

وحدة المعلومات المالية
Financial Information Unit

Annual Report 2013






وحدة المعلومات المالية Financial Information Unit

LOGO DESCRIPTION

The colors and symbols of Qatar Financial Information Unit Logo reflect a combination of its core values, objectives and national identity; whereas the dhow (sailboat) with the palm tree express the cultural ethnicity and nationalism, as to the set of squares drawn in an upward diagonal line, it expresses the digital development that translates QFIU's future aspirations.

COLOURS USED

-  Black (Symbol of Confidentiality)
-  Burgundy (Official color of Qatar's flag)
-  Green (Symbol of Environmental Sustainment)





**His Highness
Sheikh Tamim Bin Hamad AL Thani
Emir of the State of Qatar**



**His Highness the Father Emir
Sheikh Hamad Bin Khalifa AL Thani**



During the past decades, the International Community devoted great attention to fighting Money Laundering (ML) and Terrorism Financing (TF), due to the related negative effects and risks incurred on different levels. In view of the importance of maintaining the gains and achievements made by the State of Qatar and protecting its national economy and security in line with QFIU's vision and mission, the National Anti Money Laundering and Terrorism Financing Committee (NAMLC) exerted all possible efforts to ensure that QFIU is able to address and deal with all the challenges and obstacles that might hinder its functions.

The QFIU has interacted with this international trend, as it has adopted and applied many regional mechanisms, procedures and policies set by the NAMLC and provided expertise and information to combat ML/TF in line with international standards applied in this area. Since its establishment, the QFIU has worked to achieve many objectives on different levels in its endeavors to ensure the effectiveness of the applicable AML/CFT regimes, strengthen the relationships with the regional and international organizations operating in the AML/CFT field, increase the awareness by providing the latest AML/CFT techniques, organize workshops and seminars on AML/CFT, and provide technical assistance and training programs.

The QFIU is the mainstay in the AML/CFT field at the national level, not only in terms of facilitating the NAMLC's work, but also in terms of providing the requisites of sustainability and continuity, which consequently makes it necessary to provide it with support and assistance.

The National Anti Money Laundering and Terrorism Financing Committee strongly believes in the QFIU's distinguished and vital role, therefore, I would like to reiterate our support to the QFIU and assure that we will spare no effort to join the ranks of the developed countries in the prevention of money laundering and the financing of terrorism crimes.

At the end, I ask God to bless our work, and crown it with success...

Fahad Bin Faisal Al Thani

Deputy Governor

Chairman of the National Anti money Laundering and Terrorism Financing Committee





وحدة المعلومات المالية
Financial Information Unit





Since its establishment in 2004, Qatar Financial Information Unit has played a vital role inside and outside the State of Qatar and has a legacy of remarkable achievements both on the national and international levels.

At the national level, the QFIU participated in launching a number of AML/CFT Strategic Plans, such as the National Risk Assessment Plan, which was adopted by the National Anti Money Laundering and Terrorism Financing Committee (NAMLC) in 2010, and contributed as well to the legislative amendments of the Law No. (4) of 2010 on Anti-Money Laundering and Combating the Financing of Terrorism, among others.

At the international level, the achievements of the QFIU were also significant, especially that the QFIU is actively engaged in the international Egmont Group of Financial Intelligence Units, a Group consisting of 131 member FIU and aiming at providing a forum for FIUs to improve cooperation in the fight against money laundering and financing of terrorism by setting international standards and best practices and foster the implementation of domestic programs in this field.

By being the first to be nominated as a member of the Egmont Committee, a Regional Representative and a Co-Chair of Asia Group for two consecutive years, the QFIU helped Qatar acquire a role model in the Middle East. It is also noteworthy that QFIU supported a number of specialized training programs, and is sparing no effort to provide technical assistance to regional FIUs and to build their capacities.

Today, the QFIU continues to score great accomplishments and reaffirms its strong commitment to achieving His Highness's vision based on Qatar National Development Strategy 2011-2016, and the Strategic Plan of the National Anti Money Laundering and Terrorism Financing Committee (NAMLC). The year 2012 witnessed an important event for QFIU, as in order to keep abreast with the unprecedented social, educational, cultural and economic renaissance witnessed in Qatar and the growing reputation as an international sporting capital, and in



affirmation of QFIU's strong commitment to achieving His Highness's vision for Qatar as a role model of economic growth and sustainable human development, and in order to strengthen the role of the QFIU as a Central National Agency within the National AML/CFT Regime, the QFIU adopted a development initiative and translated it into a Strategic Plan for 2013 -2017 under the slogan "Financial Transparency to Promote Stability and Security". It also adopted the principle of promoting career capacities and youth aspirations towards positive change of the rigid rules or traditional policies, and supporting any project aiming at achieving the desired goals with the state of the art methods and techniques.

I would like to seize this opportunity to express my deepest gratitude and appreciation to the Government of the State of Qatar for its tremendous support to QFIU as a national body having a regional key role, and giving the AML/CFT issue adequate attention, in the development of the legislations and regulations that are consistent with the prevailing international standards.

The QFIU aims at protecting Qatar's financial and economic system through strengthening and furthering the efforts of the regulatory, supervisory, administrative, security and judicial authorities and other competent authorities on which we count on in performing our tasks, and we do really appreciate their endeavors to achieve the best for the State of Qatar.

Finally, I would like to express my appreciation to everyone who contributed in helping the QFIU team and salute their efforts and dedication to make the QFIU a success. Moreover, I would like to thank all QFIU employees for their enthusiasm and hard work.

Ahmed Al Thani

Head of Qatar Financial Information Unit



SECTION I: OVERVIEW





First: Introduction

Qatar Financial information Unit (QFIU) is a central national body responsible for receiving, requesting, analyzing and disseminating information. It has a database of all available financial information concerning suspected proceeds of crime, potential money laundering or potential terrorism financing operations and may disseminate data and information to judicial and law enforcement authorities for investigation or action.

- Our Vision and Mission

QFIU aims at building a safe and secure society and ensuring economic stability in the State of Qatar. Therefore, it defined its vision to face any emerging challenges at the national and international scales:

***Vision Statement:** “National Competency, Professional High Performance and International Excellence in Combating Money Laundering and Terrorism Financing”.*

Law No.(4) of 2010 on Combating Money Laundering and Terrorism Financing defined the functions of the QFIU, and based on the same law and the general framework of the National Anti-Money Laundering and Terrorism Financing Committee (NAMLC), the QFIU set its mission:

***Mission Statement:** “Protecting the integrity and economy of the State of Qatar through effective exchange of information, transparency enhancement and capacity building to help detect and deter money laundering and terrorism financing activities”.*





- Partnerships (Outreach Principle):

On the national level, the QFIU joins efforts with the supervisory authorities of the financial and non-financial sectors, the judicial and competent authorities. Internationally, the QFIU cooperates with its foreign counterparts in accordance with the legal controls and the relevant international standards. The QFIU is keen to reach out these authorities since its main functions are linked, either directly or indirectly, to their databases.

Supervisory Authorities: Qatar Central Bank - Qatar Financial Markets Authority – Qatar Financial Center Regulatory Authority - Ministry of Economy and Commerce - Ministry of Justice - Ministry of Interior - Ministry of Social Affairs and Ministry of Finance.

Second: Institutional Capacity

Institutions and bodies in the public and private sectors endeavor to enhance their institutional capacity in order to effectively carry out their duties. The relevant international standards also underline the importance that FIUs should give to build up their capacities in order to perform their basic tasks, mainly analysis and dissemination.





- Strategic Planning:

The QFIU has adopted a development initiative since 2011 consisting of (a) defining QFIU's vision, mission and general objectives, (b) leveraging resources and capacities, (c) ensuring integrated and coordinated workplace, (d) setting priorities in line with the actual needs, (e) controlling implementation issues, and (f) mitigating potential risks.

The QFIU also launched its strategy for 2013-2017 under the vision "National Competency, Professional High Performance and International Excellence in Combating Money Laundering and Terrorism Financing" based on a number of core values, basically building up institutional capacity, resources and abilities.

- Strategic Goals:

The QFIU identified eight strategic goals to be implemented over the next five years starting year 2013, that reflects its future vision as follows:

First: "building the administrative capacity of the Unit and promoting vocational excellence to achieve maximum efficiency and effectiveness", by implementing administrative principles and methodologies in accordance with the best practices that aim at promoting performance and achieving institutional development to create and maintain an attractive and professionally stimulating work environment.

Second: "building the technical capacity of the Unit to carry out its relevant duties and responsibilities", by providing specialized training and necessary requirements for the technical work, strengthening key support functions, and promoting experience.

Third: "adapting QFIU outputs to the needs of the competent national authorities, especially the law enforcement and judicial authorities", by promoting national cooperation and coordination to effectively carry out its functions.





Fourth: “identifying trends and indicators of money laundering and terrorism financing”, by establishing and bringing into effect the strategic analytical role of the Unit.

Fifth: “promoting and monitoring the implementation of controls related to the suspicious transactions reporting system with the aim of strengthening the national fighting regime”, by creating effective links and direct contact with the national regulators of the financial and non-financial sectors, and monitoring the implementation of the suspicious transactions reporting system within the competence framework of the QFIU.

Sixth: “bringing into effect the suspicious transactions reporting system in order to submit reports when there is suspicion of money laundering and terrorism financing activities”. This includes a number of key areas, such as providing specialized training, creating relevant technical functions, managing the quality of the system’s inputs and enhancing strategic analysis.





Seventh: “building effective relationships with the international competent agencies” especially counterparts FIUs, and playing an active role as a member of the Egmont Group.

Eighth: “raising awareness of the civil society institutions about the role of the QFIU in fighting against money laundering and terrorism financing”, in collaboration with the National Anti-Money Laundering and Terrorism Financing Committee (NAMLC).





- Administrative Staff:

The QFIU is an administrative Unit operating since 2004 under an organizational structure established by Resolution No. (1) of 2004 on “Establishing the Financial Information Unit and its Organizational Structure”, passed by H.E the Chairman of the National Anti-Money Laundering and Terrorism Financing Committee. This Resolution was introduced based on the repealed Law No. (28) of 2002 on Combating Money Laundering and its amendments. In 2010, Law No. (4) of 2010 on Anti-Money Laundering and Combating the Financing of Terrorism was promulgated and included a number of provisions that determined the technical competencies of the QFIU in compliance with the new relevant international standards. The new Law entailed the administrative development of the organizational structure to be consistent with the growing responsibilities of the QFIU and the appropriate allocation of work in order to perform quality tasks.





Corporate Values:

- Maintaining the highest standards of confidentiality.
- Achieving the highest levels of performance.
- Promoting teamwork, creativity, honesty and responsibility, transparency and mutual respect.
- Sustaining the environment.

The QFIU gives high priority to training and developing its administrative staff in an appropriate timeline, in addition to improving its organizational structure. Its development plan includes training programs, capacity building and promotion of administrative competencies and skills. Moreover, QFIU team is committed to a set of corporate values in accordance with the national law and international standards.

The number of QFIU staff is in progressive increase since 2007.



SECTION II: PERFORMANCE





The QFIU performs a number of key functions similarly to any other counterpart FIU, in line with the best practices and technical standards.

These functions are as follows:

First: receiving under the national law, suspicious transaction reports (STRs) related to money laundering and terrorism financing from all the concerned authorities.

Second: analyzing these STRs through the national database and taking the appropriate decisions thereon.

Third: disseminating the analysis results of the STRs to the competent authorities.

Thus, the QFIU considered the importance of developing the use of electronic administration whilst maintaining highest standards of confidentiality, building effective technical relationships with partners and giving priority to training and awareness programs.

First: Performance Indicators:

- Receiving STRs:

The number of STRs received by QFIU during 2013 increased by 26% comparing to 2012, reaching the highest figure during the past nine years.





Chart 1: Number of Reports received by QFIU over the Past Nine Years:

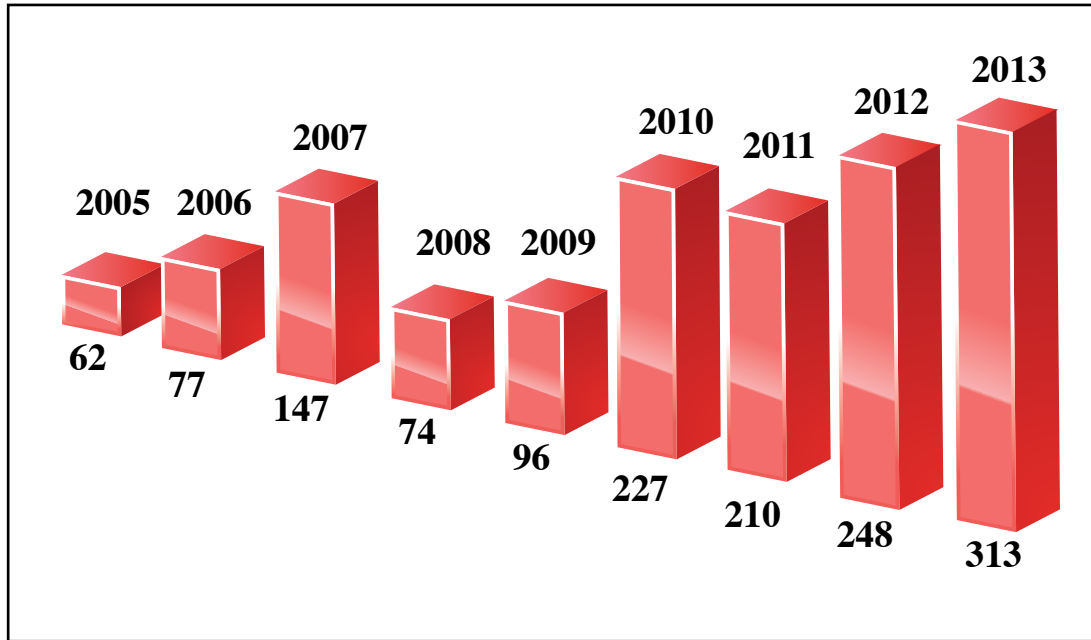
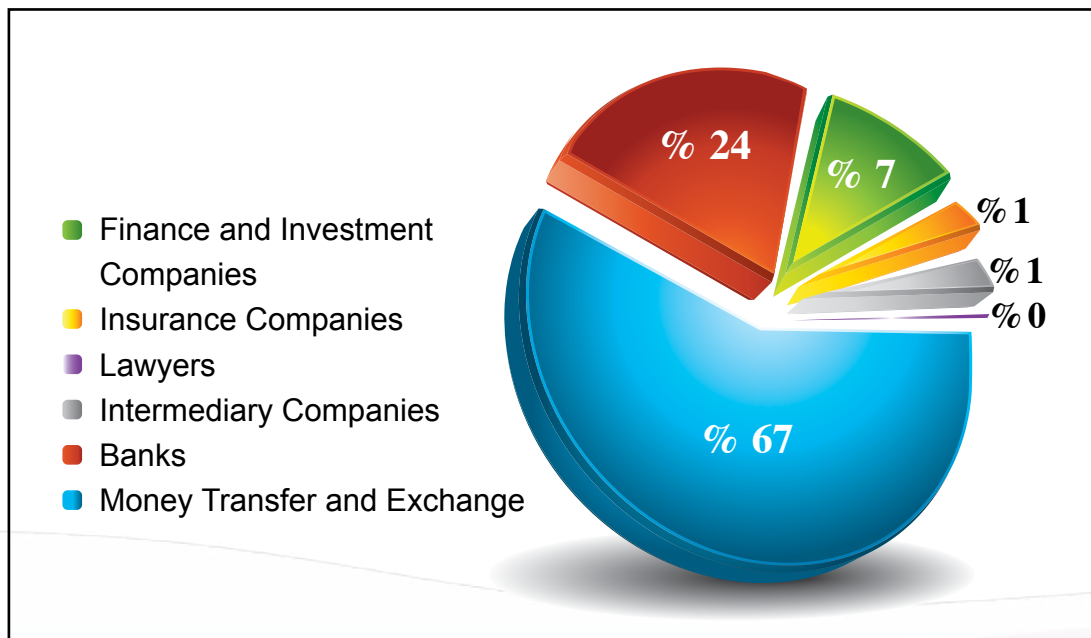


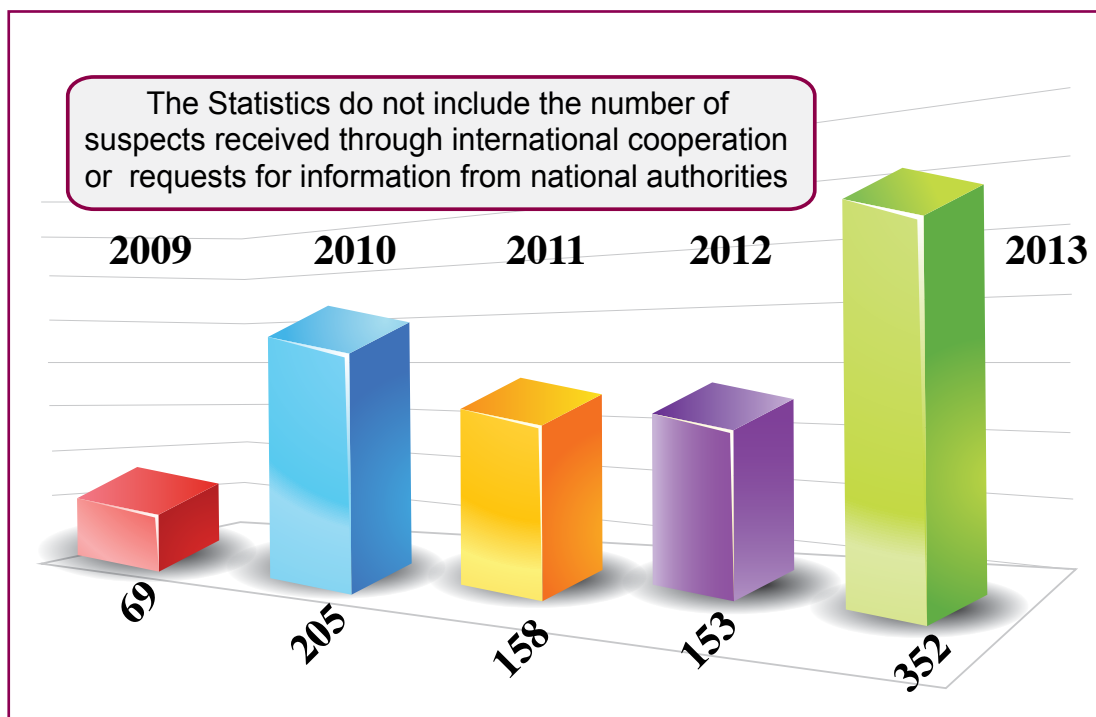
Chart 2: Number of Suspects during 2013 according to the Correspondent Entity:





Regarding the number of individuals identified as being involved in suspicious financial activities, it is noted that Money Transfer and Exchange Companies have the highest rate of STRs (67%), followed by Banks at a rate of (24%), Finance and Investment Companies at a rate of (7%), Intermediary Companies and Insurance Companies in equal proportions at a rate of 1%, then Lawyers at a rate of (0%).

Chart 3: Number of Suspects over the Past Five Years:



The number of suspects in 2013 increased by 199 reaching 352 suspects, compared to 153 in 2012.



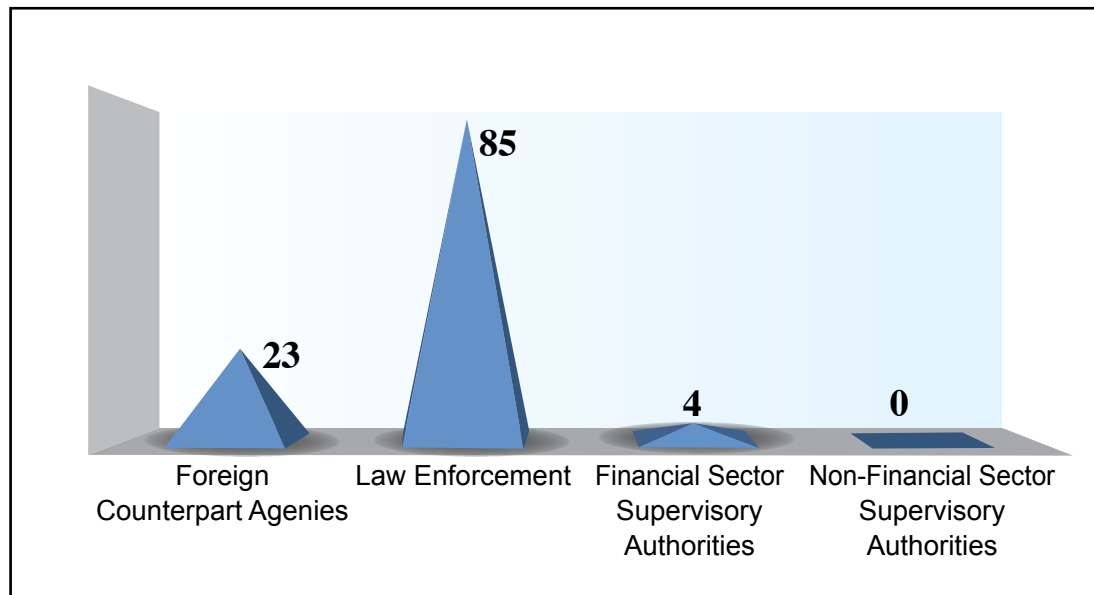


Dissemination:

The QFIU may spontaneously or upon request, disseminate information to any national competent authority or foreign counterpart agency.

In 2013, the QFIU disseminated 112 cases to judicial, law enforcement and supervisory authorities of the financial and non-financial sectors.

Chart 4: Number of Cases Disseminated by QFIU in 2013 Upon Request:

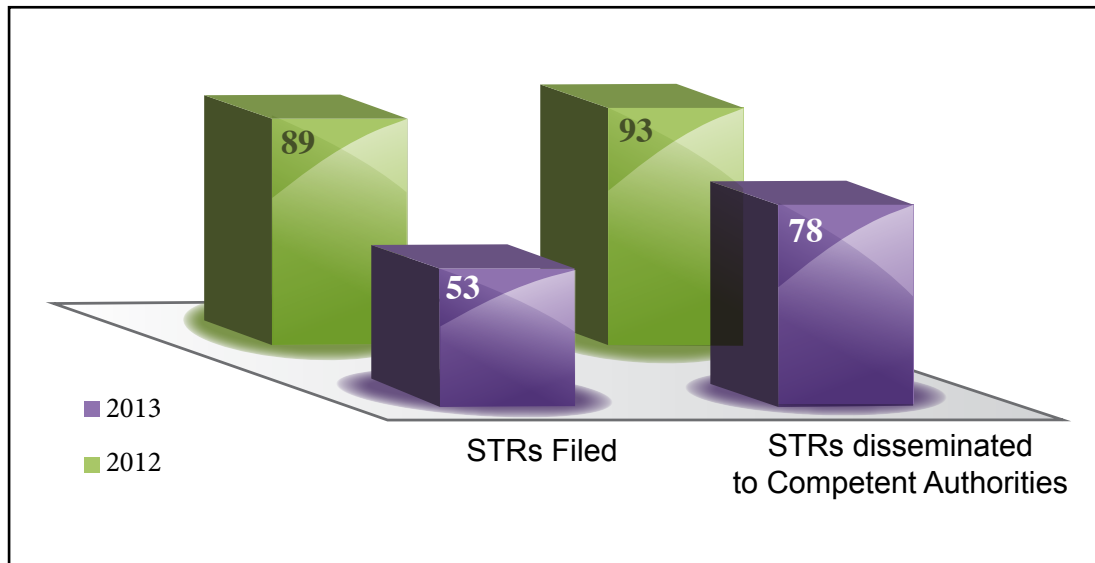


In 2013, the number of STRs filed in QFIU database due to the lack of grounds for suspicion reached 131 compared to 182 in 2012, recording a 28% decrease from the previous year.





Chart 5: Comparison between the Number of STRs Filed and STRs Disseminated (Spontaneously or Upon Request) in the Past Two Years





وحدة المعلومات المالية
Financial Information Unit



SECTION III :

QFIU Efforts and Initiatives





وحدة المعلومات المالية
Financial Information Unit





At the International Level

Egmont Group

The QFIU is an effective member of the Egmont Group, whereas it actively participates in Egmont meetings and activities.

During the period from 20 to 25 January 2013, the QFIU participated in the Egmont Working Groups and Committee Meetings held in Ostend, Belgium. It also participated during the period from 1 to 5 July 2013 in the 21st Egmont Group Plenary in Sun City, South Africa. This Plenary, held annually, brought together the Egmont member FIUs and observer organizations for in-depth discussions and training sessions in order to further the development of the international FIU network. Many bilateral cooperation agreements were signed between Egmont members during the week.

On the margins of the Plenary, Asia Group which is co-chaired by QFIU and FIU-India held a meeting to discuss regional issues and topics of mutual interest. The QFIU introduced practical suggestions to enhance regional cooperation and improve interaction among FIUs. It also highlighted the outcome of the first joint meeting of Egmont Group and FSRBs [FATF Style Regional Bodies], held during 16- 17/04/2013 in Al Sharq Hotel in Doha-Qatar, that was followed by a second joint meeting of Egmont Group, FATF [Financial Action Task Force] and FSRBs [FATF Style Regional Bodies] on 01/12/2013 at the Ritz Carlton Hotel in Doha- Qatar, under the sponsorship of H.E Sheikh Fahed Bin Faisal Al Thani, Deputy Governor Chairman of the National Anti-Money Laundering and Terrorism Financing Committee (NAMLC) .

These joint meetings aimed at discussing the possibility of strengthening cooperation between regional and international bodies in combating money laundering and terrorism financing, and enhancing the capacities of the FIUs that play a key role in the AML/CFT regime, whether





at the national or international levels. As the FIUs' work is technical and specialized, the meetings focused on putting in place strategies to build stronger relationships among FIUs considering their distribution at the regional level, and support them to join the Egmont Group.

It is worth mentioning that these meetings are the first of their kind as they brought together AML/CFT regional bodies with the Egmont Group, which proves the international endeavours to strengthen cooperation, and reflects the significant position of the State of Qatar at the regional and international levels.

Financial Intelligence Units Forum

The QFIU assumed for the third year and last, the subcommittee presidency of the MENAFATF FIUs forum. The subcommittee convened on 1 May 2013 on the margins of the 17th Plenary meeting of the MENAFATF held in Khartoum- Republic of the Sudan. The outcomes of this meeting were discussed during the 7th meeting of the MENAFATF FIUs Forum.





Counterpart FIUs

H.E Sheikh Ahmed Al Thani, Head of Qatar Financial Information Unit, met on 19/03/2013 a delegation from FIU-Kenya, where several issues of common interest and latest developments in the field of combating money laundering and terrorism financing were tackled.

QFIU Initiatives

The QFIU is always keen to fight crimes and preserve the national economy and social security; thereby, it participated in the 2nd Arab Forum on Asset Recovery held in Marrakech, Morocco from 26 to 28 October, 2013 in cooperation with the current G8 Presidency (Government of the United Kingdom), the United States of America (former chair of the G8) and Qatar, with the support of the Stolen Asset Recovery Initiative (StAR) of the World Bank and the United Nations Office on Drugs and Crime.

The Forum was an opportunity to forge greater collaboration towards the recovery of stolen assets in transition countries and to reinforce the political commitment of all partners in the MENA region to establish efficient policies on asset recovery.

QFIU also participated in the Expert Working Group Meeting on “Preventing Abuse of the Non-Profit Sector for the Purposes of Terrorist Financing” held from 5 to 7 March 2013 in New York by the UN Counter-Terrorism Committee Executive Directorate (CTED) and Center on Global Counterterrorism Cooperation on behalf of the United Nations Counter-Terrorism Implementation Task Force Working Group on Tackling Financing of Terrorism.

At the National Level

Public Awareness

As to the public awareness, the QFIU held in collaboration with the Faculty of Law at Qatar University an awareness program to Law students. This program, which is a main objective of the QFIU Strategy 2013-2017,





aims at raising positive awareness in the local community, as it will equip young people with resources to help them understand the risks related to money laundering and terrorism financing and learn more about the fighting concepts.

This program is divided into three phases; the first phase was given on Thursday 7 March 2013 in a workshop on “Money Laundering is a Real Threat”. The workshop was open to all university students, where money laundering crime, its related risks and the national and international fighting and control procedures were tackled. During the second phase, different training sessions were delivered to the students to empower them with important references and tools, such as lectures, practical cases and electronic training, mainly a lecture comprising three worksheets:

- (1) Supervision and Control over the Financial Sector and Risk-based Approach.
- (2) Role of the Financial Information Unit in the Suspicious Transactions Reporting System.
- (3) Role of the Law Enforcement Agencies in the National Fighting Program.

The third phase of the program is the practical training phase, during which the QFIU will receive five students in a field training for a period of five working days. The students will be selected based on specific conditions and regulations listed on QFIU website :<http://www.qfiu.gov.qa/ar/elearning>

Targeted Awareness

With regard to other entities, the QFIU extended efforts during 2013 and involved the private sector and the national supervisory authorities in training workshops, awareness programs, bilateral meetings and others.

- General Directorate of Customs:

The QFIU held a coordination meeting with a delegation from the General Directorate of Customs on December 15, 2013 at its headquarters,





where several issues and recent developments related to money laundering and terrorism financing were discussed. It is worth mentioning that a joint team was formed last year to implement the disclosure system for cross-border transportation of cash. Training schedule was also set to train relevant customs officers to use the system effectively.

- Ministry of Justice:

The QFIU held during the first two quarters of the year, three meetings with the Real Estate Registration and Authentication Department at the ministry's headquarters. During these meetings the role and functions of the QFIU were underlined, and efforts were joined to put in place an operational mechanism to activate the suspicious transactions reporting (STRs) system.

The QFIU also held 2 meetings with the Real Estate offices, whereas risks of money laundering and terrorism financing were highlighted, in addition to the roles of the QFIU and the real estate offices according to the relevant national Law.

The QFIU also held an introductory seminar for new public prosecution officers with the cooperation of the Centre for Legal and Judicial Studies on December 10, 2013 at its headquarters. This seminar aimed at introducing Law No.(4) of Year 2010 on Combating Money Laundering and Terrorism Financing and the role of the Public Prosecution in effectively implementing it, along with the role and functions of the QFIU in initiating the suspicious transactions reporting (STR) system .

- Ministry of Economy and Commerce (MBT):

The QFIU held 3 periodic meetings with the Department in charge of combating money laundering and terrorism financing at the ministry, during which the measures set out by the ministry to the authorities falling under its supervision were underlined, in addition to the meetings procedures to be adopted in order to promote awareness and enhance training on the reporting process (STRs).





Two coordination meetings with gold and precious stones dealers were also held at QFIU headquarters, where risks of money laundering and terrorism financing in addition to the role of the QFIU in this regard were tackled.

Moreover, the QFIU held two coordination meetings with accounting firms, one on 2 April 2013 under the auspices and supervision of the ministry, and another on 21 May 2013. During these meetings, many topics were tackled, mainly Law No.(4) of Year 2010 on Combating Money Laundering and Terrorism Financing and the role of the MBT in effectively implementing it, along with the role of the QFIU, the reporting process (STRs), and the relevant AML/CFT rules issued by the MBT.

Finally, the MBT is in process of controlling all real estate assessment offices licensed by the ministry and preparing the first meeting with them in order to introduce the risks of money laundering and terrorism financing, in addition to the role of the QFIU in this regard.

- Ministry of Labor and Social Affairs:

In cooperation with the Ministry of Labor and Social Affairs , the QFIU formed a dedicated team of financial and legal experts to combat money laundering and terrorism financing in order to implement the AML/ CFT Law and the relevant instructions issued by the ministry to the authorities under its supervision, and also to cooperate with the QFIU in activating the suspicious transactions reporting system.

Three meetings were held with the Department in charge of combating money laundering and the financing of terrorism, and supervising all charitable and humanitarian institutions at the Ministry. These meetings aimed at introducing the measures set out by the Ministry to the authorities under its supervision, in addition to the meetings procedures with these authorities in the aim of promoting awareness and enhancing training on the reporting process (STRs).

Three periodic meetings were also held with the AML/CFT compliance officers of charities and private organizations, where the role and functions of the QFIU were highlighted, in addition to the basic requirements of the STR system.





- Rule of Law and Anti-Corruption Center:

In cooperation with the United States Department of Justice, the QFIU participated with the Rule of Law and Anti-Corruption Center in a training session held Monday November 18, 2013 on AML/CFT investigation techniques for Yemeni investigators working in the public prosecution, the financial information centers and the Ministry of Justice.

Internal Training

The QFIU is keen to enhance the technical competencies and specialized skills of its staff. During 2013, some employees were qualified to perform specialized technical roles and attend the following training sessions and workshops:

- Windows Server 2012
- Windows Server 2012 R2 Boot Camp

Workshop on «The Effective Implementation of UN Security Council Resolutions and the relevant UN Conventions and International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation” from 2 to 3 October 2013, in the Hashemite Kingdom of Jordan.

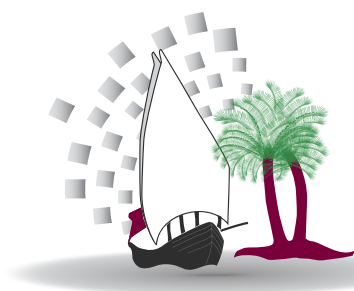
Workshop on “AML/CFT Methodology for the New Standard (AML)” presented by IMF – Middle East Center for Economics and Finance, from 6 to 10 October 2013 in Kuwait.

Regional Workshop on the “CFT National Strategies” from 10 to 12 December 2013 in Doha, Qatar.

Joint “FATF/MENAFATF Experts’ Meeting on Typologies” from 2 to 4 December 2013 in Doha, Qatar. The meeting focused on the following four specific areas: the non-profit organizations, the financial flows linked to the illicit production and trafficking of Afghan drugs; the ML through physical transportation of cash; and the gold trade.

The 5th regional workshop on “Preventing Abuse of the Non-Profit Sector for the Purposes of Terrorist Financing” from 15 to 17 January 2013 in Doha, Qatar.





وحدة المعلومات المالية
Financial Information Unit

PRAISE BE TO GOD

