	-
2. FOREIGN INVESTMENT					
Incoming demands and analysed	39	Direct investment (legal entities): 38 Real estate investment: 1	26	Direct investment (legal entities): 25 Real estate investment: 1	-33%
Negative notice	-	-	-	-	-
Notice for inquiry to the Police	20	-	15	-	-25%
Observation report to the Companies Registry	8	-	2	-	-75%
Withdrawal	-	-	1	-	-
Individuals analysed within the framework of foreign investment	155	80 natural persons 75 legal entities	107	58 natural persons 49 legal entities	-31%
3. TOTAL					
Concept	Number	Observations	Number	Observations	-
Volume of work performed (operational analysis)	147	-	124	-	-16%
Number of analysed IE requests	39	-	26	-	-33%
Total volume of work performed:	186	-	150	-	-19%

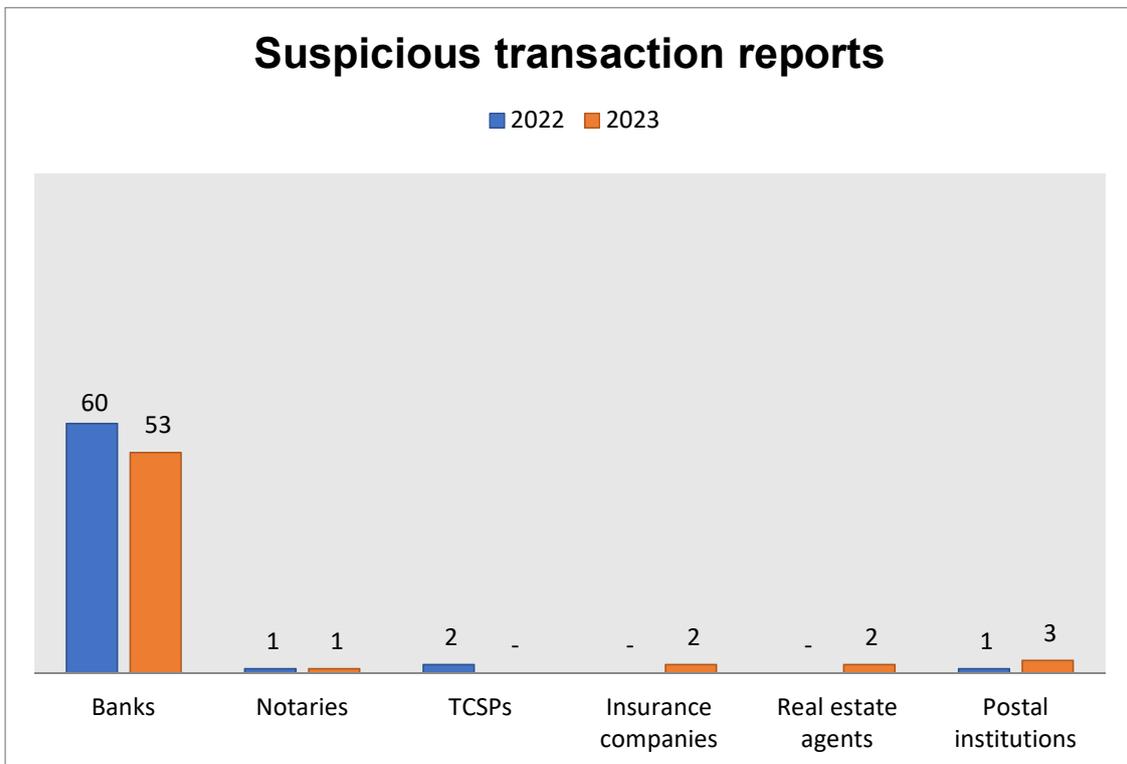
a. Operational analysis

- Suspicious transaction reports

The number of suspicious transaction reports has remained fairly consistent in recent years, with a decrease of -5% this time, as mentioned, representing three fewer reports overall. However, this decline has a more significant impact on the banking sector, with seven fewer reports submitted.

Unlike the previous year, two cases were initiated on the authority's own initiative.

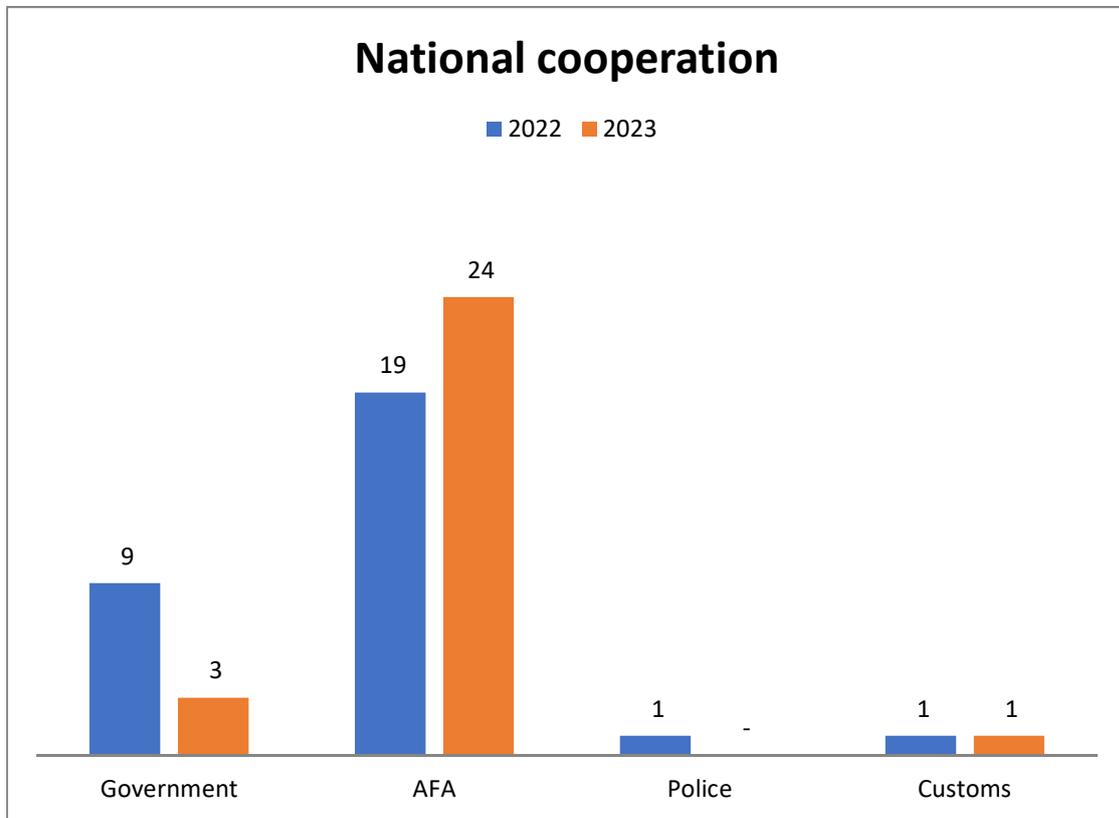
Year	Suspicious transaction reports (STR)	
	2022	2023
Banks	60	53
Notaries	1	1
TCSPs	2	-
Insurance companies	-	2
Real estate agents	-	2
Postal institutions	1	3
TOTAL	64	61



- National cooperation

There has been a minor decrease in data, representing -7%, as mentioned. This includes a substantial increase in requests from the Andorran Financial Authority (AFA), but with fewer requests from other sources.

Year	National cooperation	
	2022	2023
Government	9	3
AFA	19	24
Police	1	-
Customs	1	1
TOTAL	30	28



- International cooperation

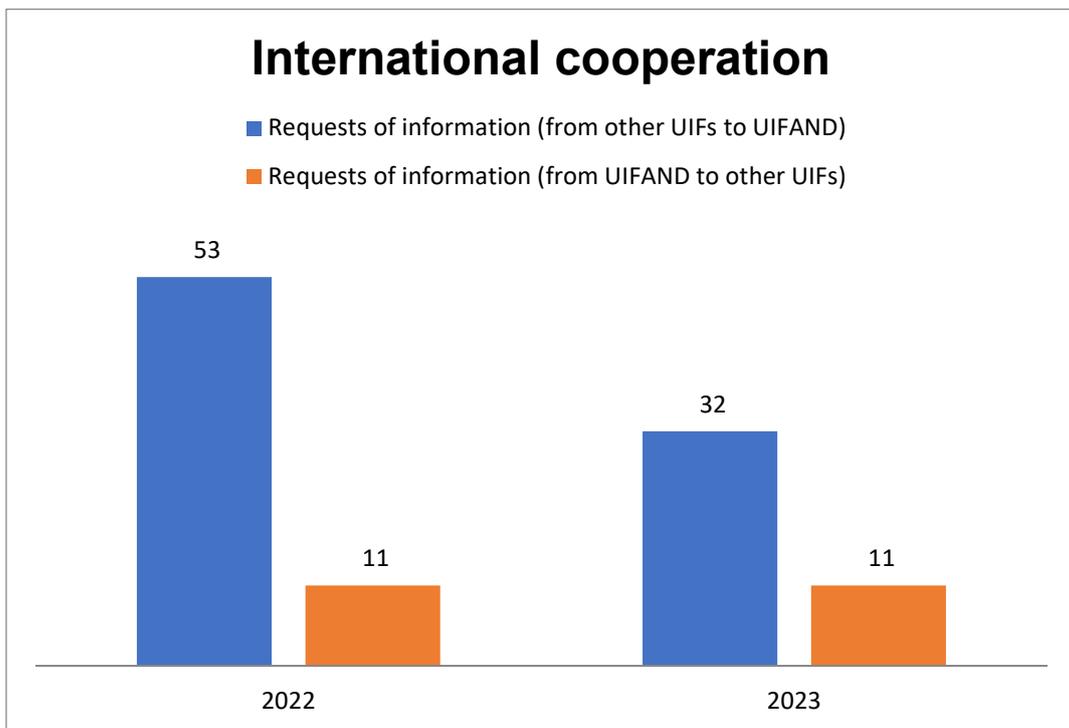
In this section, the most significant decrease is noted, quantified at -33%, which pertains to requests from other FIUs to UIFAND, dropping from 53 last year to 32 this year.

Conversely, the number of requests made by UIFAND to other FIUs remains unchanged at 11 requests.

It's also worth mentioning that 14 jurisdictions have reached out to UIFAND, while UIFAND has made requests to 9 other countries.

Finally, as is customary, we provide the average response time by UIFAND, which remains exceptionally low. For the year 2023, the average response time is 14 days, reflecting an extraordinarily high level of efficiency in our system.

Any	International cooperation	
	2022	2023
Requests of information (from other UIFs to UIFAND)	53	32
Requests of information (from UIFAND to other UIFs)	11	11
TOTAL	64	43



INTERNATIONAL COOPERATION PER COUNTRY - YEAR 2023 -			
Requesting countries (Other FIUs to UIFAND)	Number of requests	Number of spontaneous disseminations	Response time (days)
Germany	-	1	7
Argentina	1	-	4
EUA	1	-	13
Slovenia	1	-	13
Spain	8	1	1, 1, 2, 5, 5, 9, 9, 17, 21
France	2	-	13, 13
Isle of Man	-	1	18
Ireland	-	2	1, 41
Liechtenstein	1	1	6, 67
Luxembourg	-	6	1, 2, 4, 5, 57, 92
Malta	-	1	12
Mexico	3	-	1, 6, 6
Peru	1	-	10
Seychelles	-	1	7
Total	18	14	Average response within 14 days

Requesting countries (UIFAND to other FIUs)	Number of requests	Number of spontaneous disseminations
Austria	1	-
Bahamas	1	-
Colombia	1	-
Spain	1	1
EUA	1	-
France	1	-
Hong Kong	1	-
Monaco	2	-
Switzerland	1	-
Total	10	1

- Cases forwarded to the Prosecutor's Office and amounts subject to potential judicial seizure

In 2023, 35 cases were referred to the Public Prosecutor's Office, a figure very similar to the previous year.

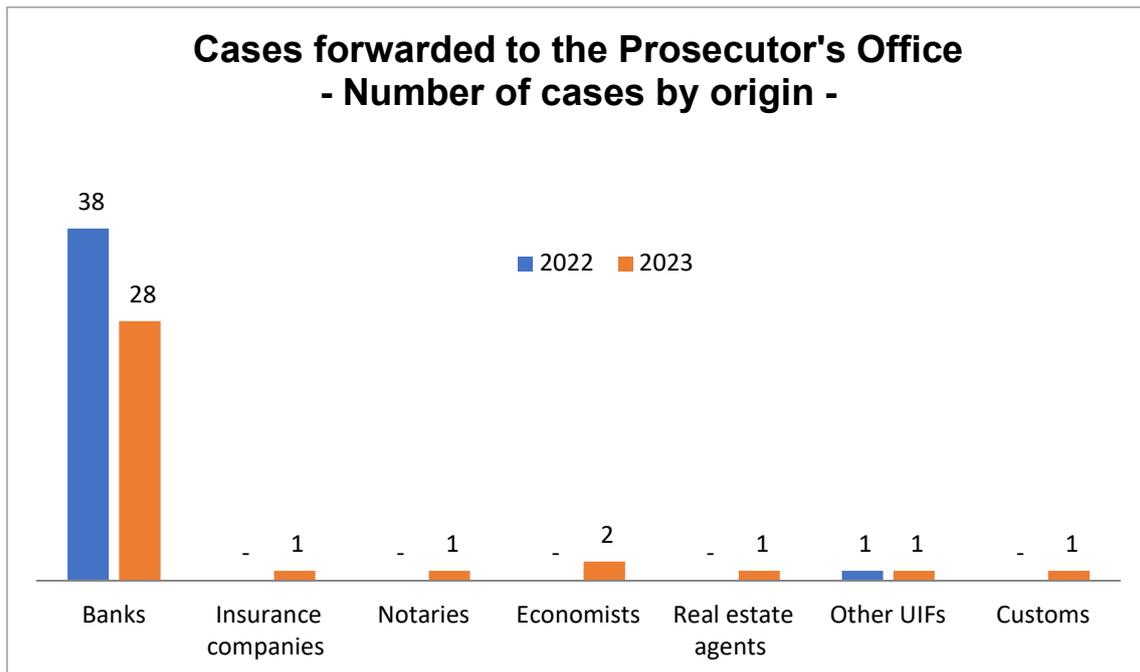
Of these, 9 correspond to cases initiated in 2022, and the other 26 to cases received in 2023, which also demonstrates a high level of efficiency in the analysis and subsequent transmission of the dossiers.

Another regular data point refers to the volume of funds potentially subject to judicial seizure in the referred cases, the amount of which has decreased.

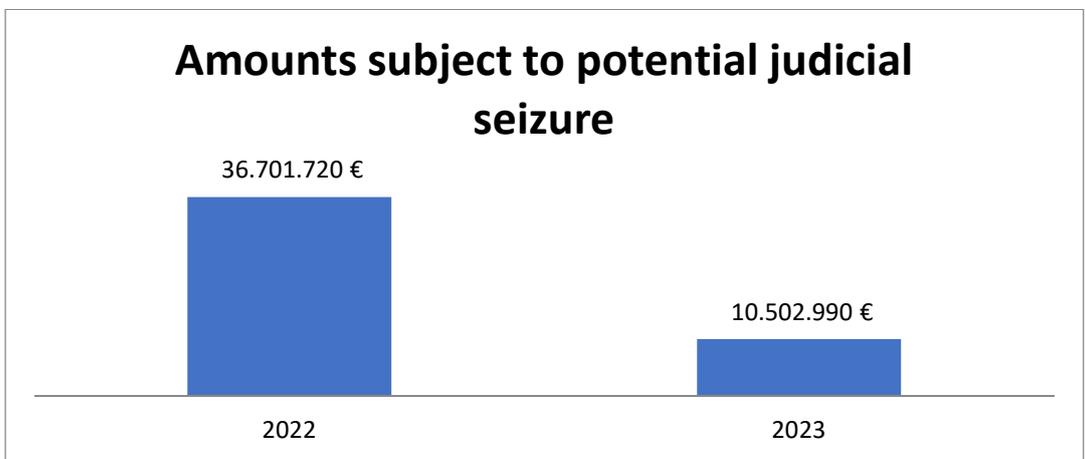
As for the number of cases closed, there has been an 18% decrease, with the number dropping from 108 to the current 89.

Finally, regarding ongoing investigations, the number remains quite similar, with only 2 cases from the previous year still pending.

Year	Cases forwarded to the Prosecutor's Office - Number of cases by origin -	
	2022	2023
Banks	38	28
Insurance companies	-	1
Notaries	-	1
Economists	-	2
Real estate agents	-	1
Other UIFs	1	1
Customs	-	1
TOTAL	39	35



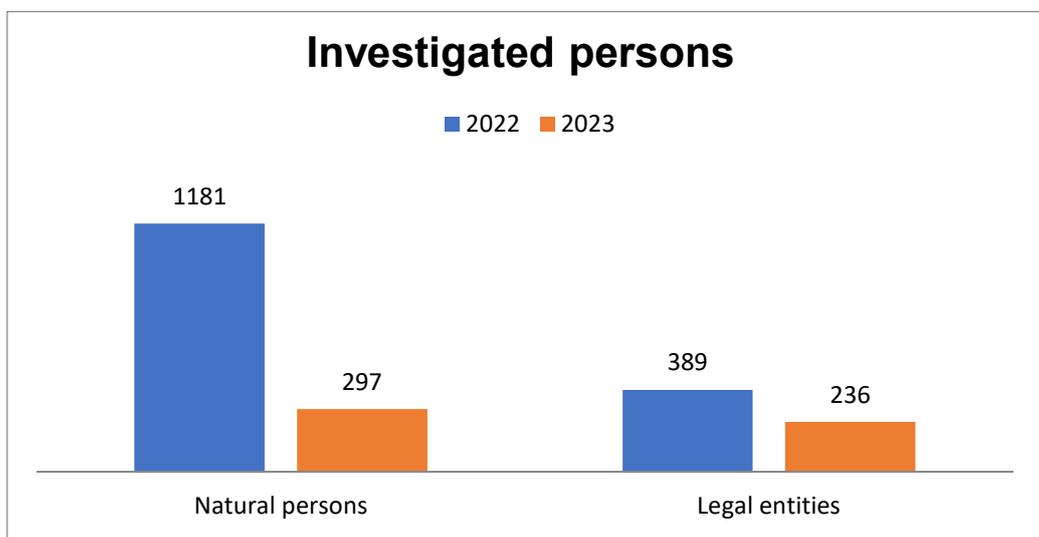
Any	Potential judicial seizure	
	2022	2023
Potential judicial seizure	36.701.720 €	10.502.990 €



- Number of individuals under investigation

The figure provided is based on the total number of cases analysed, which may not necessarily be proportional to the number of cases when compared to previous years.

Any	Investigated persons	
	2022	2023
Natural persons	1181	297
Legal entities	389	236
Total	1570	533

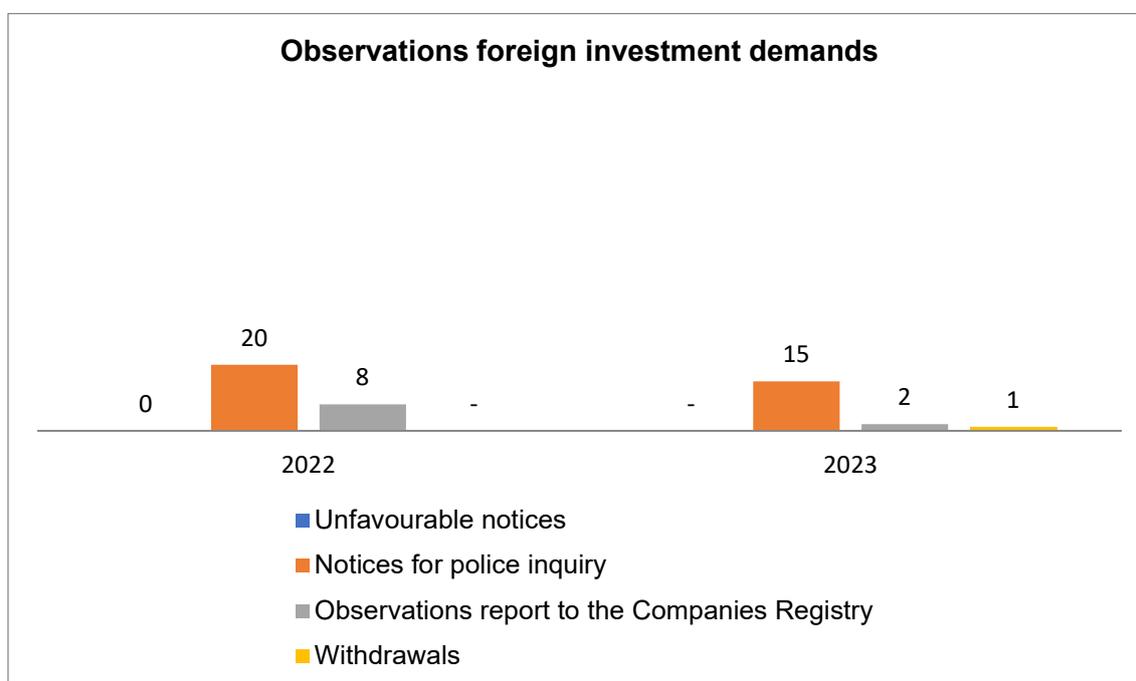


b. Foreign investment

- Applications submitted

Following the trend of recent years, with the exception of 2022, the number of incoming requests continues to decrease, dropping from 39 to 26 this year, particularly those related to direct investment.

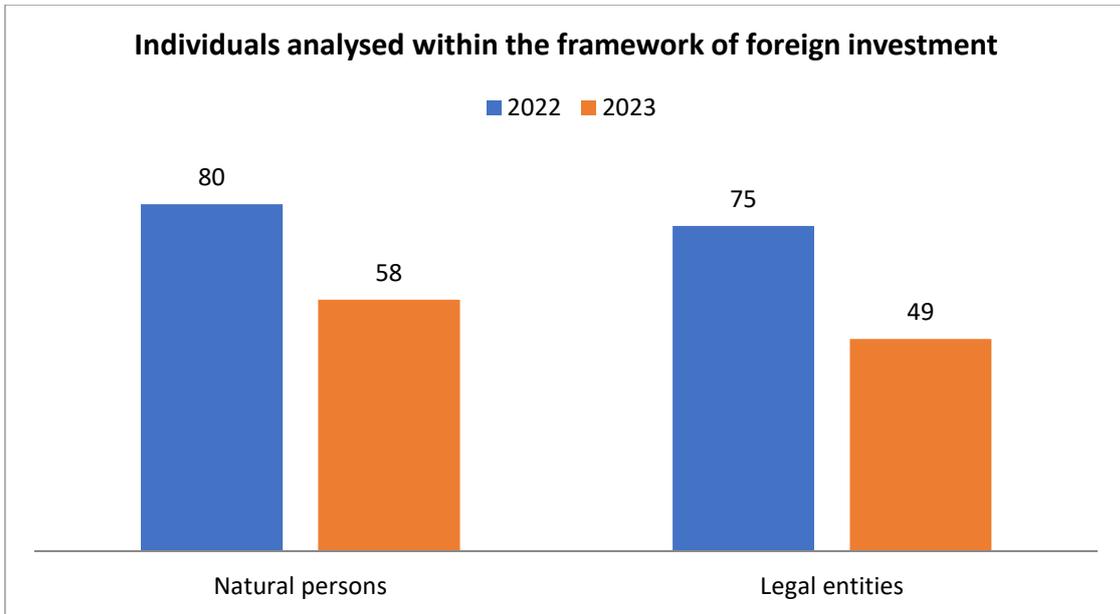
Year	Foreign investment	
	2022	2023
Incoming demands	39	26
Analysed demands	39	26
Unfavourable notices	-	-
Notices for police inquiry	20	15
Observations report to the Companies Registry	8	2
Withdrawals	-	1
TOTAL	39	26



- Number of individuals analysed

Subsequent to the previous point, although the data does not need to be proportional, it is true that with the decrease in the number of requests, the number of individuals analysed also decreases.

Individuals analysed within the framework of foreign investment		
Year	2022	2023
Natural persons	80	58
Legal entities	75	49
Total	155	107





UIFAND

UNITAT D'INTEL·LIGÈNCIA FINANCERA
D'ANDORRA

Dr. Vilanova, 15-17, -4th floor
AD500 Andorra la Vella
Principality of Andorra

Tel.: (+376) 806 730
Fax: (+376) 828 848
uifand@andorra.ad