

2010



وحدة المعلومات المالية  
FINANCIAL INFORMATION UNIT

# QFIU 2010 ANNUAL REPORT

[www.qfiu.gov.qa](http://www.qfiu.gov.qa)

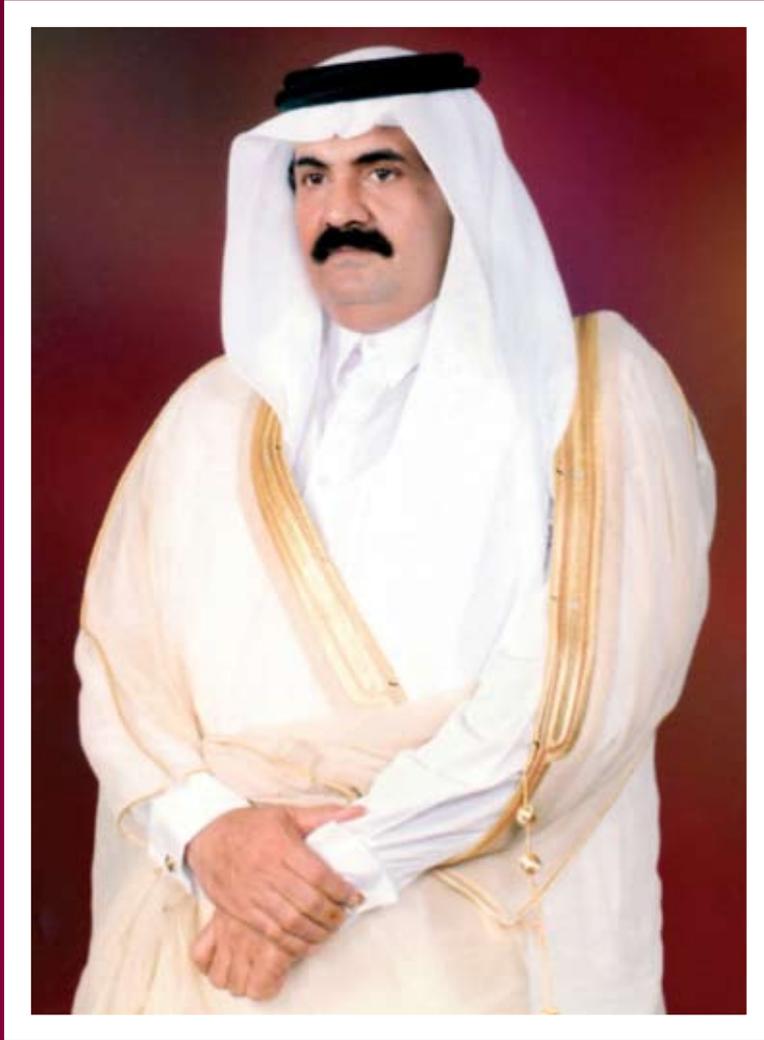




وحدة المعلومات المالية  
FINANCIAL INFORMATION UNIT

# QFIU 2010 ANNUAL REPORT





His Highness

**Sheikh Hamad Bin Khalifa AL Thani**

Emir of the State of Qatar





His Highness

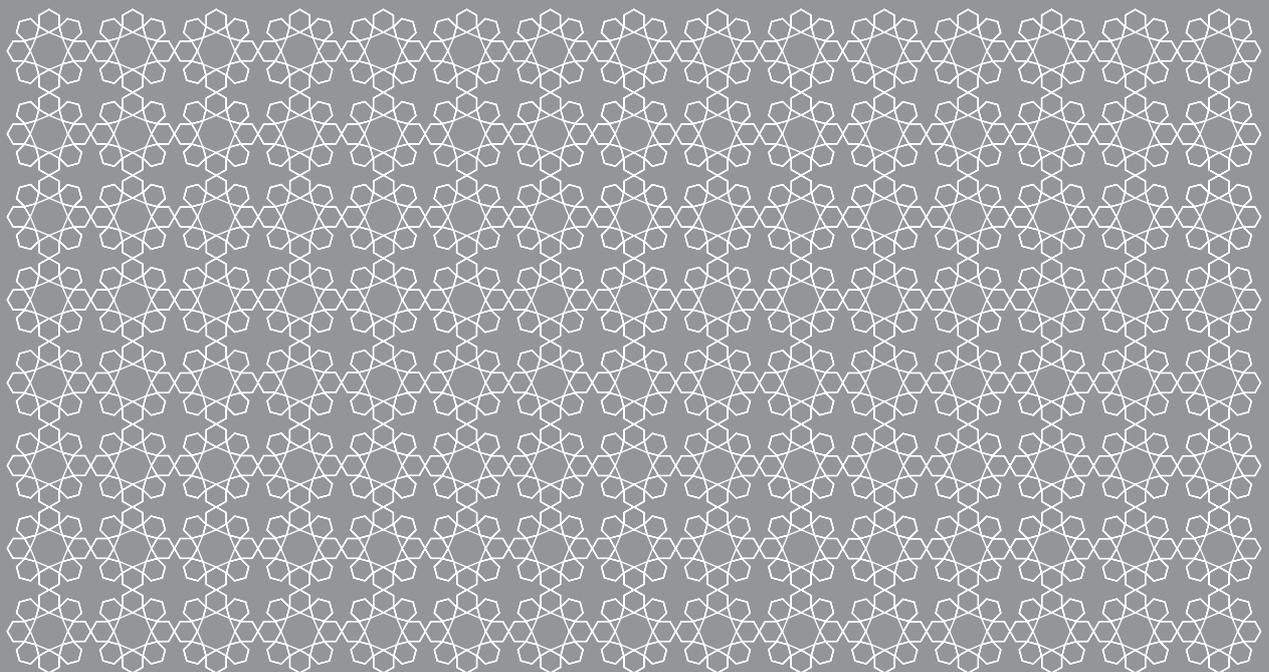
**Sheikh Tameem Bin Hamad AL Thani**

The Heir Apparent



# CONTENTS

<b>Speech of H.E the Deputy Governor Chairman of the National Anti-Money Laundering and Terrorism Financing Committee</b>	2
<b>Speech of H.E the Head of Qatar Financial Information Unit</b>	3
<b>Section One:</b> Qatar Financial Information Unit (QFIU)	4
<b>Section Two:</b> QFIU Activities at the National Level	5
<b>Section Three:</b> QFIU Activities at the International Level	8
<b>Section Four:</b> STRs Statistics and Indicators	10
<b>Section Five:</b> QFIU Future Plan	15
<b>Section Six:</b> Snapshots from QFIU Events	16





وحدة المعلومات المالية  
FINANCIAL INFORMATION UNIT

The State of Qatar has undergone in recent years a significant economic renaissance, largely associated with a widespread growth throughout its different sectors and areas, which induced the competent authorities to cooperate in protecting the national economy and maintaining the gains and achievements of the State of Qatar.

The Government strongly believes in the importance of achieving full compliance with the international standards and requirements in AML/CFT field and enhancing the governance of Qatar Financial Information Unit (QFIU) which was established by an administrative resolution in 2004. As a result, Law No. (4) of 2010 on Combating Money Laundering and Terrorism Financing was promulgated on 18/3/2010 by virtue of which the Unit was reestablished with a different legal tool that shall serve as a central national body responsible for receiving, requesting, analyzing and disseminating information concerning suspected proceeds of crime, potential money laundering or potential terrorism financing operations.

Qatar Financial Information Unit has succeeded since its inception in perfectly carrying out its functions, and has played a vital role inside and outside the State of Qatar which contributed in making it a pattern in the region and subsequently selecting it as Co-Chair of Asia Group in the Egmont Group.

Knowing the importance of the collective action, the Committee has been keen to strengthen and upgrade the collaboration and coordination between the QFIU and other supervisory authorities and concerned parties, and this has had significant impact on the success of the QFIU in performing its tasks.

In recognition of the importance of closer ties with international bodies and institutions, the Committee offered direct backup to the QFIU, which helped the Unit in obtaining the membership of the Egmont Group in a record time.

In the context of its role in the development of AML/CFT policies and plans in the State of Qatar and the follow up of their implementation, the National Committee has been keen to ensure that all the concerned parties in the country establish effective control systems in accordance with the international standards, and adhere to all requirements and obligations imposed by the laws and supervisory controls in the AML/CFT field.

The Committee has equally gave special attention to raise awareness about money laundering and terrorism financing through different seminars, conferences and meetings organized to this end.

In conclusion, the Committee supports the continuity of the QFIU efforts, activities and achievements, and its endeavors in the development of its regulations and procedures to be in line with its international counterparts.

**Fahad Bin Faisal AL Thani**

Deputy Governor, Qatar Central Bank

Chairman of the National Anti-Money Laundering and Terrorism Financing Committee



وحدة المعلومات المالية  
FINANCIAL INFORMATION UNIT

Today after more than 6 years of its establishment, Qatar Financial Information Unit plays a key role in receiving suspicious reports (STRs) in the AML/CFT field, and in taking necessary action and measures in coordination with the concerned parties in the State of Qatar and in cooperation with the international counterparts.

The QFIU succeeded through its financial analysis tools and close relations with the various supervisory authorities and law enforcement parties, to actively follow up the financial transactions exposed to the economic crimes risk and to achieve remarkable results in this area.

In the context of creating the appropriate environment for combating money laundering and terrorism financing, the QFIU has worked to establish a wide circle of privileged relations with the compliance officers of the financial and non-financial institutions and the supervisory authorities and other concerned parties in the State of Qatar, all together consisting of around (70) compliance officers.

The QFIU also extended its efforts by widening its relationships with the international financial intelligence units through positive cooperation in exchanging information.

It has also shown great interest in developing closer relationships with regional and international organizations and working groups in the AML/CFT field.

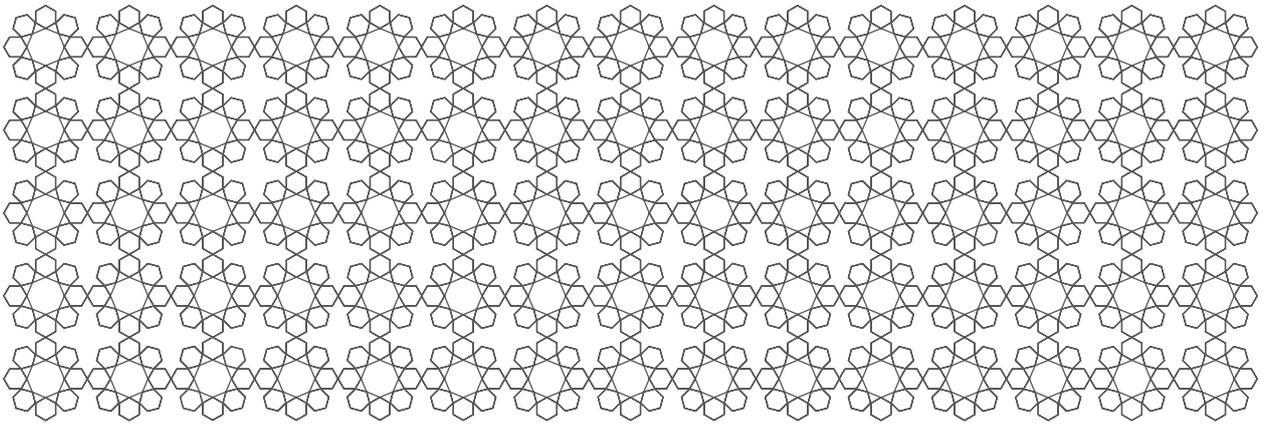
Moreover, the QFIU has made intensive efforts in cooperation with the supervisory authorities and other parties to reach a full understanding of the obligations stipulated by the applicable laws and controls in the AML/CFT field.

In furtherance of those objectives, the QFIU has always worked to provide technical assistance to various parties in the State of Qatar, especially in the field of preparing instructions and supervisory controls, organizing programs and training sessions.

It is worth mentioning that the success of the QFIU is based primarily and firmly on the support and cooperation received from the concerned parties in the State of Qatar, however, the essential contribution in this regard is provided by the National Anti Money Laundering and Terrorism Financing Committee (NAMLC).

In recognition of its relentless efforts, the QFIU was selected to preside over the Asia Group, and was also nominated to join the Egmont Committee.

**Ahmed Bin Eid AL Thani**  
Head of Qatar Financial Information Unit



# SECTION ONE

## Qatar Financial Information Unit

### Legal Form:

Qatar Financial Information Unit is an independent central governmental body, with a legal personality and an independent budget affiliated to the State's public budget.

**Headquarter:** Doha.

**Type:** Administrative Unit.

### Functions and Powers of the QFIU:

The Unit shall serve as a central, national agency responsible for receiving, requesting, analyzing and disseminating information concerning suspected proceeds of crime, potential money laundering or potential terrorism financing operations, as stipulated in the Law No. (4) of 2010 on Combating Money Laundering and Terrorism Financing.



# SECTION TWO

## Activities of the QFIU at the National Level

### QFIU Plan to Introduce the New AML/CFT Law:

Following the promulgation of the Law No.(4) of 2010 on Combating Money Laundering and Terrorism Financing on 2/4/1431 A.H corresponding to 18/3/2010 AD in the Amiri Diwan, by virtue of which the Law No.(28) of 2002 was repealed, Qatar Financial Information Unit (QFIU) set a work plan to introduce the new Law. Therefore, and in its endeavours to effectively implement the said Law, the QFIU held a series of induction meetings as follows:

- Meeting on 23/5/2010 with H.E the Minister of Justice to discuss the latest developments related to the new Law.
- Meeting on 25/5/2010 with representatives from the Ministry of Social Affairs and Charity Organizations.
- Meeting on 26/5/2010 with representatives from the General Directorate of Customs and banks' compliance officers.
- Meeting on 27/5/2010 with AML/CFT compliance officers from Exchange Houses, Investment and Finance Companies.
- Induction meeting on 31/5/2010 to introduce the requirements and obligations related to the new Law.
- Two weeks exploratory visit to the QFIU by officers from the Public Prosecution Office (23/5/2010 to 3/6/2010).

The QFIU also held many events according to a plan set to achieve the following objectives:

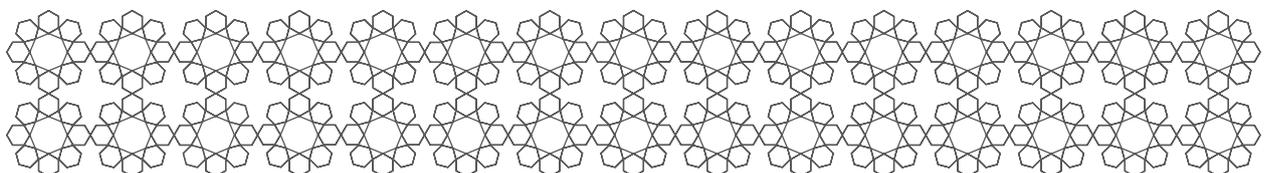
- All national authorities shall understand the provisions of Law, be familiarized with their own requirements and obligations to implement them effectively.
- All supervisory authorities shall review and update their supervisory instructions and controls according to the provisions of Law, and take the necessary measures to verify the abidance of the authorities they supervise by these instructions and controls.
- Effectively implement the work plan of the follow up report according to the procedures related to the mutual evaluation program of the Middle East & North Africa Financial Action Task Force (MENAFATF).

### Enhancing the National Cooperation:

In the application of the instructions of the National Anti Money Laundering and Terrorism Financing Committee (NAMLC) regarding the enhancement of the national cooperation, the QFIU held many liaison meetings with the following competent supervisory authorities:

- Qatar Central Bank
- Qatar Financial Centre
- State Security Bureau
- Ministry of Interior/ Criminal Investigation Department - Section of Fighting Economic Crimes
- Ministry of Justice
- Ministry of Business and Trade
- Ministry of Social Affairs
- Public Prosecution
- General Directorate of Customs
- Financial Institutions

The said liaison meetings addressed many AML/CFT related issues, especially in regard to the first follow up report of the State of Qatar submitted to the MENAFATF during February 2010.





### Training Sessions for QFIU Staff:

Knowing the importance of developing the QFIU's work, enhancing the level of performance of its staff and improving their skills, and based on the importance of keeping abreast with the AML/CFT international developments, the QFIU's staff participated in the following training programs:

#### First: Local Sessions:

Session	Location	Date
First National Workshop on the "Methodology of Evaluating AML/CFT Risks in the State of Qatar".	Doha	1-4/02/2010
Second National Workshop on the "Methodology of Evaluating AML/CFT Risks in the State of Qatar".	Doha	9-10/03/2010
Workshop on the "Electronic Press".	Doha	23-27/05/2010
Workshop on "Developing Financial Analysis Procedures".	Doha	Phase 1 (18-22/07/2010) Phase 2 (19-23/09/2010)
Workshop on the "Research Methods".	Doha	24-27/10/2010

- Some of the QFIU staff also attended English Courses and the International Computer Driving License Program (ICDL).

#### Second: Sessions held abroad:

Session	Location	Date
"Library Information Technology and Electronic Archiving"	Cairo	14-25/3/2010
"Planning, Follow up and Performance Evaluation"	Cairo	3-14/04/2010
Seminar on "Combating Terrorism Financing"	Washington	4-6/10/2010
Regional Workshop on "Advanced Analysis Skills"	Malaysia	6-10/12/2010

### Third: Training Employees from Other Authorities:

In recognition of its vital role in cooperating with other authorities for the development of AML/CFT regimes and policies, the QFIU contributed in training programs and sessions organized by some supervisory and competent authorities. The objective of these programs and sessions was to build and develop the educative and informative structure of the employees at these authorities in AML/CFT field.

### Local Conferences, Meetings and Symposiums:

The QFIU participated in many events that were organized in the State of Qatar during 2010, which include:

1. Organization and participation in a workshop held by MENAFATF on "ML/TF Trends and Indicators in the MENA Region" on 10-11 January 2010.
2. Participation in a workshop organized by Qatar National Bank in cooperation with the QFIU on "Compliance, Anti-Money Laundering (AML) and Combating Terrorist Financing (CTF)" on 10 February 2010.
3. Participation in a Seminar on "The Effective Implementation of the new AML/CFT Regimes in Qatar" on 13 June 2010.
4. Organization and participation in the Qatar/ French Joint Seminar on the "Financial Governance and Judicial Responses to Financial Disorders" on 5-6 October 2010. During this Seminar some recommendations were set to promote the international efforts in combating money laundering and terrorism financing.

## Information System

In its endeavors to update its electronic systems and develop its automated programs, the QFIU achieved during 2010 many IT remarkable developments, mainly:

### 1 — Web Linking

Effective procedures were implemented for the achievement of a web linking with the following supervisory authorities:

- General Directorate of Customs;
- Department of Fighting Economic Crimes -Criminal Investigation Department at the Ministry of Interior;
- Banks;
- Exchange Houses.

### 2 — New QFIU Website

After launching QFIU website in the beginning of 2009, the website witnessed major developments and improvements during 2010 as follows:

- Posting 42 news in Arabic and English about QFIU activities, its internal and external events, international conferences and meetings, in addition to press releases of H.E the Head of QFIU;
- Inserting new sections, whereas a special page on Asian FIUs was added, especially after the selection of H.E the Head of QFIU as a member of the Egmont Committee and as a Co-Representative of the Asia Group. This page includes the names of the FIUs in the region, their websites and the way of intercommunication.
- Posting AML/CFT instructions and controls of the relevant supervisory authorities as a useful reference.
- Posting the QFIU's STRs Guidance as a reference for the reporting entities.
- Posting the STRs Form with easy access to the website by the reporting entities.
- Posting AML/CFT publications of the local and international authorities concerned with combating money laundering and terrorism financing.

### 3 — QFIU Database

The QFIU database was subject to many developments especially in the following aspects:

- Data search methods.
- Statistical reports related to STRs, relevant persons and entities.
- Development of the monitor used to send the STRs from the banks to the QFIU.
- Introducing some features to the usage of the database.
- Reviewing and updating the records listed in the database.

### 4 — Preparation of Studies on Combating Money Laundering and Terrorism Financing:

- QFIU powers in accordance with the Law No. 4 of 2010 on Combating Money Laundering and Terrorism Financing
- QFIU obligations in accordance with the Law No. 4 of 2010 on Combating Money Laundering and Terrorism Financing.
- Manual of predicate offences.
- The competences and obligations of the supervisory authorities under the Law No. 4 of 2010 on Combating Money Laundering and Terrorism Financing.
- Mechanism for measuring the effectiveness of the STRs' system of the reporting entities (according to the new law).

# SECTION THREE

## Activities of the QFIU at the International Level

### Meetings of the Regional and International Authorities:

The QFIU participated in the meetings of the following regional and international authorities:

- First FATF/MENAFATF Joint Meeting in the UAE during 15-19 February 2010
- MENAFATF
  - 11th Plenary Meeting (Tunisia 3-5/5/2010)
  - 12th Plenary Meeting (Qatar 30/11-2/12/2010)
- FATF
  - First Plenary of the 22nd Session (Paris 18-22/10/2010).
- Egmont Group
  - Working Groups and Committee Meetings (Mauritius 28/2-4/3/2010)
  - 18th Plenary (Columbia 27/6-1/7/2010)
  - Working Groups and Committee Meetings (Moldova 10-13/10/2010)
- FIUs Forum
  - First Meeting (Tunisia 1/5/2010)
  - Second Meeting (Qatar 28/12/2010)

### The FIU also participated in the following meetings/ workshops and seminars:

Title of the Meeting/ Workshop/ Seminar	Location	Date
Workshop organized by MENAFATF in association with the IMF which is considered as a training session for the countries undertaking to perform the FSAP	Beirut- Lebanon	22-26/02/2010
Participation in the Leadership Committee's Meeting for the AML/CFT Program of the IMF	Bern/ Switzerland	22-28/03/2010
World Bank/ MENAFATF meetings of the first phase of the joint regional workshop	Tunisia	6-7/05/2010
Exploratory visit to the Egyptian FIU	Egypt	6-10/06/2010
Visit to the Indian FIU	New Delhi/India	14-16/10/2010
The 4th International Conference on Combating Money Laundering entitled "Help us Combat Money Laundering"	Kuwait	13-15/12/2010

The QFIU does not only participate in the said meetings, but also presents the results, recommendations and decisions reached during the periodical meetings of the National Anti-Money Laundering and Terrorism Financing Committee, and strives to implement the recommendations of the Committee in this regard.

### Participation in preparing studies at the regional level:

The QFIU participated in the preparation of the MENAFATF Trends and Indicators Report and it will be approved and published in 2011.

### **Signing Memoranda of Understanding:**

In 2010, the QFIU built strong international relationships with foreign FIUs and signed a number of MoUs with regional and international FIUs as follows:

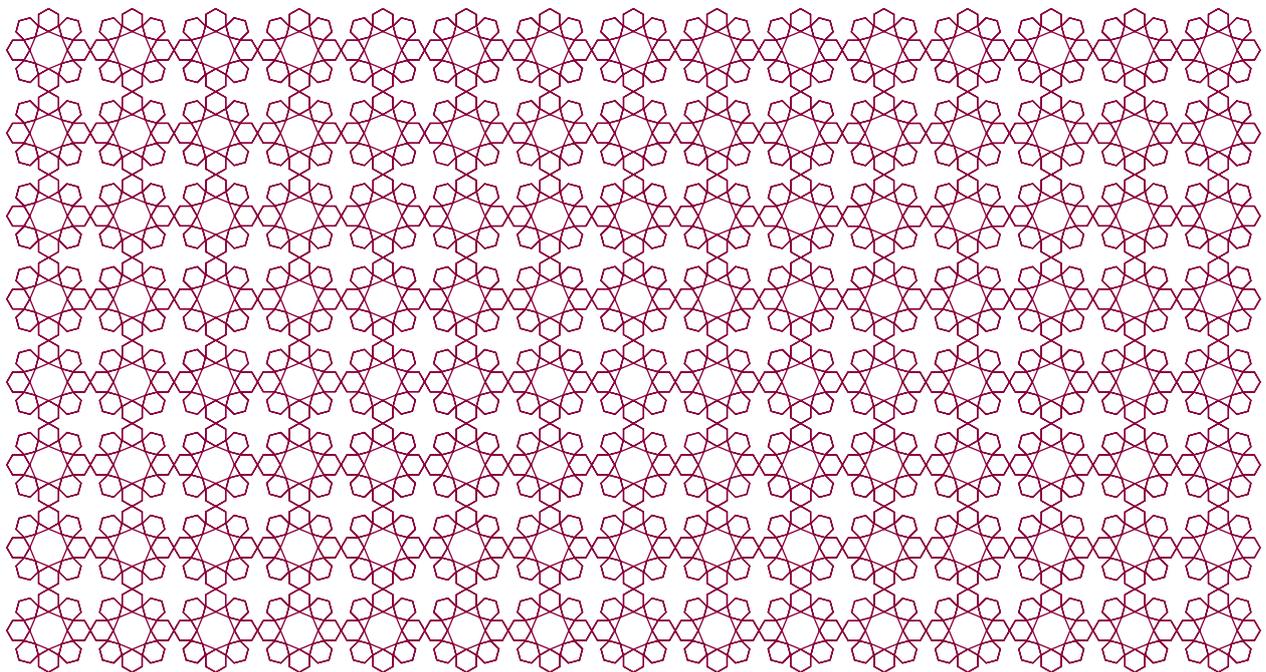
- With the UAE FIU on the margin of the FATF and MENAFATF joint plenary, held in the UAE from 15-19/2/2010.
- With the Malaysian FIU during the Egmont Working Groups and Committee Meetings, held in Mauritius from 28/2 - 4/3/2010.
- With UK Serious & Organized Crime Agency (SOCA), in Doha on 11/4/2010.
- With the Special Investigation Commission of the Republic of Lebanon, in Beirut on 29/4/2010.
- QFIU also signed MoUs with Indonesia, Poland and Mauritius, in addition to the Netherlands Antilles, to exchange AML/ CFT related information on the margin of the 18th plenary of the Egmont Group held in Columbia.

### **Selection of QFIU Co-Representative of Asia Group:**

During the 18th plenary meeting of the Egmont Group held in Columbia, H.E the Head of QFIU was unanimously selected as a member of the Egmont Committee and as a Co-Representative of Asia Group in recognition of the QFIU's relentless efforts. The State of Qatar is the first Country in the Middle East to be nominated for such position.

### **FIUs Forum:**

QFIU was selected for 1 year as Chair of the Technical Committee of the FIUs Forum during the 2nd meeting of the FIUs Forum of the Egmont Group held in the State of Qatar on 28 November 2010.



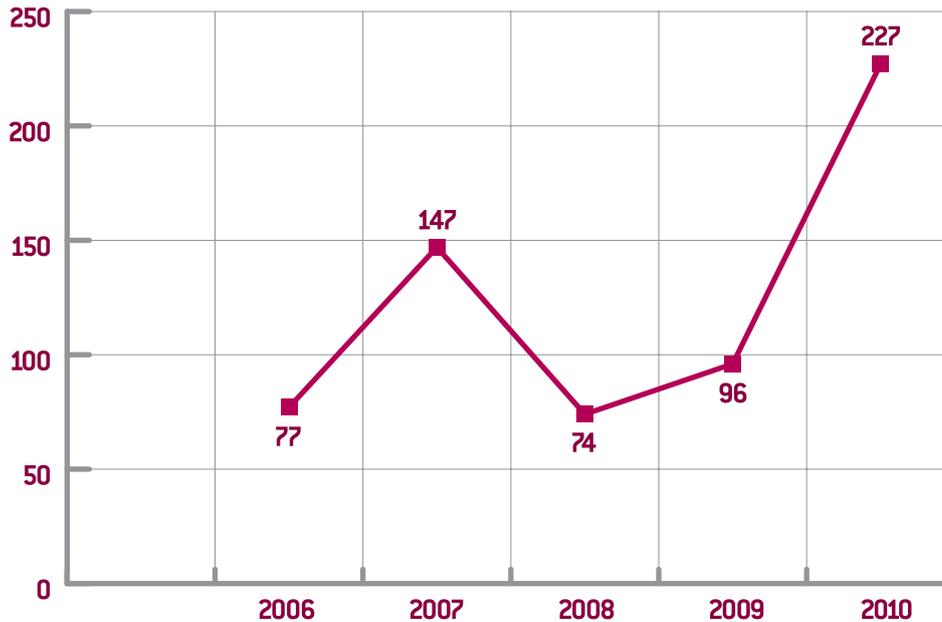
# SECTION FOUR

## Statistics of STRs and Indicators

### 1-Comparative Study between 2010 and the last 4 years:

The Suspicious Transaction Reports (STRs) in 2010 reached (227) comparing to (96) in 2009, (74) in 2008, (147) in 2007, and (77) in 2006.

The following figure displays the increasing number of STRs during the mentioned years:



It appears from the foregoing that:

- The average number of STRs reached (98) from 2006-2009.
- The number of STRs increased in 2010 by 132% comparing to the above mentioned average number of STRs.

### This is due to the following reasons:

#### Statistical Reasons

- Increase of STRs from the Financial Institutions and some internal entities.

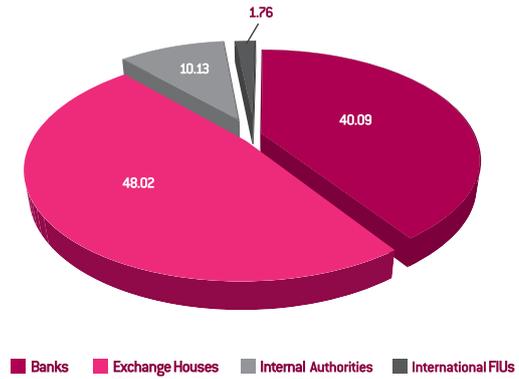
#### General Reasons

- Expansion of the powers of the entities reporting to the QFIU such as:
  - Qatar Financial Centre and the relevant licensed financial institutions;
  - Insurance Companies;
  - Intermediary Companies;
- Increasing level of awareness by the compliance officers concerned with combating money laundering and terrorism financing.
- Positive results of the liaison meetings held between the QFIU and the different authorities.
- Increasing volume of the financial transactions within the financial institutions.

**2-Distribution of the STRs sent to the QFIU in 2010:**

**First: According to the correspondent authorities:**

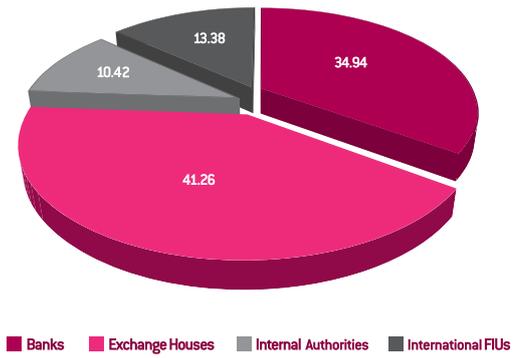
Authority	Number	Percent
Banks	91	40.09
Exchange Houses	109	48.02
Internal Authorities	23	10.13
International FIUs	4	1.76
<b>Total</b>	<b>227</b>	<b>100</b>



It is noted that the Exchange Houses have the highest rate of STRs sent to the QFIU, followed by the banks, then the internal authorities, and finally the international FIUs.

**Second: According to the number of Suspects:**

Authority	Number	Percent
Banks	94	34.94
Exchange Houses	111	41.26
Internal Authorities	28	10.42
International FIUs	36	13.38
<b>Total</b>	<b>269</b>	<b>100</b>

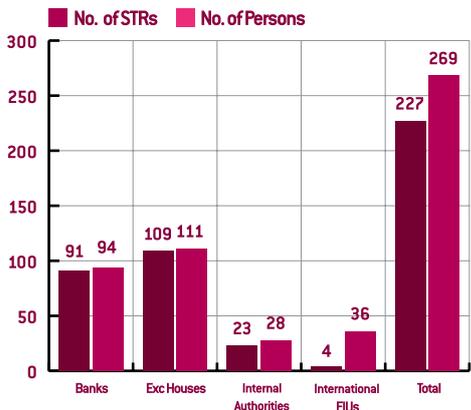


It is noted that the STRs of the Exchange Houses represents the highest percentage, (41.26%), of STRs received by the QFIU, which clearly indicates:

- The increase of awareness by the Exchange Houses.
- Knowledge of the AML/CFT concepts and related risks.

It is also noted that the STRs of the Banks are in the second place at a rate of (34.94%) followed by the International FIUs at a rate of (13.38%) and finally the internal authorities at a rate of (10.42%).

**3-Distribution of STRs sent to the QFIU in 2010 according to the Number of STRs and the Concerned Persons:**



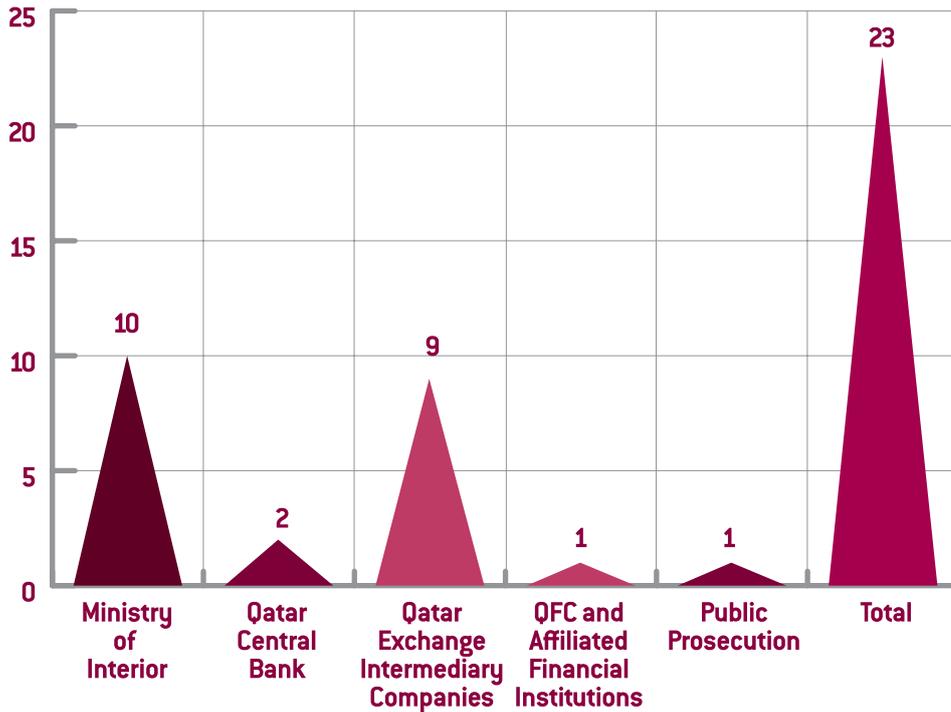
Entity	Number of STRs	Number of Persons
Banks	91	94
Exchange Houses	109	111
Internal Authorities	23	28
International FIUs	4	36
<b>Total</b>	<b>227</b>	<b>269</b>

It is noted that:

- The number of the STRs is similar to the number of persons in the reports sent by the local authorities.
- The final result shows a big difference between the number of STRs and the number of persons, which is consistent with the nature of the ML/FT crimes characterized by being collective crimes and not individual ones.

#### 4-Distribution of the STRs sent to the QFIU in 2010 from the Internal Authorities:

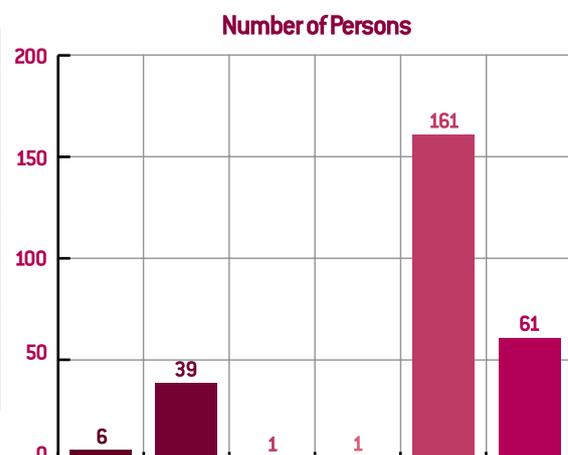
Authority	Number of STRs	Percent
Ministry of Interior	10	43.48
Qatar Central Bank	2	8.70
Qatar Exchange- Intermediary Companies	9	39.14
Qatar Financial Center and Affiliated Financial Institutions	1	4.34
Public Prosecution	1	4.34
<b>Total</b>	<b>23</b>	<b>100</b>



It is noted that STRs sent by the Ministry of Interior are in the first place at a rate of (43.48%), followed by Qatar Exchange and Intermediary Companies in the second place at a rate of (39.14%), then Qatar Central Bank in the third place at a rate of (8.70%), and finally Qatar Financial Centre and Affiliated Financial Institutions and the Public Prosecution in the fourth place at a rate of (4.34%).

#### 5-Distribution of the STRs sent to the QFIU in 2010 according to the type of the Suspicious Transaction, and in accordance with the Number of Concerned Persons:

Transaction	Number of Persons
Non-compliance with the requirements of opening an account	6
Cash deposits in big amounts	39
Fraud transactions	1
Currency Exchange	1
Money transfers in big amounts	161
Various transactions	61
<b>Total</b>	<b>269</b>

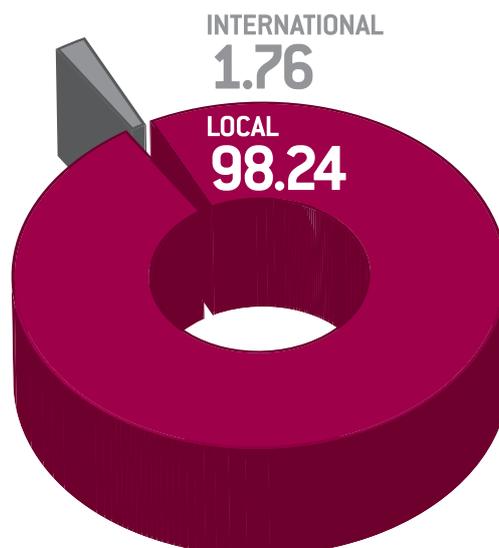


**Remarks**

The Money Transfers are in the first place in terms of the number of STRs, followed by the Various Transactions in the second place, the Cash Deposits in the third place, and the Non-compliance with the requirements of opening an account in the fourth place. The remaining types of transactions had equal rates.

**6-Distribution of the STRs sent to the QFIU in 2010 according to the correspondent authority (local and international):**

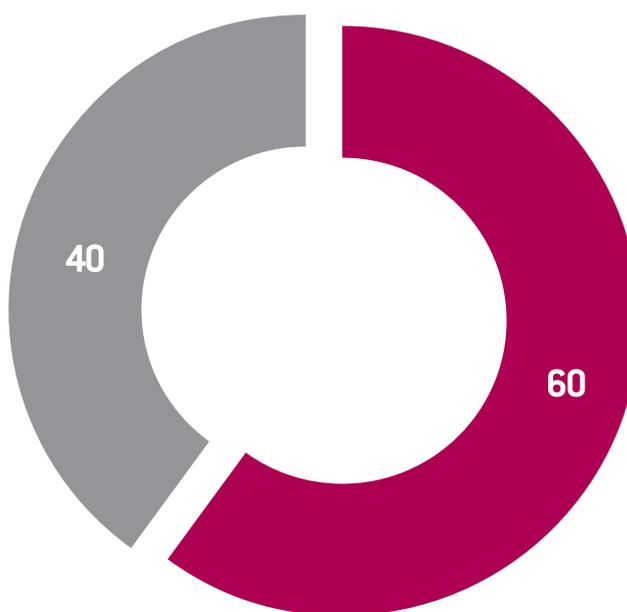
Authority	Number	Percentage
Local	223	98.24
International	4	1.76
<b>Total</b>	<b>227</b>	<b>100</b>



**7-Statistics on the international cooperation between the QFIU and other international FIUs during 2010:**

Type of STR	Number of STRs	Percentage
Sent STRs	6	60
Recieved STRs	4	40
<b>Total</b>	<b>10</b>	<b>100</b>

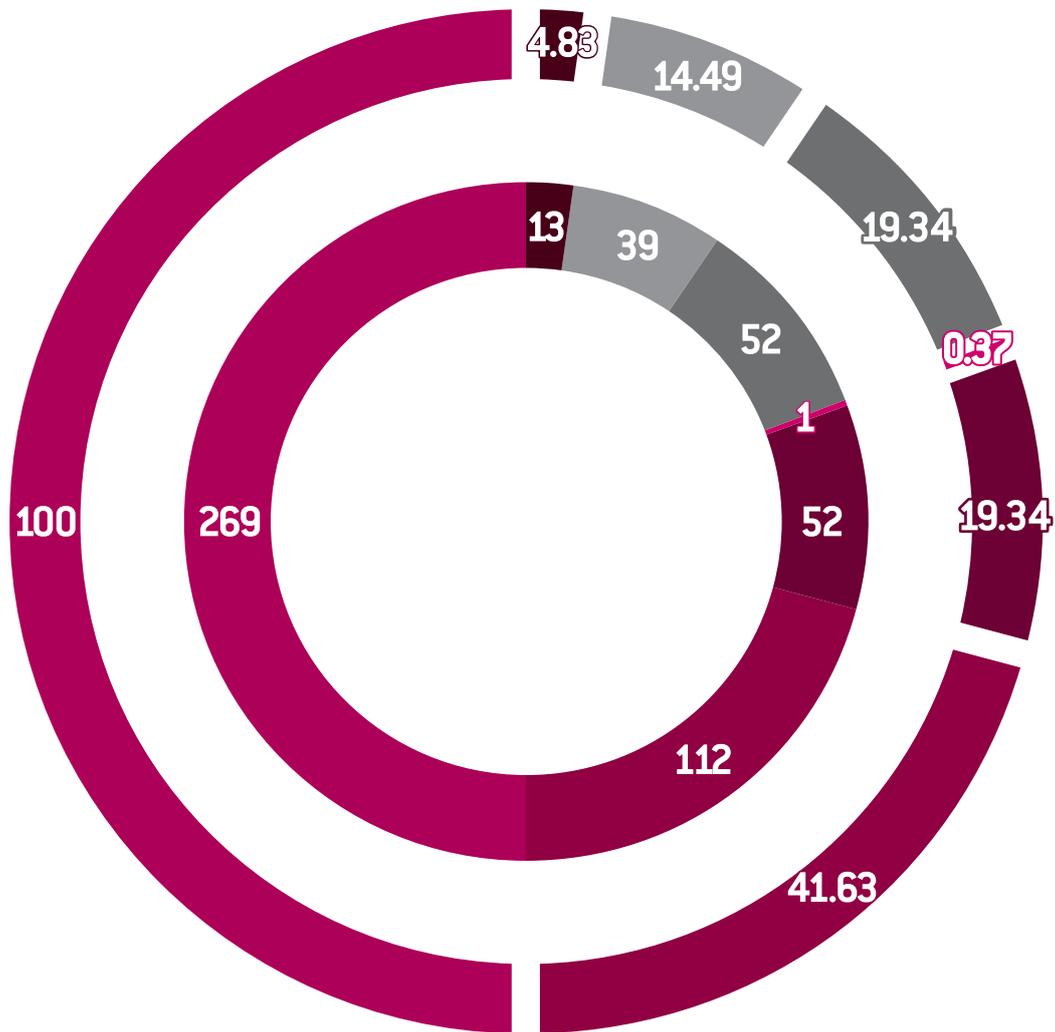
It is noted that the number of sent STRs has the highest rate (60%), and this reflects the level of international cooperation between the QFIU and the international FIUs.



■ Sent STRs  
■ Recieved STRs

8-Distribution of the STRs sent to the QFIU in 2010 according to the procedures taken in this regard and the Concerned Persons:

Number of STRs	Type of Procedure	Percentage
13	Request for Information and Documents	4.83
39	Dissemination of Information and Documents	14.49
52	Request for further Investigations from the Security Authority	19.34
1	Transfer to the Public Prosecution	0.37
52	Filing	19.34
112	Under consideration	41.63
269	Total	100



- Request for Information and Documents
- Dissemination of Information and Documents
- Request for further Investigations from the Security Authority
- Transfer to the Public Prosecution
- Filing
- Under consideration

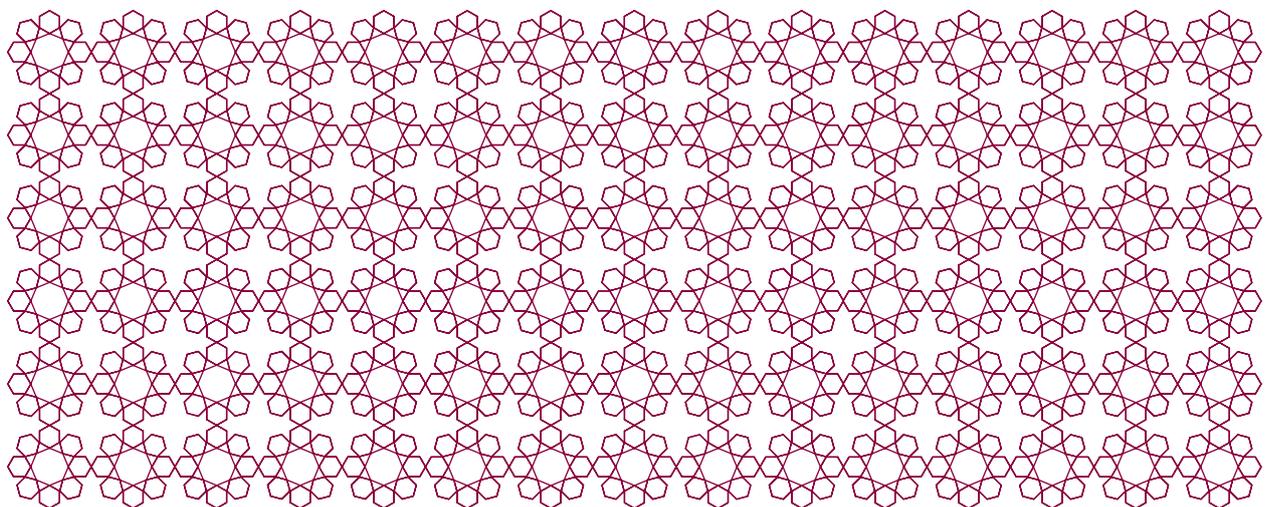


# SECTION FIVE

## QFIU Future Plan

The QFIU's future plan is represented as follows:

1. Best implement the responsibilities of the QFIU as stipulated in the Law No.(4) of 2010 on Combating Money Laundering and Terrorism Financing.
2. Follow up with the supervisory authorities the update and the issuance of the AML/CFT supervisory controls.
3. Develop the QFIU work system in conformity with the international changes and developments.
4. Enhance the national cooperation with the supervisory authorities and the other competent authorities, as well as establish and implement suitable work mechanisms.
5. Introduce more developments on the QFIU automated programs, complete the current web linking, and work on accomplishing a web linking with other authorities.
6. Search for national statistics related to the QFIU functions and competences in fighting against economic crimes to be used in performing studies and research in this field.



# SECTION SIX

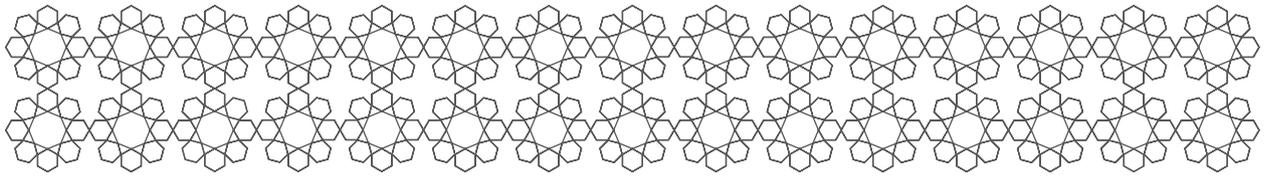
## Snapshots from QFIU Events



H.E Head of QFIU and Mr. Adel Al Qulish during the workshop held in Qatar on “ML/TF Trends and Indicators in the MENA Region”



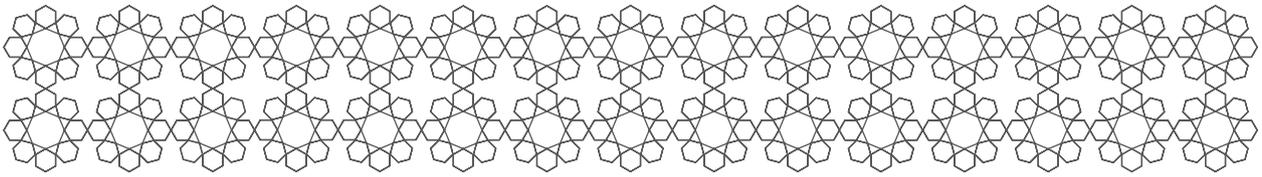
Induction Meeting hosted by QFIU to introduce the new AML/CFT Law



Group Photo with H.E the Deputy Governor Sheikh Fahad Bin Faisal Al Thani, during a workshop organized by Qatar National Bank in cooperation with the QFIU on “Compliance, Anti-Money Laundering (AML) and Combating Terrorist Financing (CTF)”



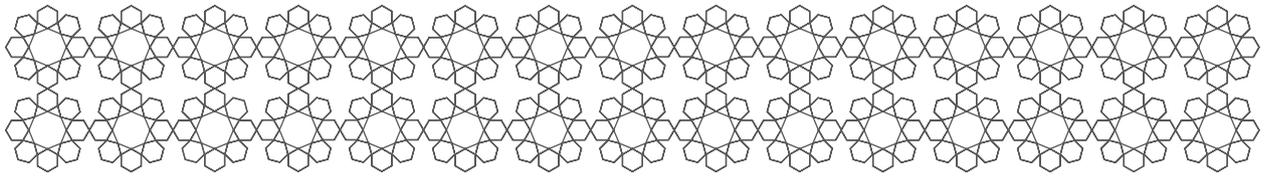
H.E Head of QFIU with the Chairman and Chief Executive Officer (CEO) of Qatar Financial Centre (QFC) Mr. Philip Thorpe at QFIU Headquarters



H.E. Head of QFIU during the 18th Plenary of the Egmont Group, held in Columbia presenting “Qatar Report on the 17th Plenary Session of the Egmont Group” that was held in Doha



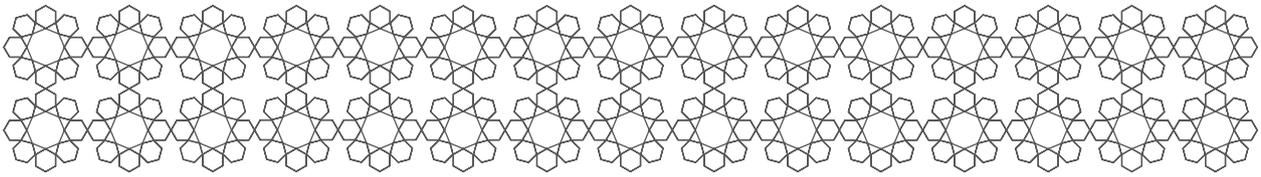
Workshop on “Developing FIU's Financial Analysis Procedures” at QFIU Headquarters



Visit to the Indian FIU-New Delhi



Qatar/ French Joint Seminar on the “Financial Governance and Judicial Responses to Financial Disorders” - Qatar



H.E the Governor of Qatar Central Bank, Sheikh Abdullah Bin Saud Al Thani during the 12th Plenary of the Middle East and North Africa Financial Task Force (MENAFATF) held in Qatar



2nd FIUs Forum of the MENAFATF Member Countries

**PRAISE  
BE TO  
GOD**



وحدة المعلومات المالية  
FINANCIAL INFORMATION UNIT