

2018

ANTI-MONEY LAUNDERING AUTHORITY
FROM CRIMINAL ACTIVITIES

UNIT A'
ACTIVITY REPORT 2018



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Headquarters: 207 Pireos & 92 Alkifronos Str. Athens 11853

Telephone: +302103401901

Fax: +302103426892

Email: gr-fiu@hellenic-fiu.gr

Website: www.hellenic-fiu.gr

Coordination, drafting and editing: International Relations and Research Department

* All personnel from Unit A' of the Authority worked to prepare the Activity Report.

* The Activity Report is available in electronic form on the website of the Authority: www.hellenic-fiu.gr

Introductory Note by the Chairman

The 'Anti – money laundering Authority" counting more than twenty years (with various legal forms) and still continuous to be the institutional tool which supports the retrieval of criminal products.

Its role has always been important and will continue to become even more important, as the economy of Greece improves, while economic activity increases, the requirements for controlling its legitimacy will also increase.

Our country expects and seeks to attract investment for the development of its economy.

But what type of economy?

A healthy one.

An economy that will be provisioned with evidently money and will be able to offer benefits to the citizens, in return.

Any other form of development will lead gradually to consecutively crises with potential mixed manifestations.

The FATF is an inter-governmental body, which was established in 1989 by the Ministers of its Member jurisdictions, that sets rules and controls their implementation, through Recommendations, Directives and periodic peer-reviewed assessments, in order to combat money laundering and the financing of terrorism.

Over the past year, our country has successfully addressed the FATF assessment process, in terms of its effectiveness in combating money laundering and terrorist financing, which will be completed in June 2019.

Unit A' of the "Authority", as a body with a fundamental role in this issue, offered valuable assistance in the assessment process, with the participation of almost all its staff, who with the sacrifice of forces and free time, contributed experience, knowledge and ideas, which improved country's image. Although this process occupied a large part of the personnel of the "Authority",

nevertheless its research work did not lag behind but proceeded with very important findings.

The exceptional level of its staff contributed to this efficiency and I have to thank the bodies that contributed with staff with moral high ground and technical knowledge, especially the Ministries of Finance, Citizen Protection, Justice and Independent Authority for Public Revenue (IAPR).

Unit A', the past year was characterized by extroversion of the service, in the effort to improve the quality of the reports it receives, as well as its collaborations. We have established meetings at least once a year with all bodies, which are required by law to submit reports to the "Authority", with the aim of improving the quality of cooperation and mutual understanding of the issues that arise in practice.

Our goals for next year are:

1. the qualitative and quantitative strengthening of our already improved level of work in the investigation of very serious cases with emphasis on the safety, ethics and confidentiality of the staff

and

2. the strengthening of our cooperation with other bodies inside and outside Greece.

I. Historical Retrospective at International Level

YEAR	Legislative Initiatives
1970	« <i>Bank Secrecy Act</i> », also known as the Currency and Foreign Transactions Reporting Act, is U.S. legislation created in 1970 to prevent financial institutions from being used as tools by criminals to hide or launder their ill-gotten gains.
1980	Recommendation No. R (80)10 adopted by the Committee of Ministers of the Council of Europe, on measures against the transfer and the safekeeping of funds of criminal activity.
1986	<i>Money Laundering Control Act (MLCA)</i> of 1986 - Amends the Federal criminal code to establish money laundering as a Federal offense.
1988	United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances. A special reference related to Money Laundering is noted in article 3. Greek law 1990/1991 ratified the provisions of the Convention (Official Government Gazette 193 / Issue A / 16-12-1991).
1989	The Financial Action Task Force (F.A.T.F), created by the G7 in 1989, as an independent task force, was tasked with developing international consensus on measures to fight money laundering.
1990	Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime (Strasbourg Convention). Greek Law 2655/1998 ratified the provisions of the Convention (Official Government Gazette 264 / Issue A / 1.12.1998).
1990	The FATF first issued its Forty Recommendations in 1990 and the main directions are related to: lifting bank secrecy, intensification of cooperation and mutual judicial assistance, criminalise money laundering, establish a financial intelligence unit to receive and disseminate suspicious transaction reports etc.
1991	Council Directive 91/308/EEC of 10 June 1991 on prevention of the use of the financial system for the purpose of money laundering. Law 2331/1995 has transposed into Greek law the provisions of EU Council Directive 91/308/EEC (Official Government Gazette 173 / Issue A / 24-8-1995)
1993	Amendments of F.A.T.F. Recommendations
1997	OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions signed in Paris on 17 December 1997. Greek Law 2656/1998 ratified the provisions of the OECD Convention (Official Government Gazette 265 / Issue A / 1.12.1998).
1999	United Nations International Convention for the Suppression of the Financing of Terrorism, which was set into force in 2002 and was signed from one hundred and thirty-two (132) member states, including Greece (Law. 3034/2002, Official Government Gazette 168 / Issue A / 22.07.2002).
1999	Criminal Law Convention on Corruption, signed in Strasbourg on 27/01/1999 and the <i>Additional Protocol</i> to the Criminal Law Convention on Corruption, signed in Strasbourg on 15 May 2003. Greek Law 3560/2007 ratified the provisions of the Convention (Official Government Gazette 103 / Issue A / 14.05.2007).
2000	United Nations Convention against Transnational Organized Crime (Palermo) and the three Protocols, vis: 1. <i>The Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children</i> , 2. <i>The Protocol against the Smuggling of Migrants by Land, Sea and Air</i> and 3. <i>The Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components and Ammunition</i> . Greek Law 3875/2010 ratified the provisions of the OECD Convention (Official Government Gazette 1580 / Issue A / 20.09.2010).
2001	F.A.T.F. created Eight (8) Special Recommendations on Terrorist Financing and one (1) on cross border capital transfer.

2001	Directive 2001/97/EC of the European Parliament and of the Council of 4 December 2001 amending Council Directive 91/308/EEC on prevention of the use of the financial system for the purpose of money laundering. Greek Law 3425/2005 ratified the provisions of the Directive (Official Government Gazette 306 / Issue A / 13.12.2005).
2001	Council Framework Decision of 26 June 2001 on money laundering, the identification, tracing, freezing, seizing and confiscation of instrumentalities and the proceeds of crime
2003	United Nations Convention was adopted by the General Assembly of the United Nations on 31 October 2003, at United Nations Headquarters in New York. Greek Law 3666/2008 ratified the provisions of the Convention (Official Government Gazette 105 / Issue A / 10.06.2008).
2003	Amendments of F.A.T.F. Recommendations
2003	Council Framework Decision 2003/577/JHA of 22 July 2003 on the execution in the European Union of orders freezing property or evidence
2005	Council Framework Decision 2005/212/JHA of 24 February 2005 on Confiscation of Crime-Related Proceeds, Instrumentalities and Property.
2005	Directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing. Greek Law 3691/2008 ratified the provisions of the Directive (Official Government Gazette 166 / Issue A / 05.08.2008).
2005	Regulation (EC) No 1889/2005 of the European Parliament and of the Council of 26 October 2005 on controls of cash entering or leaving the Community. Following the Regulation, par. 8 was added to Article 147 of the Law 2960/2001 (National Customs Code) as modifies with Article 24 par. 2 of the Law 3610/2007.
2005	Warsaw Convention of the Council of Europe Convention on the Prevention of Terrorism, signed on 16 May 2005. Greek Law 4478/2017 ratified the provisions of the Directive (Official Government Gazette 139 / Issue A / 23.06.2017).
2006	Council Framework Decision 2006/783/JHA of 6 October 2006 on the application of the principle of mutual recognition to confiscation orders
2009	Council Framework Decision 2003/577/JHA of 22 July 2003 on the execution in the European Union of orders freezing property or evidence. Greek Law 4478/2017 ratified the provisions of the Directive (Official Government Gazette 139 / Issue A / 23.06.2017).
2012	Amendments of F.A.T.F. Recommendations (40 out of 49)
2014	Directive 2014/42/EU of the European Parliament and of the Council of 3 April 2014 on the freezing and confiscation of instrumentalities and proceeds of crime in the European Union. Greek Law 4478/2017 ratified the provisions of the Directive (Official Government Gazette 139 / Issue A / 23.06.2017).
2015	Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (4 th AMLD). Greek Law 455/2018 ratified the provisions of the Directive (Official Government Gazette 139 / Issue B / 30.07.2018).
2018	Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU. Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law.

II. The Authority in its current form after the entry into force of the Law 4557/2018

The Anti-Money Laundering, Counter-Terrorist Financing and Source of Funds Investigation Authority, hereinafter referred to as "Authority", established under article 7 of the Law No. 3691/2008, following the entry into force of Law 4557/2018, is renamed to "Anti-Money Laundering Authority from criminal activities".

The "Authority" consists the national unit for combating money laundering from criminal activities and counter-terrorist financing and controlling asset declarations, contributing to the security and stability of fiscal and economic policy.

The Authority is administratively and operationally independent. Its headquarters are in the Prefecture of Attica, while the budget of the Authority is part of the budget of the Ministry of Finance.

The Authority's purpose, according to Law 4557/2018, is: the collection, analysis, investigation and assess of suspicious transaction reports transmitted to the Authority by the liable entities, as well as any other information that comes to its knowledge and is related to the offenses of money laundering, terrorist financing, and property declarations.

The Authority consists of **three (3) autonomous Units**, with distinct responsibilities, personnel and infrastructure and a common Chairman.

Specifically,

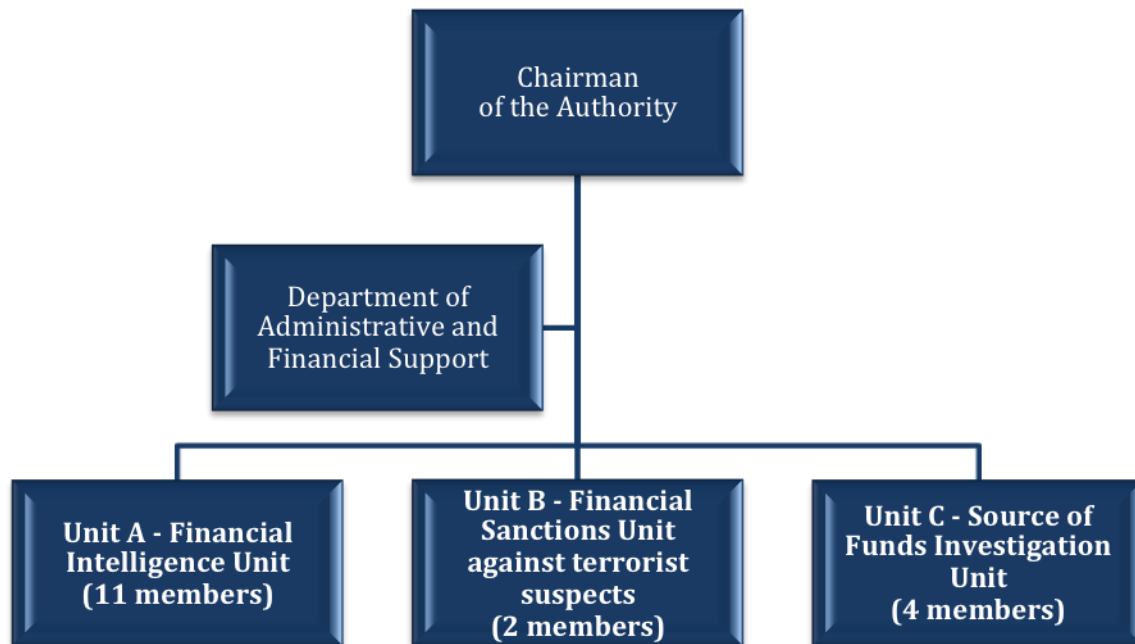
Unit A - Financial Intelligence Unit

Unit B - Financial Sanctions Unit against terrorist suspects

Unit C - Source of Funds Investigation Unit

For the administrative and secretarial support of the Authority's work, the **Administrative Support Office** is responsible, reporting directly to the Chairman of the "Authority".

The Authority is constituted by the Chairman and seventeen (17) members, as well as by their equal number of alternates, who stand out for their scientific training, ethics, and their professional skills and experience, depending on the requirements of the individual Units of the Authority. The President and the members of the Authority have personal and operational independence in the exercise of their duties and are only bound by law and their conscience.



The Chairman of the “Authority”

The Chairman of the Authority is an acting Public Prosecutor to the Supreme Court, appointed together with his alternate by a Decision of the Supreme Judicial Council and is a full time official. Its role is crucial both in the functioning of the Authority and in its development, as the Chairman is responsible, among other things, for the restaff of the Authority, the distribution of responsibilities, strategy formulation and the supervision of its smooth and efficient operation, charging cases as well as to chair the meeting of each Unit.

The members of the “Authority”

The members and alternates of the Authority are appointed by joint decision of the Ministers of Justice, Transparency and Human Rights and Finance, upon proposal of the Ministers of Justice Transparency and Human Rights, Finance, Foreign Affairs, Public Order & Citizen Protection, the Governor of the Bank of Greece and the Board of Directors of the Hellenic Capital Market Commission. The persons proposed stand out for their scientific training, ethics, and their professional skills and experience in the sector of banking, finance, law or business, depending on the requirements of the individual Units of the Authority. The appointment of members and alternates is made following **an opinion of the Special Permanent Committee on Institutions and Transparency of the Hellenic Parliament.**

Meetings of the Units of the Authority

The Units meet duly convenes when the Chairman or his alternate and at least half of the members or their alternates attend the meeting and decide by absolute majority of the members present in order to examine issues of their competence. In the event of a tie, the Chairman shall have the casting vote.

Finally, despite Units’ efficiency, it is of highly importance the possibility of collaboration between the Units of the “Authority”, as the Chairman of the “authority” may decide that the involvement of two or all of the Units is necessary

to investigate the same case. This element gives special value to the Authority's work, because of the information cross exploitation that is actualized.

Unit A' - Financial Intelligence Unit

Unit A' comprises the Chairman and eleven (11) members of the Authority, in particular:

- One member from the Special Secretariat of the Financial and Economic Crime Unit (F.E.C.U.)
- One member from the General Directorate of Economic Policy of the Ministry of Finance
- One member from the Economic Crime Investigation Directorate
- One member from the A.A.D.E.
- One member from the Ministry of Justice, Transparency and Human Rights
- One member from the Bank of Greece
- One member from the Hellenic Capital Market Commission
- One member from the Hellenic Police Headquarters
- One member from the Headquarters of the Coast Guard-Hellenic Coastguard
- One member from the Hellenic Gaming Commission
- One member from the Hellenic Accounting and Auditing Standards Oversight Board

Unit A' Responsibilities & Powers

Unit A' receives, investigates, analyzes, evaluates, correlates suspicious or unusual transactions reports, submitted to the "Authority" by the persons liable, as well as information submitted to the "Authority" by other public or private bodies or brought to the attention via the media, the internet or any other source, related to business, professional or transactional activities, which may be correlated to money laundering or terrorist financing.

Similarly, the Unit investigates and assesses any such information transmitted to the Authority by foreign bodies, with which it collaborates to provide any possible assistance.

The Unit also, provides guidance and instructions to obliged persons and the above bodies as regards the handing of cases within its competence.

The Chairman of the Authority, when an investigation or a preliminary examination is carried out in accordance to par. 1 of Article 42 of the Law N. 4557/2018, may order the prohibition on the movement of accounts, securities and financial products, of opening deposit boxes and transferring or selling any assets may, under the terms and conditions laid down in par. 1 to 3, Article 42 of the Law 4557/2018. The data concerning the freezing and a copy of the case file are forwarded to the competent Prosecutor, without this impairing the investigation by the FIU. The persons affected by the above freezing have the rights provided in par. 4. In urgent cases, when it is suspected that a property or transaction is related to money laundering from criminal activities or terrorist financing, the Chairman shall order the provisional freezing of the property or the suspension of the specific transaction execution, to investigate the grounds of the suspicion in accordance to item d, par. 2 of the Law 4557/2018.

Once an investigation is completed, the Unit decides whether to close the case or to refer it, by a reasoned report thereof, to the competent prosecutor, when the information collected is sufficient for such referral. A closed case may be reopened at any time in order to continue the investigation or correlate it to any other investigation of the Authority.

The Unit participates in working groups of international organizations and bodies operating in addressing money laundering and terrorist financing, in particular, the FATF, the Egmont Group of FIUs and FUI Platform of the European Union.

Unit A' composes and submits a report of its operations, to the Committee on Institutions and Transparency of the Hellenic Parliament, the Ministers of Justice, Transparency and Human Rights and Finance and to the Alternate Minister of the Interior responsible for Citizen Protection.

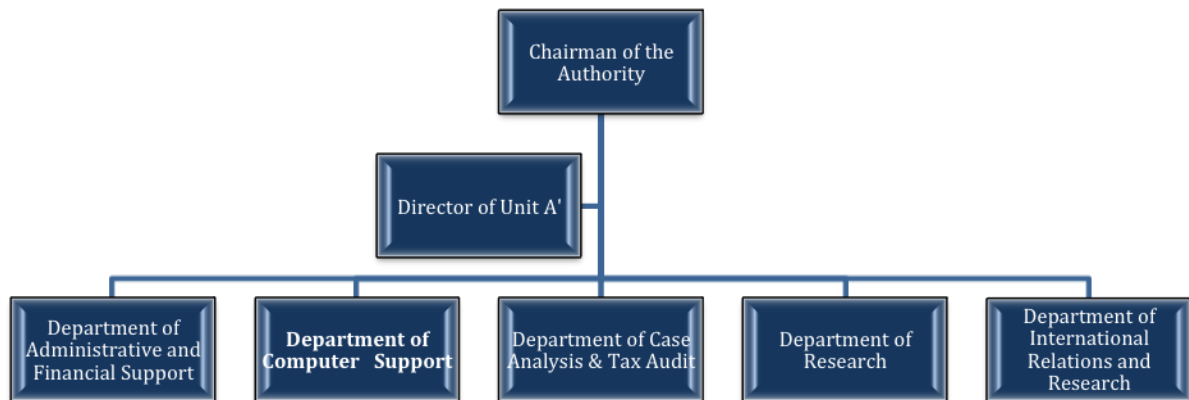
Unit A' (as well as the other units of the "Authority") have access to any form of file of any public authority or organization that keeps and processes data.

In addition, the Unit, within the scope of their investigations and audits, may seek the collaboration and provision of any kind of information from natural persons, judicial, preliminary investigation and investigating authorities, public services, public or private law legal entities and any form of organizations. In serious cases, at their discretion, specific on-site investigations may be carried out, in any public or private entity and any natural or legal entity investigated or audited by them, to investigate the offenses referred to herein, cooperating, if necessary, with the competent authorities.

The Unit A' may request from the obliged persons any information required to perform their duties, including also grouped information pertaining to certain categories of transactions or activities of domestic or foreign entities. In addition, on-site investigations at the premises of obliged persons, may be carried out, informing the competent authorities about any event of poor cooperation or non-compliance of such persons with their obligations.

During its investigations and audits, no provision requiring **banking, capital market, taxation or professional secrecy** is valid vis-à-vis the Unit, without prejudice to Articles 212, 261 and 262 of the Code of Criminal Procedure. The personnel of Unit A', has been granted access to the Bank Account Registry, viz a special platform, within 24 hours to the bank accounts balance (natural and legal entities) and within 48 hours to their statements.

III. Structure of Unit A'



Unit A' of the "Authority" is **consisted of five (5) Departments**, as follows:

Department of Administrative and Financial Support

This Department is responsible for managing and handling financial and administrative matters relating to its relations with other bodies, as well as administrative matters of the Chairman, its members and personnel.

Department of Computer Support

This Department is responsible for the Computer Support of the Authority, including the responsibility for the design, development and maintenance of computer applications, the reliable and safe operation of the computer system, the maintenance of computer equipment, database management systems, databases. and the general support of the entire electronic system of the Authority, the design, creation and maintenance of the Authority's website (web site), the information and training of users in technological developments etc.

Operational Departments

Department of Case Analysis & Tax Audit

The Department is mainly responsible for the investigation and analysis of suspicious or unusual transactions reports or activities submitted to the Authority by the liable legal or natural entities of the financial and non-financial sector and other natural or legal entities subject to the obligations of Law 4557/2018 as well as for the cooperation with the other authorities.

Department of Research

The Department is responsible for collecting, researching and analyzing criminal and police information, while assisting the other operational departments in the analysis of cases, especially those coming from Prosecuting Authorities (Prosecutor's Office, Police, Coast Guard, Economic Crimes Enforcement Agency (SDOE) etc.), while also ensures through its staff access to the special criminal platforms of Hellenic Police (such as Police-on-Line, SIS II, Europol, Interpol, etc.).

Department of International Relations and Research

The Department is responsible for the exchange of information with the relevant authorities abroad, through the networks of Egmont Secure Web and FIU-Net, the provision of assistance to other operational Departments of the Unit for the analysis of transnational affairs, the preparation of studies and the implementation of analyzes related to Money Laundering and Terrorist Financing, monitoring the international developments of internationally used methods and practices, the participation and representation of the Authority in European and international forums and the preparation of Cooperation Memoranda with the competent authorities abroad.

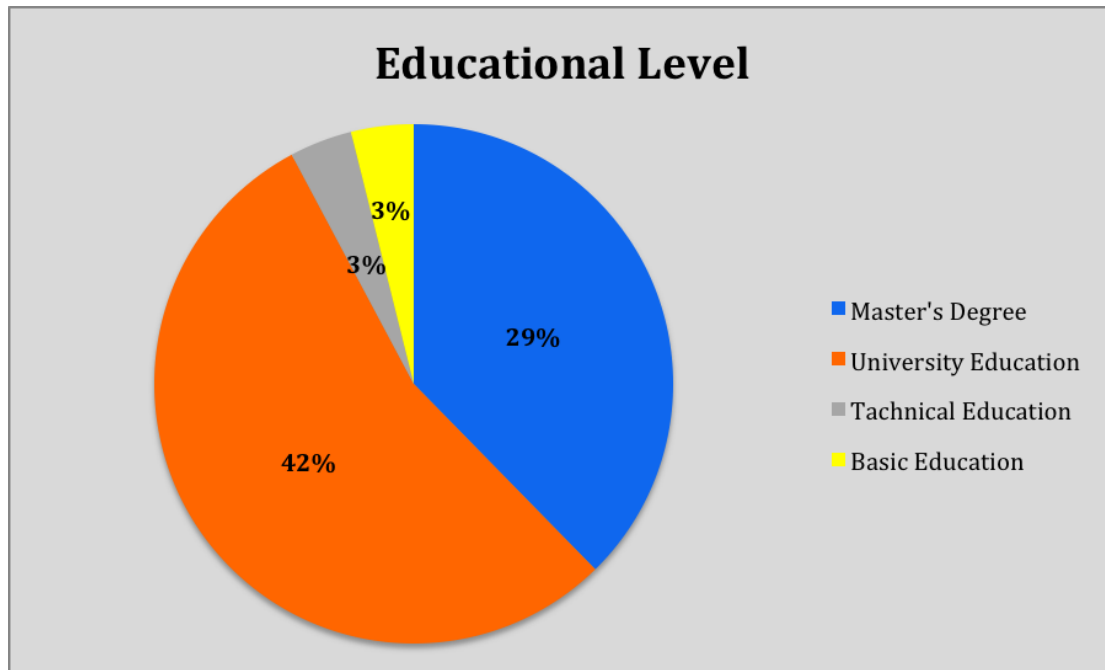
IV. Personnel of Unit A'

Unit A' is supported independently, by personnel with special knowledge and experience in dealing with cases of money laundering, terrorist financing or similar serious economic crime, as well as by administrative and support staff. The staff is posted from the bodies and the Ministries of origin of the Unit members.

For year 2018, the personnel of Unit A' reached in total **37 employees** deriving from special services of the following bodies:

- Ministry of Public Order & Citizen Protection / Hellenic Police
- Independent Authority for Public Revenue (IAPR)
- Ministry of Finance
- Ministry of Justice

The personnel of the three (3) Operational Departments of Unit A', **which corresponds to 68% of the employees**, is actively involved in **case analysis and information analysis**. Regarding the training level of the staff of the Unit, the biggest percentage, corresponding to **42%**, are of University Education, while **29%** of them hold a Master Degree in Finance and Social sciences.



V. Personnel Training for year 2018

The training of the personnel of Unit A' is continuous. Over time, in the year 2018, the Unit participated in a number of trainings, seminars and workshops being part of its responsibilities at home and abroad. In addition, there is a provision for a specific process of training and informing new staff, which is implemented at regular intervals and with the "on the job training" process. Finally, the personnel actively participates in educational activities and seminars and through online platforms (e-learning) of international bodies and organizations in order to continuously inform them about modern advances.

Indicatively, educational seminars / workshops are mentioned in which the staff of Unit A' participated:

Abroad, with topics:

- Training and preparation of future evaluators of F.A.T.F. and MONEYVAL, based on the 40 F.A.T.F. Recommendations, regarding the adoption and evaluation of the effectiveness of these recommendations, organized by the Secretaries of the F.A.T.F. and MONEYVAL, in Cyprus and Russia. (2 officers)
- OSCE 2018-Wide Counter-Terrorism Seminar, in Rome, on 10-11/05/2018. (2 officers)
- «Computer Forensic Examination», organized and financed by the European Anti-Fraud Office (OLAF), the International Association of Computer Researchers and the University of Zagreb - Croatia, in Zagreb, Croatia. (1 officer)
- Intellectual Property Rights crimes and the connection with ML and other offenses, in Bucharest. (1 officer)
- United Nations seminar in Vienna, on 06 - 07/06/2018 on Open-edited intergovernmental working group on asset recovery. (1 officer)

- Europol's IP Crime Conference, on 27-28/06/2018 on Budapest-Hungary, organized from Europol and National Tax and Customs Administration of Hungary. (1 officer)
- OECD AML, Current Trends, Prosecutions and the Challenges around Cryptocurrencies special training program, on 15-19/10/2018, in Austria of Italy. (2 officers)

Internal, with subject:

- 2018 Hellenic ACFE Conference "Leading the Fight Against Fraud", in Athens. (10 officers)
- Bilateral IPR workshop in Athens, organised by the US Department of Justice in cooperation with the American Embassy in Athens. (2 officers)
- ML and Crypto currency crimes training program, in Athens, organised from the US Immigration and Customs Enforcement, in cooperation with the American Embassy in Athens. (2 officers)
- «Money Laundering from Criminal Activities: Selected Cases Study»,
- «Research Methodology, in order to confront Money Laundering from Criminal Activities»
- «Corruption Crimes and Finance Crimes and Crimes against the European Economic Community»
- «Fraud Indicators in the public sector and the protection of information as a mean of confronting corruption»
- In the context of the technical assistance project between Organisation for Economic Co-operation and Development (O.E.C.D) – Greece, for the fight against corruption with topics such as: i. "Coordination, cooperation and exchange of information", ii. "Capacity building and mobilization of the competent authorities to combat bribery", iii. "Promoting Compliance with Effective Internal Audits and Business Ethics in Greek Enterprises to Fight Corruption".
- «Criminal Financing of Organized Immigration Crime», organised by the National Agency against crimes of England (N.C.A.).

On line:

- Online training seminars in operational and financial analysis, by the International Center for Asset Recovery (I.C.A.R.) of the Basel Institute on Governance.
- Online training seminar on cryptocurrency exploration by the United Nations Office on Drugs and Crime (U.N.O.D.C.).

VI. Budget

The Budget of the Authority (including Unit A') is part of the Budget of the Ministry of Finance as its Special Body. This budget is drawn up in accordance with the proposals for the needs of the Authority and the provisions of Law 4270/2014, as amended by the provisions of Article 34 of Law 4484/2017, which clarifies the framework applicable to the Independent Administrative Authorities based on proper fiscal management. It is noted that the Authority is involved in drafting the Medium-Term Plan and contributes significantly to fiscal consolidation. The obligations of the Authority as a Special Body also include the monthly and quarterly briefing of the relevant Department of the Ministry of Finance and the Hellenic Statistical Authority (ELSTAT).

VII. Information Systems

The Unit A', after co-financing from Greece and the European Union, acquired a modern Information System, which was implemented at the beginning of 2016, while at the same time its material and technical equipment was upgraded. With the new information system, the digitization and distribution of all documents of the Authority is achieved electronically, as well as the electronic reception of suspicious transactions reports of the majority of the liable entities.

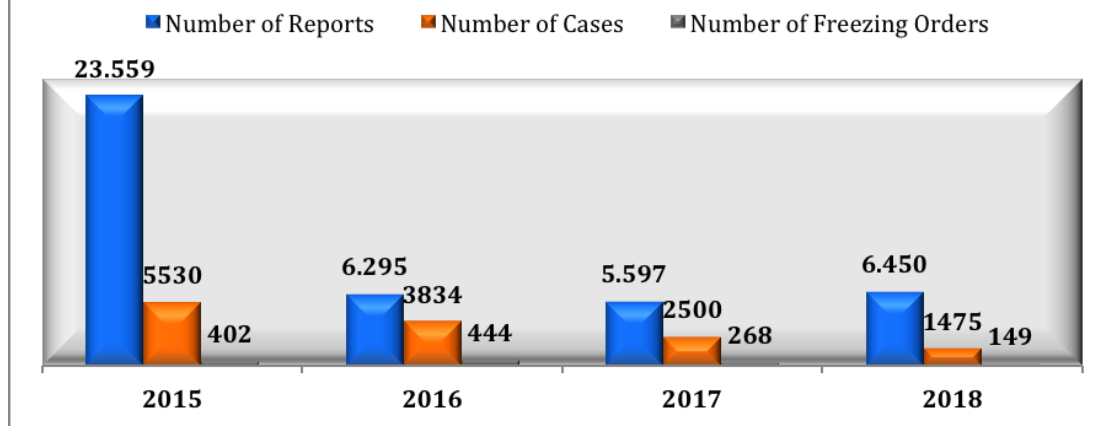
Indicatively, it is mentioned that, in 2018 there was an increase in the use of the information system of Unit A', by the liable entities regarding the submission of suspicious transactions reports.

It is noteworthy that Unit A' of the Authority also possesses special software for analysis and information research, namely the «IBM i2 Analyst Notebook», as well as access to the online platform for analysis and risk assessment "Thomson Reuters World-Check", for the purpose of more complete investigation and analysis of information.

VIII. Performance of Unit A' - Financial Intelligence Unit

Year	Number of Reports	Number of Cases	Number of freezing orders
2015	23.559	5.530	402
2016	6.295	3.834	444
2017	5.597	2.500	268
2018	6.450	1.475	149

Performance Comparative Chart



In the above Performance Comparative Chart, for the period from 2015 to 2018 (last four years), **the number of reports received by Unit A' are displayed, annually and by category, as well as the cases that have been drawn up and the freezing orders that were issued.**

As can be seen from the table above, the number of reports is always bigger than the number of cases and the number of cases is always bigger than the number of freezing orders. **This is because the Unit A', after receiving the reports, proceeds to an overview, categorization, evaluation and prioritization, always in accordance with the current social and economic conditions.**

Suspicious Transaction Reports-STRs from the liable entities.

In relation to the number of reports received by the Unit A' from the liable entities during the last four years, there has been a decrease and stabilization of their number after 2015, which is mainly due to the mass sending of tax evasion cases in 2015.

YEAR	NUMBER of REPORTS (STRs)
2015	23.559
2016	6.295
2017	5.597
2018	6.450

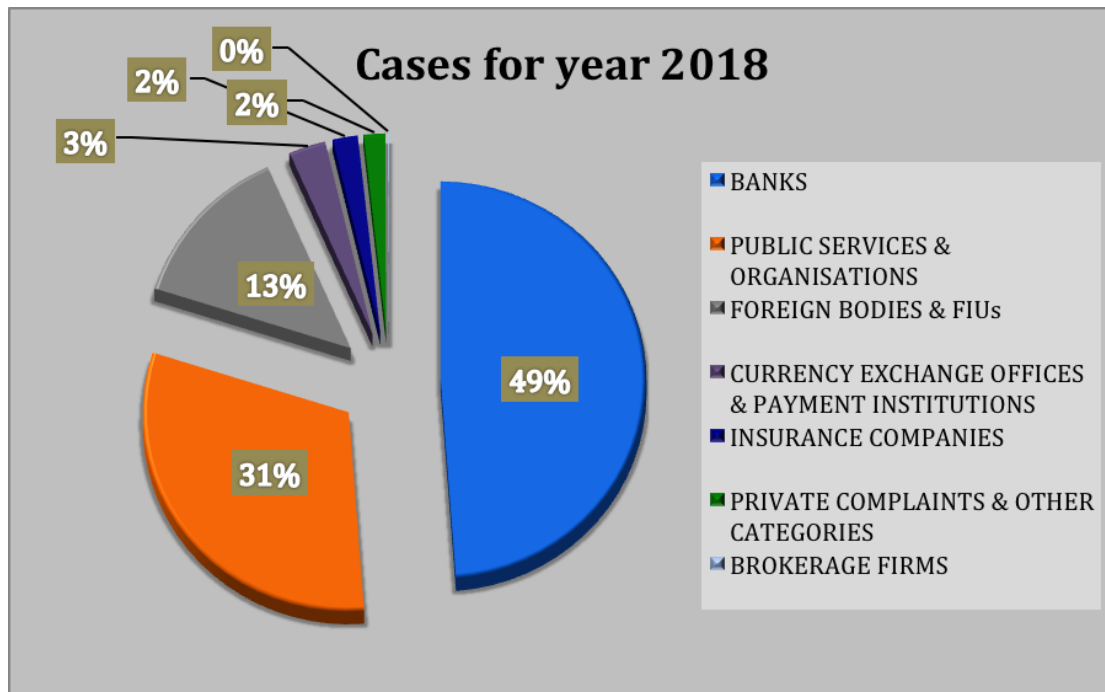


Reports for year 2018	
PUBLIC SERVICES & ORGANIZATIONS	2.352
BANKS	1.842
CURRENCY EXCHANGE OFFICES & PAYMENT INSTITUTIONS	1.410
INSURANCE COMPANIES	403
FOREIGN BODIES & FIUs	236
PRIVATE COMPLAINTS & OTHER CATEGORIES	182
BROKERAGE FIRMS	25
TOTAL	6.450

It is noted that the Other Categories include a small number of companies providing audit and accounting services, as well as companies related to gambling.

Cases that were examined by Unit A'

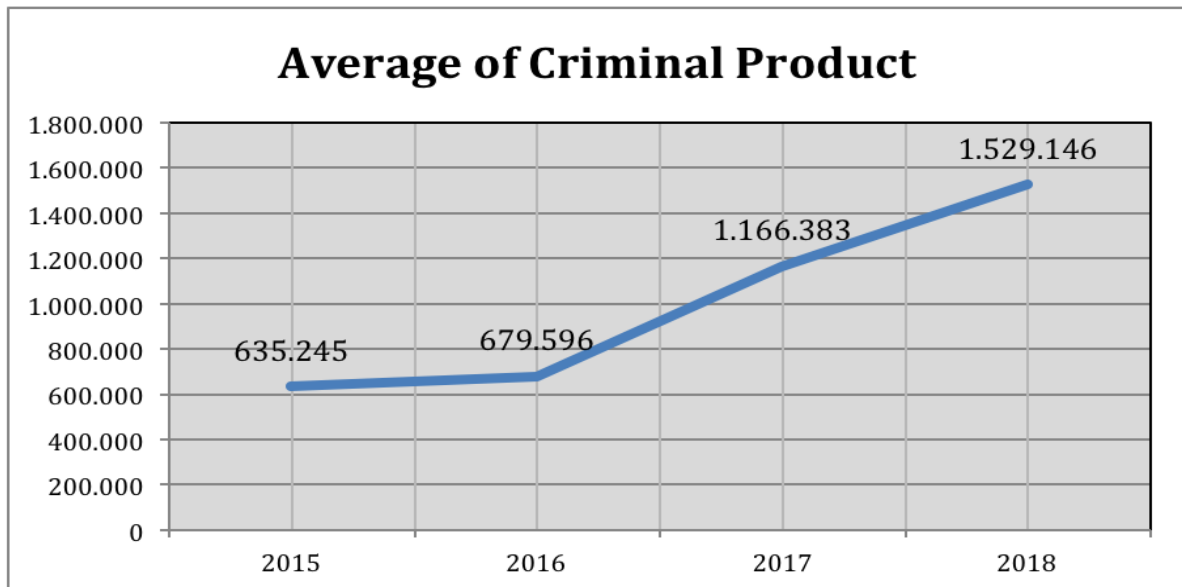
CASES for YEAR 2018	
BANKS	720
PUBLIC SERVICES & ORGANISATIONS	458
FOREIGN BODIES & FIUs	199
CURRENCY EXCHANGE OFFICES & PAYMENT INSTITUTIONS	43
INSURANCE COMPANIES	29
PRIVATE COMPLAINTS & OTHER CATEGORIES	25
BROKERAGE FIRMS	1
TOTAL	1475



A similar picture appears in the statistics regarding the cases of 2018. The first two (2) positions are again occupied by the Public and the Banking Sector with 458 and 720 cases respectively. Despite the relatively low contribution regarding the number of reports, Foreign Bodies and (mainly) the FIUs are in 3rd place with 199 cases, which demonstrates the quality and especially the importance of the information provided from abroad. Following, Currency Exchange Offices & Payment Institutions (43 cases), Insurance Companies (29 cases), Private Complaints & Other Categories (25 cases), and finally cases that were formed based on Brokerage Firms (1 case).

Freezing Orders of property assets from Unit A' of the Authority.

ANNUAL FREEZING CRIMINAL PRODUCT IN €			
2015	2016	2017	2018
255.368.389	301.740.646	312.590.609	227.842.680
ANNUAL NUMBER OF FREEZING ORDERS			
402	444	268	149
AVERAGE of CRIMINAL PRODUCT			
635.245	679.596	1.166.383	1.529.146



Offences	Amount of freezing money in €
Tax Evasion	181.305.094,03
Capital market protection	20.541.960,72
Criminal Organisation	18.026.279,74
Other Offences	7.093.181,50
Smuggling	822.916,20
Bribery, Accepting bribery	53.246,87
Total	<u>227.842.680</u>

Regarding the freezing orders and in order to make the measurement of the effectiveness of Unit A' more representative, the statistics that are referred to the value appraisal of those (freezing orders) are presented, whether those are referred to cash holdings, or to investment products, or to real estates as well as the average crime product per freezing order. It is of interest, the annual and the steady increase of the average crime rate per freezing order. Specifically, it is noted that the average per freezing order was doubled in the last four years (from about 632.000 in 2015 to 677.000 in 2016 and then to 1.16 million in 2017 and 1.52 million in 2018). Therefore, if the reflection of the number of freezing orders at absolute values is combined appropriately with the corresponding qualitative value assessment, it gives a more complete picture of the efficient operation of the Unit.

International Cooperation and Participation

A fundamental role of Authority function especially of Unit A' for the fight against money laundering, is the exchange of information between competent Authorities of other States and cooperation through joint efforts, at international level. For this reason, Unit A', gives particular emphasis to promote international cooperation and participates in international information exchange agencies, in particular the **Egmont Secure Web** platform of Egmont Group and the **FIU.Net** (European Union Financial Intelligence Unit Network). At the same time, the Unit monitors their work and participates in the working groups of these bodies, as well as

the ones of the **Financial Action Task Force (F.A.T.F.)** and of the "**E.U. FIU PLATFORM**" as their member.

Specifically, Unit A' participates in the following bodies:

E.U. FIU PLATFORM

E.U. FIU PLATFORM set up in 2006 in Brussels, by the European Commission, as a forum for discussion and exchange of best practices between E.U FIUs. The aim of the platform, with the support of European Committee, is the following:

- ✓ to provide advice and expertise to the Commission on issues related to FIUs,
- ✓ to facilitate cooperation among the E.U FIUs,
- ✓ to exchange views on co-operation related issues such as effective international FIU co-operation, the identification of suspicious transactions with a cross-border dimension, the standardization of reporting formats through the FIU.net network or its successor and the joint analysis of cross-border cases as well as trends and factors relevant to assessing money laundering and terrorist financing risks both on the national and supranational level.
- ✓ to facilitate the harmonization of implementation procedures and realization of the new Directives on different countries.

F.A.T.F.

FATF is an independent and inter-governmental organization, that was established in 1989 by G7 countries and since 2001 its action is expanding also in fighting terrorist financing. This organization has total 37 member countries, including Greece, bounded from forty (40) Recommendations related to money laundering from criminal activities and nine (9) special proposes against terrorist financing. These recommendations concern precautionary measures to be taken by bodies with a reference to liability, as well as measures to improve national legal systems and international co-operation. The F.A.T.F. also ensures that these regulations are properly and effectively implemented. The assessment of F.A.T.F.'s members is taking place on a regular basis in line with F.A.T.F.'s recommendations.

EGMONT GROUP

The Egmont Group is a united body of 155 Financial Intelligence Units (FIUs) from around the world. The Egmont Group is able to add value to the work of member FIUs by improving the understanding of ML/TF risks amongst its stakeholders, support and promote cooperation and exchange of information among FIUs, around the world. The Egmont Group provides the **Egmont Secure Web**, an electronic platform for the secure exchange of expertise and financial intelligence to combat money laundering and terrorist financing (ML/TF).

Taking into consideration, the above mentioned framework, the Egmont Group support includes:

- ✓ Expanding and systematizing international cooperation in the reciprocal exchange of financial intelligence information,
- ✓ Increasing the effectiveness of FIUs,

- ✓ Offering training and personnel exchanges to improve the expertise and capabilities of personnel employed by FIUs,
- ✓ Encouraging coordination and enhance assistance between the operational divisions of member FIUs,
- ✓ Promoting FIUs Operational Autonomy.

FIU.NET

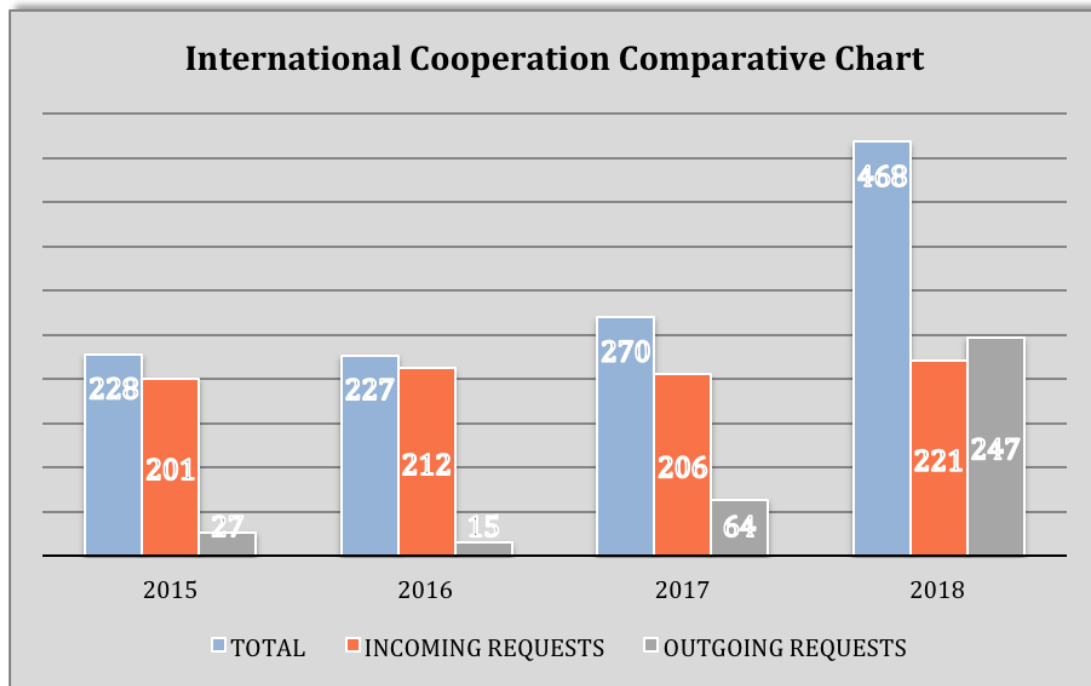
Following the publication of Council Decision 2000/642/JHA of 17th October 2000 from the European Council, the EU Commission, launched the FIU.NET computer network concerning arrangements for cooperation between FIUs of Member States in respect of exchanging information. FIUnet, is a decentralized computer network, which supports EU FIUs, in their fight against money laundering and the financing of terrorism. FIU.net is designed to facilitate the **highly secure connections** required for these exchanges of information. Among other things, it allows the individual FIUs to identify connections between the financial intelligence they collect and criminal intelligence stored at Europol.

In the 4th EU AML/CFT Directive, for combating money laundering and the terrorist financing, the FIU.NET application is explicitly referred to in several articles as the exchange mechanisms for the EU FIUs.

Statistics in the framework of international cooperation

In the framework of the cooperation of Unit A' through the above mentioned networks (FIU.NET, Egmont Secure Web) with the competent Authorities abroad, the Unit A' 1st received 221 reports from Foreign Agencies & FIUs. It is emphasized that the correspondence related to international cooperation has moved (as a whole) to stable levels, between 201 and 270 requests, over the past three years. However, within 2018, while incoming requests show a relatively increasing trend, there is a very large increase in outgoing ones. On the one hand, this increase is due to the strengthening of the staff of the competent Department of International Relation and Research and on the other hand to the prioritization that has been given to the analysis of cases with an international dimension.

YEAR	TOTAL	INCOMING REQUESTS	OUTGOING REQUESTS
2015	228	201	27
2016	227	212	15
2017	270	206	64
2018	468	221	247



IX. Unit A' Initiatives for year 2018

For year 2018, the Chairman of the Authority, taking into consideration the international and European progresses, as well as the number and the quality of the submitted suspicious transaction reports and other information, proceeded to a number of meetings to exchange aspects and, where appropriate, to provide guidelines for further strengthening its cooperation with the Prosecutions Office, Prosecutors, Audit and Supervisory Authorities.

Indicatively, the following are reported indicative:

a) Meetings with categories of liable entities (Art. 5 Law. 4557/2018):

- *With credit institutions.*
- *With insurance companies.*
- *With stock exchanges and other companies, under the supervision of the Hellenic Capital Market Commission.*
- *With gambling providers.*
- *Notary Association.*

The above mentioned meetings took place between the Chairman and the members of Unit A' with the Heads of Regulatory Compliance and ML / FT of the above liable entities, in the presence, by case, of the executives of their supervisory authority. In these meetings, issues related to improving the quality of reports submitted to the Unit A', as well as a number of issues related to ML/FT typologies and methods, as well as issues of enhancing cooperation and immediacy in communication were discussed.

b) Meetings with categories of relevant supervisory Authorities, such as:

- *Commission for the Supervision and Control of Games*
- *Bank of Greece*

- *Independent Authority for Public Revenue (IAPR)*
- *Ministry of Justice*

In those meetings, a number of issues related to ML / FT typologies and methods were discussed, as well as issues of strengthening cooperation and immediacy in communication.

γ) Meetings with Prosecuting, Criminal Prosecution and Audit Authorities:

- *Prosecutor's Office at the Supreme Court*
- *Public Prosecutor for Corruption Offences*
- *Public Prosecutor for Financial Fraud Offences*
- *Independent Authority for Public Revenue (IAPR)*
- *Special Secretary of the Economic Crimes Enforcement Agency*
- *National Intelligence Service*
- *Hellenic Police Special Services (Hellenic Police Headquarters / Special Violent Crime Squad, Financial Police Directorate, Sub-directorate of Organized Crime and Trafficking in Human Beings, International Police Cooperation Division (Interpol-Europol-Sirene etc).*

In these meetings, operational and practical issues were discussed in order to ensure a more effective information management on ML / FT.

The Authority, in order to train the competent and operational authorities, had an active presence with its executives as rapporteurs / speakers,

Police Academy.

Members of Unit A', provided specialized training to combat financial crime and money laundering to trainee Non-Commissioned Officers and Officers of the Hellenic Police.

National Centre for Public Administration & Local Government.

Members of Unit A', attended as rapporteurs in an educational program, with title "*Research methodology for confronting the legalization of income from criminal activities*", organized by the National Center for Public Administration and Local Government / Training Institute, in collaboration with the Finnish Organization HAUS.

In the educational actions of the OOSA-Greece Technical Assistance project for the fight against corruption.

Members of the Unit A' attended as rapporteurs in various actions of the OOSA - Greece Technical Assistance Project for the Fight against Corruption both in Athens and in Thessaloniki, in matters of financial research, recovery of assets, exchange of information and open sources intelligence.

Furthermore, in the framework of the new law and the developments based on the 5th Directive, the Authority is working out a complete training plan for both the members and the relevant involved bodies, which is to be implemented in

cooperation with the Greek public education structures (Universities, National Center for Public Administration and Local Government, Academies).

X. New Developments

1. Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU.

With the above mentioned Directive further measures are taken, in order to increase the transparency of financial transactions, corporate and other legal entities as well as confidence-building measures, with the aim of improving the existing precautionary framework and ensure more effective confrontation of the terrorist financing.

Additionally, the scope of the previous Directive is expanding, in order to include exchange providers between virtual and documentary currencies, as well as digital wallet service providers. To combat money laundering and terrorist financing, the authorities should be able to monitor the use of virtual currencies through liable entities.

It is also recommended to monitor and restrict business relationships and transactions in high-risk third countries when significant weaknesses are identified in the fight against money laundering and terrorist financing.

In addition, measures are being taken to limit the use of anonymous prepaid cards.

Finally, the efficiency and effectiveness of the Financial Intelligence Units is further enhanced by the clarification of the powers and cooperation between the FIUs as well as the public access to information related to the real beneficiary, which allows greater control of the information.

The deadline for incorporating the Directive is January 10, 2020.

2. Directive (EE) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law

This Directive aims to combat money laundering through penal law, in order to enable more effective and faster cross-border cooperation between the competent authorities. The current criminalization of money laundering is not seen as coherent enough to effectively combat money laundering in the Union, and there are gaps in coercion and barriers to cooperation between the competent authorities in the Member States.

Its purpose, among others, is to ensure that the risks posed by the use of virtual currencies are addressed in relation to the legalization of proceeds from criminal

activities. In addition, it is proposed to consider the introduction of stricter penalties for public office holders, who are involved in similar activities.

It is also noted that crimes related to direct and indirect taxation should be covered by the definition of criminal activity, in accordance with the revised FATF recommendations.

Finally, Member States should, in the context of criminal proceedings relating to money laundering, assist each other and in the best possible way, and ensure that information is exchanged in an effective and valid manner, according to national law and the applicable legal framework of the Union.

The deadline for incorporating the Directive is December 3, 2020.

3. Evaluation of Greece from F.A.T.F.

Greece since May 2018 till summer 2019 will be under evaluation by a group of assessors of the International Financial Action Task Force (F.A.T.F.). The evaluation process includes two (2) main stages: a. Evaluation of compliance with the main international standards for combating money laundering and terrorist financing (40 F.A.T.F. Recommendations) and b. Evaluation of the effectiveness of their implementation (11 categories of effective mechanisms, structures, etc. - Immediate Outcomes). The process includes on-site visits and remote discussions and will end with the drafting of a comprehensive report on Greece and the discussion on it at the FAFT Plenary Session in the summer of 2019. The Authority, as the main pillar of Greece in terms of prosecution and strategy against ML / TF, actively participates in the Strategy Committee of Art. 8 of the Law 4557/2017 "Committee for the elaboration of a Strategy and Policies to combat Money Laundering and Terrorist Financing" through its Chairman, while initiatives have been taken and members of the Authority have been allocated for the preparation of the country for the evaluation.

XI. Operational goals for year 2019

The Unit A' of the Authority continuing the effective work of the last years and recognizing the high risk areas, **will continue in 2019**, to prioritize the fight against:

- ***Organised crime***
- ***Corruption and***
- ***Tax evasion***

The Unit A' through targeted research and analysis, using the "tools" at its disposal, will increase the provision of financial information and other information (money routes, real beneficiaries of offshore companies, etc.) to Prosecutors' Offices and Prosecution Authorities, seeking more effective prosecution. An important goal is to encourage the involvement of the private sector in the fight against money laundering and to improve the quality of the reports of the obligated persons of the Law 4557/2018.

Strategic Initiatives for year 2019

1. For the new year, the Unit A' of the "Authority" has scheduled meetings with other liable persons (such as Payment Institutions, Lawyers, Notaries, etc.), as well as with Audit and Prosecution Services, while meetings with all liable persons will be repeated, respectively, according to the needs that will arise. The purpose of the meetings is related to the following issues:
 - a. Improving the quality of the reports submitted to the Unit A' of the Authority
 - b. Strengthening cooperation και
 - c. Discussing and highlighting relevant typologies and methods of ML / FT, giving relevant instructions and directions.
2. The Unit A' of the Authority, recognizing the high risk areas for ML / FT, in combination with the results of the National Risk Assessment Report, will, in 2019, draw up more specific strategic reports related to ML / FT .
3. Also, the Authority intends in 2019 to conclude memoranda of cooperation with other bodies in the interior (Public and / or Private Sector) as well as with other counterpart Authorities of other Countries, strengthening cooperation and information exchange, in order to confront more effectively the ML / FT phenomenon.
4. Due to the constantly evolving crime and the new typologies and methods of ML / FT, the participation of the staff of the Unit A' in a number of relevant trainings by recognized bodies and educational institutes in Greece and abroad, is planned for 2019.

The Chairman of the Authority

ANNA ZAIRI

Supreme Court Deputy Prosecutor