



**TRINIDAD AND TOBAGO NATIONAL ANTI-MONEY
LAUNDERING COMBATING TERRORISM
FINANCING COUNTERING PROLIFERATION FINANCING POLICY
AND STRATEGY**

UPDATED TO DECEMBER 2024

TRINIDAD AND TOBAGO
NATIONAL ANTI-MONEY LAUNDERING
COMBATTING TERRORISM FINANCING
COUNTERING PROLIFERATION FINANCING
POLICY AND STRATEGY

UPDATED TO DECEMBER 2024

TABLE OF CONTENTS

BACKGROUND AND INTRODUCTION	2
PURPOSE	5
POLICY STATEMENT	5
NATIONAL VISION AND MISSION	7
1. IMPORTANCE OF A NATIONAL AML/CFT/CPF FRAMEWORK	8
2. THE NATIONAL ANTI-MONEY LAUNDERING COMMITTEE	14
3. INSTITUTIONAL STRUCTURE FOR COMPETENT AUTHORITIES	18
4. POLICY OBJECTIVES	28
5. ACHIEVING POLICY OBJECTIVES	32
5.1 Legislative and Regulatory Framework	34
5.2 Effective Implementation of Legal and Regulatory Framework	35
5.2.1 Risk-Based Framework	35
5.2.2 Supervision of Financial Institutions and Listed Businesses	36
5.2.3 Compliance by Financial Institutions and Listed Businesses	37
5.2.4 Taking the Profit out of Crime	38
5.2.5 Domestic and International Collaboration and Cooperation	39
5.2.6 Targeted Financial Sanctions	40
5.2.7 Policy on NPOs	41
6. CREATIVE APPROACHES TO RESOURCE MANAGEMENT	43
7. COMMUNICATION, PUBLIC AWARENESS AND OUTREACH	43
8. FINANCIAL INCLUSION AND NEW TECHNOLOGIES	44
9. ADDITIONAL STRENGTHENING OF THE AML/CFT/CPF FRAMEWORK	46
10. REVIEW OF NATIONAL AML/CFT/CPF POLICY	48
11. APPLICABILITY OF POLICY TO NATIONAL AUTHORITIES	48
TABLE OF ACRONYMS	49

BACKGROUND AND INTRODUCTION

Trinidad and Tobago is recognised as a leading member within the Caribbean Financial Action Task Force (CFATF)¹ in terms of its commitment to maintaining global anti-money laundering (AML), combatting the financing of terrorism (CFT), and combatting the financing of proliferation of weapons of mass destruction (CPF) (AML/CFT/CPF) standards. The anti-financial crime efforts of the country are driven by a desire to protect the citizenry and economy, and in keeping with Trinidad and Tobago's ownership of its roles and responsibilities as a member of the international community. Its commitment is reflected in continuous strengthening of the national policy, legislative and operational framework, itself a result of steps to keep these elements under regular review in light of evolving domestic and international trends, typologies and standards.

This document follows the latest review of national AML/CFT/CPF policies by the National Anti-Money Laundering and Counter Financing of Terrorism Committee in keeping with its mandate, and outlines Trinidad and Tobago's overarching national AML/CFT/CPF policies as adopted by Cabinet. It therefore provides clear and unambiguous direction to all national authorities on implementing the country's strategies for ensuring that Trinidad and Tobago maintains a strong and effective AML/CFT/CPF framework. This includes requiring competent authorities to ensure alignment of their sectoral and institutional policies, operational strategies and activities with this policy.

The fight against financial crime however does not rest solely on the shoulders of national authorities and requires collaboration with and the adoption of mitigation measures proportionate to their risk exposure by key private sector stakeholders, including financial institutions (FIs), listed businesses (LBs), non-profit organisations (NPOs) and the donor community. FIs and LBs in particular should take this document into consideration when developing and implementing all key elements of their

¹ CFATF is a FATF-style regional body headquartered in Trinidad and Tobago (of which Trinidad and Tobago is a member).

compliance programmes. More broadly, this document should serve as a guide to all members of society to whom terrorism and counter-proliferation targeted financial sanctions apply², in line with Trinidad and Tobago's commitment to fulfilling its obligations in accordance with Chapter VII of the Charter of the United Nations. It is to be noted that effective CPF strategies in particular, require vigilance by a much broader range of sectors outside of traditional obliged entities. Granted that this is a relatively recent area of focus by the international community, public and private sector stakeholders would need to continue to work closely together to ensure that international standards are met.

The adoption of a documented, focused, and sustained approach to AML/CFT/CPF was catalysed by a range of domestic and international drivers, including but not limited to Trinidad and Tobago's efforts to comply with the Financial Action Task Force (FATF) Standards. Trinidad and Tobago underwent its Fourth Round Mutual Evaluation in 2015 (conducted by CFATF) and identified areas where the AML/CFT/CPF legal and regulatory framework could be strengthened. Following the publication of Trinidad and Tobago's Fourth Round Mutual Evaluation Report in 2016, the country undertook a number of legislative and administrative corrective actions that resulted in substantial improvement in the country's compliance with the FATF Recommendations, as reflected in its third Enhanced Follow-Up Report. Though not formally assessed by CFATF, significant steps were also taken to improve effectiveness of the national AML/CFT/CPF framework as reflected through the Follow-up Reporting Process.

The FATF standards have also continued to evolve throughout the Fourth Round and have undergone further significant changes resulting in the adoption of the Fifth Round Methodology.³ These standards, *inter alia*:

² While specific obligations are placed on FI and LBs, broader targeted financial sanctions apply to all nationals of Trinidad and Tobago entities, as well as all persons within Trinidad and Tobago's territory.

³ Methodology for Assessing Technical Compliance with the FATF Recommendations and the Effectiveness of AML/CFT Systems-updated August 2024.

- a. call for countries to have national AML/CFT/CPF policies which are informed by the risks identified, and which are regularly reviewed⁴; and
- b. require the provision of law enforcement, financial intelligence units, prosecutors, other asset recovery practitioners and competent authorities with a more robust toolkit to target and confiscate criminal assets⁵.

Revision of policy is also driven by Trinidad and Tobago's evolving understanding of risk. This includes through National Risk Assessments, sectoral risk assessments and supervision by supervisory authorities and threat assessments by intelligence agencies. For example, the Central Bank of Trinidad and Tobago (CBTT) conducted a thematic terrorist financing/ proliferation financing of weapons of mass destruction (TF/PF) desk-based review of the eight (8) commercial banks in 2020, which include strategically important financial institutions. Evolving and emerging domestic and international AML/CFT/CPF typologies also catalyse these reviews. Accordingly, the Financial Intelligence Unit of Trinidad and Tobago (FIUTT) produced a Typology Report on Trade Based Money Laundering (TBML), which has assisted individuals and businesses within the jurisdiction to identify suspicious transactions/activities related to TBML, while conducting financial and operational activities. Additional typologies on cheque fraud, evasion of taxes and real property fraud were also provided to stakeholders, as well as a Typology Report on Scammers Use of Social Media Platforms.

⁴ See FATF Methodology, Criterion 2.1.

⁵ The FATF Recommendations were revised in November 2023, amending Recommendations 4, 30, 31, 38 and 40 and their Interpretive Notes as relates to confiscation and provisional freeze and seize measures in the domestic context, measures to improve international cooperation on asset recovery and new forms of international cooperation which emphasise the importance of swift and efficient channels and mechanisms.

PURPOSE

This document has been developed by the Government of the Republic of Trinidad and Tobago (GoRTT) to enable the mitigation of money laundering, terrorist financing and proliferation financing (ML/TF/PF) risks, based on its understanding of the risks Trinidad and Tobago has been assessed as being exposed to. It sets out Trinidad and Tobago's overall AML/CFT/CPF policies, as well as the key elements of the strategies to be followed to ensure that the policy focus is effectively maintained, and the desired objectives achieved. It describes the institutional arrangements to effectively implement the national AML/CFT/CPF framework, and key actions and activities to maintain and strengthen them.

Further, the document provides guidance to the competent authorities (CA) as well as the FI, LBs and NPO sectors to ensure that their business practices and internal control mechanisms are aligned with national, sectoral and institutional understanding of ML/TF/PF risks and promoting these policy objectives.

POLICY STATEMENT

National, regional and global attempts to use the international financial system to launder money and finance terrorism and proliferation of weapons of mass destruction, is of great concern to the GoRTT, impacting on the safety and security of our citizens. It is therefore the GoRTT's policy to implement legal, regulatory, and operational measures using a risk-based approach, to prevent, detect, prosecute, disrupt and otherwise dissuade ML/TF/PF and protect the national and international financial system from abuse. This is achieved through continuous and commensurate measures to identify, understand, assess and mitigate ML/TF/PF risks at the national, sectoral and institutional levels, including (but not limited to) through national, sectoral and thematic risk assessments, ongoing supervisory actions, strategic analytical products produced by the FIUTT, intelligence products developed by other

key competent authorities and maintaining a diligent watch over emerging and evolving international ML/TF/PF trends and typologies.

NATIONAL VISION AND MISSION

The following statements summarise Trinidad and Tobago's overall policy objectives in relation to ML/FT/PF activities:

Vision: As a component of an overall integrated approach to national security, including anti-crime and anti-terrorism policies and strategies, a robust legal, regulatory and operational framework and effective capacity, consistent with best practices and international standards, that identifies, seeks to prevent, and promptly applies proportionate and dissuasive sanctions for ML/TF/PF activities and related predicate offences, and deprives criminals of the proceeds and instrumentalities of financial crime, terrorism and proliferation and otherwise dissuades and disrupts criminal, terrorist and proliferation activities and that evolves, is responsive to and anticipates changes in the operating environment and to changes in patterns of criminal and sanctioned conduct.

Mission: To ensure AML/CFT/CFP understanding among stakeholders, as well as, develop and maintain their full participation to counter, disrupt and discourage all forms of ML/TF/PF activities, and prevent criminals from benefiting from the proceeds of crime⁶.

⁶ This mission will be achieved by involving the public sector, private business sector, NPOs and the general population, as appropriate, together with ongoing information sharing with competent authorities in partner jurisdictions.

POLICY AND STRATEGY

1. Importance of a National AML/CFT/CPF Framework

Separate and apart from Trinidad and Tobago's long-standing commitment to meet its global obligations as a responsible member of the international community, the critical importance to the country of its full engagement in the global AML/CFT/CPF effort lies in both:

- (a) the direct nexus between financial crime and predicate offences, presenting risks to the safety and security of the citizens of Trinidad and Tobago; and
- (b) Trinidad and Tobago's heavy dependence on international trade and the associated payment arrangements to maintain and develop its economic and social system and framework.

Money laundering involves the set of activities designed to conceal the criminal origins of the proceeds of illegal activity. AML operations are thus intended to prevent criminals from benefiting financially from law-breaking, in effect disincentivising predicate offences from the outset by taking the profit out of crime. The funds and non-cash proceeds of crime are, by definition, tainted.

On the other hand, resources used to finance terrorist activity may have been obtained by either unlawful or lawful means. It is the use of those resources to fund terrorists, individuals or organizations at which CFT is aimed, particularly in circumstances whereby funding can be tied to a specific terrorist act. Individual NPOs that have weak governance structures and that receive funding could be potentially exposed to being abused as unwitting conduits for terrorist financing and as platforms for terrorist support activities such as recruitment. Trinidad and Tobago has sought to maintain a fair, balanced and proportionate approach to addressing this issue by ensuring that there is continuous dialogue with the NPO sector and their stakeholders to keep them abreast of the obligations they are required to fulfil and remain aware of evolving TF risks within the sector.

Similar to TF, resources used in PF may be obtained through licit and illicit sources. Whereas, the FATF Standards focuses on state actors, the policy of the country has been to adopt a broader approach to PF, which goes beyond what is required by the FATF Standards and extends to non-state actors⁷, such as international organisations and corporations. This is in keeping with United Nations Security Council Resolution (UNSCR) 1540(2004).

Trinidad and Tobago has implemented UNSCR 1718(2006) regarding the imposition of an arms embargo, assets freeze and travel ban on persons involved in the Democratic People's Republic of Korea (DPRK) nuclear programme, and a ban on a range of imports and exports, to prohibit the DPRK from conducting nuclear tests or launching ballistic missiles. The country has also previously implemented UNSCR 2231(2015) that endorsed the Joint Comprehensive Plan of Action on the nuclear program of the Islamic Republic of Iran (Iran).

Additionally, the Supervisory Authorities (SAs) provide training and awareness to the FI and LBs on the CPF policies and procedures that are implemented on a national level and conduct examinations of reporting entities (REs) to ensure that they are complying with the said policies and procedures.

A balance has to be struck between the full implementation of PF targeted financial sanctions and a risk-based approach to mitigating the potential breach, non-implementation or evasion of such CPF obligations, as this is critical, particularly against the background of resource constraints and competing risk areas at the national, sectoral and institutional levels. Like CFT targeted financial sanctions, CPF targeted financial sanctions applies to all Trinidad and Tobago natural and legal persons, as well as all persons and entities within the territory of Trinidad and Tobago. As such, CA must take a broader approach to ensure that appropriate steps are taken by FI and LBs to both compliance and outreach activities than applies to

⁷ UNSCR 1540 defines non-state actors as “individual or entity, not acting under the lawful authority of any State in conducting activities which come within the scope of this resolution”. Non-state actors could include terrorist groups, criminal organizations, or individuals acting independently to acquire or use WMD.

AML/CFT. This is as a result of international typologies and best practices highlighting that a broader range of non-reporting sectors may be at increased risk of PF abuse, including the shipping and manufacturing sectors, particularly regarding dual-use goods and technologies. CA, as well as FI and LBs must also remain acutely aware of the risk of abuse of legal persons for PF.

All persons in Trinidad and Tobago are responsible for adhering to CPF targeted financial sanctions, proportionate to the risks to which they are exposed based on their individual circumstances. Such risks can arise based on the potential for intersection with weapons of mass destruction supply chains and proportionate measures to mitigate those risks should be adopted. REs owe a special duty of care granted their integral role in the financial system and the functioning of the economy. In line with the FATF requirements, Trinidad and Tobago requires REs to identify, assess and take effective action to mitigate their proliferation financing risks⁸, alongside money laundering and terrorist financing risks. Assessing and mitigating CPF risks is a new area that has been included in the revised FATF Methodology that will be utilised for Fifth Round Mutual Evaluations. Trinidad and Tobago, through the National Anti-Money Laundering and Counter Financing of Terrorism Committee, will remain vigilant with a view to ensuring that the country maintains compliance with its international obligations, and understands that this area requires close collaboration amongst all public and private sector stakeholders.

Effective implementation of the FATF Recommendations, and similar measures to combat money laundering, the financing of terrorism, and proliferation, must remain a priority for all stakeholders in the country. As noted, the economy of Trinidad and Tobago is heavily dependent on international trade, with cross-border financial flows mirroring the movement of goods and services in both directions⁹. The GoRTT, via the

⁸ In the present context, “proliferation financing risk” refers only to the potential breach, non-implementation or evasion of applicable proliferation financing targeted financial sanctions.

⁹ Trinidad and Tobago’s economy is primarily driven by natural gas and petrochemical exports and well-developed industrial and financial sectors.

tripartite Ministerial coordination of (i) the Office of the Attorney General and Ministry of Legal Affairs, (ii) the Ministry of Finance and (iii) the Ministry of National Security has made the fight against ML/TF/PF a priority. Among the goals of this effort are: (i) protecting the integrity and stability of its domestic and consequently the international financial system; (ii) cutting off the resources available to terrorists; and (iii) making it more difficult for those engaged in crime to profit from their criminal activities. These fundamental elements form part of the overall strategy of the GoRTT contained in the National development-planning framework, the National Development Strategy of Trinidad and Tobago 2016-2030 and Vision 2030.

Compliance with global AML/CFT/CPF standards can provide the levels of reassurance to international public and private sector partners necessary to preserve and strengthen banking, business and trading relationships.

Trinidad and Tobago must, however, not simply be responsive to changes in the global landscape but must also be proactive in anticipating ML/TF/PF threats to the financial system, both domestically and internationally as well as domestic, regional and international security. These actions should occur within the context of the rapidly evolving international security climate. The country understands that it has to update its policies based on existing threats, such as the Gaza and Israel conflict and the Ukraine-Russia conflict (with cascading impacts on other regions, including the Korean Peninsula), as these situations can impact trends, typologies, risk and the focus of the international standard setters. Continuing attention thus needs to be paid to business operations and technological developments, policy developments in the major economies, and to sanctioning action by international and other regulatory institutions, in addition to well-recognised regimes, which may ultimately precede multi-lateral TF/PF targeted financial sanctions obligations to which Trinidad and Tobago is bound.

The process of identifying, understanding and assessing ML/TF/PF risk allows the country to have a contemporary understanding at the level of the CA and as such, identify policies and strategies and specified targeted outreach activities and

information flow to the wider population and these form integral parts of the AML/CFT/CPF programme.

The country will also ensure that priority will continue to be given to inter-agency cooperation and capacity building for CA, with particular emphasis on financial investigations, as well as the use of financial intelligence and information (both generated by the FIUTT and otherwise such as by the full range of Law Enforcement Authorities (LEAs), including the Customs and Excise Division and Inland Revenue Division). Continued emphasis must be placed at the strategic, operational and tactical levels, on utilising the most effective criminal justice, regulatory and other measures to disrupt and dissuade criminal and terrorist activity. The importance of the LEAs providing feedback to the FIUTT regarding the quality of the financial intelligence produced is fundamental, as it needs to be ensured that this intelligence continues to meet the needs of the LEAs in line with the country's risk and context. Appropriate use will also be made of informal and formal international cooperation, including extradition.

2. The National Anti-Money Laundering Counter Financing of Terrorism Committee

The National Anti-Money Laundering Counter Financing of Terrorism Committee (NAMLC) was established in the Ministry of National Security in 2006 as a Cabinet approved structure. The NAMLC was thereafter reconstituted in 2010. The NAMLC had a coordinating role and provided technical support to the Attorney General and Minister of Legal Affairs, the Minister of National Security and the Minister of Finance vis à vis national efforts to implement the FATF Recommendations and Eleven (11) Immediate Outcomes, which embody the international standards on AML/CFT/CPF.

Subsequently, the NAMLC was given a stronger statutory footing, demonstrating high level political commitment to meeting global AML/CFT/CPF standards. The Proceeds of Crime Act, Chapter 11:27 (POCA) was amended to achieve this goal. Pursuant to Section 57A (1) of the POCA, the NAMLC is responsible for:

1. making recommendations to the Minister (to whom responsibility for NAMLC has been assigned) in relation to the development of policy; and coordinating the implementation, of national anti-money laundering, counter financing of terrorism and proliferation financing policies;
2. collecting and compiling statistics with respect to anti-money laundering, counter financing of terrorism and proliferation financing; and
3. coordinating the conduct of national risk assessments and mutual evaluations.

Section 57B of the POCA allows the NAMLC to regulate its own procedures and as such, the NAMLC has its Charter and Terms of Reference that outlines its functions and governs its operations¹⁰. Each member of the NAMLC is bound to ensure that there is adherence to these procedures as part of its own operations.

The NAMLC comprises members from:

1. the Ministry of Finance;

¹⁰ <https://agla.gov.tt/anti-terrorism-unit/national-anti-money-laundering-and-counter-financing-of-terrorism-committee-namlc/>

2. the Ministry of National Security;
3. the Office of the Attorney General and Ministry of Legal Affairs; (Anti-Terrorism Unit, Central Authority Unit, Criminal Justice Unit, Legislative Drafting Department and Registrar General's Department);
4. the Director of Public Prosecutions;
5. the Trinidad and Tobago Police Service (Financial Investigations Branch and White-Collar Division);
6. Immigration Division;
7. the Financial Intelligence Unit of Trinidad and Tobago;
8. the Central Bank of Trinidad and Tobago;
9. the Customs and Excise Division;
10. the Chairman of the Board of Inland Revenue; and
11. the Trinidad and Tobago Securities and Exchange Commission.

The CA responsible for oversight of the NPO sector, the FIUTT and by extension, the Registrar General's Department pertaining to the registration process, are included as part of the NAMLC. While this is part of the risk-based approach of the country in dealing with the NPO sector, it remains the policy of the GoRTT that a heavy-handed approach is not to be taken for the entire NPO sector, with mitigation measures being proportionate to the TF risk. By having the SAs integrated into the NAMLC, this ensures that a risk-based approach is taken both at the strategic and policy level.

The NAMLC conducts monthly meetings (and meets more frequently as necessary) and is responsible for coordinating the implementation, of national AML/CFT/CPF and proliferation financing policies, for coordinating the conduct of national risk assessments and mutual evaluations.

The NAMLC has three (3) sub-committees:

1) The Legal Working Group (LWG)

is tasked with keeping the national AML/CFT/CPF legislative framework under review and identifying legislative gaps in the said framework, monitoring changes to the FATF Standards and developing and updating policies (including this policy and strategy) suited to Trinidad and Tobago's risk and context, which will enable the country to comply with the Global Standards. In driving NAMLC's policy revisions, the LWG shall take into account on a prioritised basis, risks that have been identified as emerging internationally but which have not yet manifested in Trinidad and Tobago.

2) The Law Enforcement Authorities Working Group (LEAWG)

allows for strategic and operational cooperation and coordination between all intelligence, investigative, prosecutorial and asset-forfeiture authorities.

3) The Supervisory Working Group (SWG)

is a platform for the three (3) Supervisory Authorities¹¹ (SAs), to coordinate, provide mutual assistance to each other and for information-sharing among them for both policy and operational purposes, such as addressing matters pertaining to REs that are dual registrants. These mechanisms are further strengthened through a Multilateral Memorandum of Understanding, which includes operating protocols, for the sharing of appropriate and confidential information and coordinating supervisory activities pertaining to guidance and outreach, as well as undertaking collaborative work in matters of common interest.

The structure and composition of the NAMLC and its sub-committees shall be kept under review to ensure that they remain fit-for-purpose as threats, risks and vulnerabilities evolve and emerge and the Global AML/CFT/CPF standard develops.

Additionally, the broader structure of NAMLC shall continue to be utilised for operational cooperation and coordination by members not specifically included in these sub-committees.

¹¹ The CBTT, the FIUTT and the Trinidad and Tobago Securities & Exchange Commission.

The NAMLC and its sub-committees shall, in executing their mandate, ensure that the national AML/CFT/CPF framework reconciles with other high-level policies of the country, including financial inclusion, protection of personal information and the right to privacy.

The NAMLC, through its sub-committees and Membership shall ensure the delivery of regular and ongoing training and guidance, to address the national risk understanding and evolving best practices to all CA and private sector stakeholders for compliance with the FATF international standards. CA shall collaborate in this regard to ensure consistency and the most efficient use of resources.

3. Institutional Responsibilities of Competent Authorities

All CA are required to implement institutional frameworks to effectively carry out their responsibilities and to align respective policies and activities with this National Policy and Strategy.

3.1 SUPERVISORY AUTHORITIES

Under the POCA, in particular the Financial Obligations Regulations, made pursuant to POCA, three (3) public sector statutory entities have been designated as SAs, with responsibility for risk-based AML/CFT/CPF supervision of a defined list of FI and LBs. Two of the SAs, the CBTT and the Trinidad and Tobago Securities Exchange Commission (TTSEC), also have prudential regulatory responsibility for the proper management and operation of FIs in or operating in the country. The other SA, the FIUTT, oversees LBs and other FI that are not regulated by the CBTT or the TTSEC.

The main responsibilities of the SAs include:

- (i) **Licensing, Registration and Fitness and Propriety standards** - FI and LBs which are Core Principle Financial Institutions shall be licensed while other FI and LBs shall be licensed or registered in accordance with the respective legal requirements. SAs are also responsible for taking necessary and proportionate legal or regulatory actions to prevent criminals and their associates from holding (or being the beneficial owner of) a significant or controlling interest, or holding a management function, in a FI or LBs.
- (ii) **Risk-Based Supervision and Monitoring** - SAs shall undertake on a risk-sensitive basis, conduct on-site and off-site AML/CFT/PF supervision of FI and LBs to ensure they comply with their AML/CFT/CPF responsibilities. The SAs will continue to implement a risk-based approach to supervision while bearing in mind specific rules-based requirements, such as TF/PF targeted financial sanctions obligations.

(iii) **Sanctioning** – Violations/breaches of AML/CFT requirements shall be promptly identified, and sanctioned by SAs and remedying of breaches by REs shall be monitored and enforced.

The SAs will have the broadest range of sanctions available to them, in accordance with AML/CFT/CPF policies and the said sanctions shall be imposed in a manner to ensure they are effective, proportionate and dissuasive.

(iv) **Outreach and Feedback** – SAs shall provide FI and LBs with adequate risk-based feedback and guidance on compliance with AML/CFT/CPF requirements and ML/TF/PF risks. Risk-based guidance on sanctions compliance shall also be provided to the general public. Communication between SAs and REs should however not be one-way. Effective dialogue with REs will allow for a continued balanced approach to supervisory activities and feed upwards to policy setting at the NAMLC and Governmental levels, and thus forms a key element of Trinidad and Tobago's policy of strong public-private partnership arrangements as a component of the national AML/CFT/CPF framework.

3.2 THE FIUTT, TRINIDAD AND TOBAGO POLICE SERVICE AND OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

Besides its supervisory responsibilities, the FIUTT is also responsible for receipt and analysis of suspicious activity reports (SARs) and suspicious transactions reports (STRs) filed by FI and LBs. Operational and strategic analysis must be conducted by the FIUTT and the results disseminated to relevant CA spontaneously and upon request, with priority given to those higher-risk areas identified by the NAMLC.

The Trinidad and Tobago Police Service (TPPS) is the lead institution responsible for investigating and prosecuting financial crime, including ML/TF/PF. The TPPS is headed by a Commissioner of Police. The umbrella body for this institution is the Ministry of

National Security. The Financial Investigation Branch (FIB) is the branch of the TTPS that is tasked to investigate ML/TF/PF, confiscation and asset forfeiture, and to trace the asset of criminals. The FIB is commanded by the Deputy Commissioner of Police with responsibility for crime. The operation of the FIB is managed on a daily basis by a senior Police Officer.

The FIUTT is part of the LEAWG and this group includes the FIB and other representatives from branches of the TTPS, as well as the Office of the Director of Public Prosecutions (Office of the DPP) that is mainly responsible for the prosecution of ML/TF/PF matters. The POCA also gives the Office of the DPP the powers to institute confiscation proceedings against persons who would have benefitted from the proceeds of crime.

The FIB is also responsible for investigating and forfeiting cash seized by police officers under the POCA¹².

Key to the country's strategy in taking the profit out of crime is the Civil Asset Recovery and Management and Unexplained Wealth Act, 2019 (UW Act), which is partially proclaimed and civil asset recovery. The Civil Asset Recovery, Management and Unexplained Wealth Agency will form a core component of the national framework for the recovery of the proceeds of crime. The operationalisation of the Agency is therefore a high priority area.

The FIB and other LEAs shall remain au courant with contemporary standards on the use of financial intelligence through tailored training and sensitisation.

3.3 THE CUSTOMS AND EXCISE DIVISION

The Customs and Excise Division (CED) is a division of the Ministry of Finance, which is responsible for effectively enforcing customs laws and regulations as they relate to all

¹² The cash must be in excess of Twenty Thousand Trinidad and Tobago Currency (TT\$20,000.00) or its equivalent in other currencies

items/goods imported, exported and transported coastwise within Trinidad and Tobago.

All of the aforementioned trade transactions declared to the CED involve payment/receipt of monies either via cash or negotiable instruments. Payment for these transactions are made via the financial system (Banks). Cash payments above Five Thousand Dollars Trinidad and Tobago Currency (TT\$5,000.00) are not allowed. Regarding the movement of cash and negotiable instruments into and out of the country, such transactions are governed by currency declarations that have to be made for all sums above Five Thousand Dollars United States Currency (US\$5,000.00) or Twenty Thousand Dollars Trinidad and Tobago Currency (TT\$20,000.00). Anyone found in contravention, is charged, for uttering a false declaration, among other Customs charges and such matters are reported to the FIUTT. In applicable instances, charges may also be laid under the POCA.

In light of the above, and despite existing legislation and policies, the importation of commodities and subsequent payments may be an avenue for the AML/CFT/CPF breaches. Hence, the CED's inclusion on NAMLC.

The Customs and Excise Division is a division of the Ministry of Finance, which is responsible for effectively enforcing customs laws and regulations to detect and deter false or non-declaration of cash and other negotiable instruments entering or leaving the country. This includes cash and bearer negotiable instruments being transported into or out of the country by persons via different modes of transportation.

3.4 IMMIGRATION DIVISION

The Immigration Division (Division) is a division of the Ministry of National Security, which is the principal government agency responsible for the administration and enforcement of immigration, passport and citizenship laws. The overall function of the Division is to preserve national security by effectively monitoring and controlling the movement of persons into, within, and out of Trinidad and Tobago and to provide an efficient passport service to citizens. The Division also has a critical role to play in the

strengthening and implementation of immigration laws and border control policy which can be key tools to disrupt criminals and terrorists.

The Division, through membership in the LEAWG and otherwise, shall continue to provide information to facilitate investigations by the TPPS, FIUTT and FIB into ML/TF/PF matters and to coordinate the application of its statutory powers as disruptive tools, particularly where it is not practicable to secure a ML or TF conviction.

3.5 INLAND REVENUE DIVISION

The Inland Revenue Division (IRD) is a division of the Ministry of Finance and serves as the principal tax collecting agency in Trinidad and Tobago. The IRD is responsible for full, fair and consistent enforcement of tax laws in the country. Tax Audits are used to promote voluntary compliance with tax laws and maintain public confidence in the integrity of the tax system. The IRD has a sanctioning regime that is used to deter and penalize non-compliance with tax laws.

The IRD is considered to be a law enforcement authority under the POCA and is responsible for investigating tax offences, such as tax evasion, along with their regular duties, as specified under the **Income Tax Act, Chapter 75:01** and other relevant legislation. Robust investigation of tax offences is a critical foundation for compliance with not only the FATF standards, but also supports the fight against corruption and goes hand in hand with international efforts on tax transparency.

The IRD shall also continue to cooperate with foreign states by exchanging tax information for tax compliance purposes.

3.6 THE OFFICE OF THE ATTORNEY GENERAL AND MINISTRY OF LEGAL AFFAIRS

The Office of the Attorney General and Ministry of Legal Affairs (Office of the AGLA) has international cooperation responsibilities for coordinating mutual legal assistance to and from any foreign state whether on the basis of a treaty or not. This includes

assistance in relation to money laundering, associated predicate offences, terrorist financing, proliferation financing, related financial crimes investigations and prosecutions, and asset forfeiture.

The Office of the AGLA comprises several units that have various functions in relation to AML/CFT/CPF. The units are the Anti-Terrorism Unit, the Central Authority Unit, the Criminal Justice Unit, the Legislative Drafting Department, the Office of the DPP and the Registrar General's Department. All of these units are represented on the NAMLC.

- **ANTI-TERRORISM UNIT**

The core objective of the Anti-Terrorism Unit (ATU) is to effectively carry out the functions of the Attorney General pursuant to the ATA.

The ATA is the key piece of legislation to combat terrorism and terrorist financing and encompasses provisions to efficiently implement United Nations Security Council Resolutions (UNSCRs) 1267, 1989 and successor resolutions. The ATU is responsible for dealing with the designation of individuals and entities and the application of targeted financial sanctions related to terrorism and TF, from inception to delisting. The ATU works closely with key international agencies relative to CT matters, as well as international partners and non-profit organisations on preventing and countering violent extremism.

Trinidad and Tobago, via the ATU, works rigorously towards fulfilling its international obligations pursuant to UNSCR 1267(1999) and its successor resolutions.

Regarding PF, the ATU works rigorously with the FIUTT towards fulfilling the country's international obligations pursuant to UNSCRs 1540 and 1718 and successor resolutions. The GoRTT's policy is to ensure the designation of all the entities and individuals on the UNSC 1718 Sanction Lists without delay.

The country, through NAMLC, shall continuously monitor PF risks, trends and methods, share PF information and ensure that there is a common policy and understanding amongst all stakeholders. CA shall take a collaborative approach with the private sector to ensure proportionate mitigation measures are implemented at a national

level while ensuring the full implementation of targeted financial sanctions obligations.

Granted that this is a relatively recent area of focus by the international community, public and private sector stakeholders would need to continue to work closely together to ensure that proportionate mitigation measures are implemented at a national level.

- **CENTRAL AUTHORITY UNIT**

Under the **Mutual Assistance in Criminal Matters Act, Chapter 11:24** (MACMA), the Attorney General is the Central Authority for Trinidad and Tobago. The Attorney General is empowered to delegate his functions under MACMA to a public legal officer employed in the Office of the AGLA, which has been operationalised through the establishment of the Central Authority Unit (CAU).

The primary duty of the CAU is to ensure that incoming requests can be properly executed and that all the necessary information is provided to satisfy the requirements of the MACMA.

The CAU is also responsible for the execution of extradition requests which are either issued by a foreign jurisdiction or issued to a foreign jurisdiction. In this regard, the CAU is responsible for determining whether a request for extradition can be executed in accordance with the **Extradition (Commonwealth and Foreign Territories) Act Chapter 12:04**.

Equally important to the facilitation of incoming mutual legal assistance and extradition requests, the CAU plays a critical role in facilitating and pursuing the submission of outgoing requests for mutual legal assistance and extradition.

The CAU is also responsible for the sharing of confiscated, forfeited or seized assets with other countries and for the negotiation of Mutual Legal Assistance agreements, International Cooperation Agreements and Treaties with other countries.

As outlined in section 5.2.5 below, both the efficient facilitation of incoming requests and the appropriate and effective use of outgoing requests, together with maximising the use of other international cooperative mechanisms outlined above, remain key components of the national AML/CFT/CPF strategy.

- **CRIMINAL JUSTICE UNIT**

The Criminal Justice Unit (CJU) is tasked with the continued transformation and operationalizing of the criminal justice sector, through collaborative improvements with respective stakeholders, by simultaneously addressing four (4) critical pillars; “Plant and Machinery, People, Processes and Laws”.

This CJU is involved in reviewing treaties and conventions, which touch and concern the criminal law or mutual legal assistance, with a view to ensuring that they are incorporated into domestic law and can be used in conjunction with MACMA to facilitate tracing, confiscation/forfeiture and restraining property derived from a serious crime from non-commonwealth countries. The CJU is also involved in the drafting of a policy to guide the preparation of legislation to address AML/CFT/CPF matters.

The work of the CJU shall continue to focus on ensuring the harmonisation of AML/CFT/CPF polices and initiatives with broader national polices, objectives and initiatives to strengthen and maintain the efficacy of the criminal justice system.

- **LEGISLATIVE DRAFTING DEPARTMENT**

The Legislative Drafting Department, shall ensure that all AML/CFT/CPF legislation is drafted precisely and efficiently in line with legislative policy as advised by the NAMLC, in order to address new and emerging ML/TF/PF risks and revisions to international AML/CFT/CPF Standards.

- **REGISTRAR GENERAL'S DEPARTMENT**

The Registrar General's Department (RGD) oversees civil, land & commercial registration in Trinidad & Tobago. The RGD functions include maintaining a register of companies/businesses, NPOs and trusts, as well as the record of land titles.

The GoRTT's policy is to prevent any opportunity for misuse of legal persons and legal arrangements for ML/FT/PF. This will be effected through, *inter alia*, the RGD's regularly review of the Companies Register for active and inactive companies and identifying defunct companies to be struck off the register in accordance with the **Companies Act, Chapter 81:01**.

The country shall also maintain a centralised registry of basic and beneficial ownership information, as a mechanism to provide timely access to adequate, accurate and up-to-date information on legal persons and legal arrangements to REs in undertaking their compliance functions and CA for access to necessary information in the execution of their duties and to achieve the purposes of international cooperation. This includes SAs accessing such information to appropriately supervise, monitor and regulate FI and LBs. This also extends to the FIUTT accessing such information for the purposes of its analytical function. This will be underpinned by the requirement for the legal person and the trustee or persons holding an equivalent position in a similar legal arrangement to maintain and provide the required information to the Companies Registry in a timely manner.

The RGD shall implement proportionate measures to verify the accuracy and adequacy of the information it maintains in the registers.

3.8 INTER-MINISTERIAL COMMITTEE

The Executive arm of Government plays a critical role in guaranteeing the robustness and efficacy of the national AML/CFT/CPF framework. This includes, *inter alia*:

- Ensuring that national AML/CFT/CPF policies and strategies with GoRTT's broader national policies, priorities and initiatives;
- Ensuring the allocation of resources to competent authorities within the constraints of balancing these requirements against other national priorities; and
- Securing high-level international cooperation (e.g. the execution of treaties and international arrangements as platforms for bi-lateral and multilateral partnerships).

The GoRTT shall therefore remain seized of AML/CFT/CPF matters, continuing to require regular direct contact between technocrats and the Cabinet to ensure that AML/CFT/CPF policies and measures and broader national policies, strategies and initiatives remain aligned. This shall continue to be operationalised through the tripartite Ministerial coordination of the Office of the AGLA, Ministry of Finance and Ministry of National Security.

4. Policy Objectives

The strength of Trinidad and Tobago's commitment to counter ML/TF/PF is evident in actions taken by successive Administrations to build on past efforts, and to continue to mobilise the resources required to ensure that the country fully meets its obligations to help to maintain global financial stability and discourage criminal activity. This effort continued despite the major negative impact of the COVID-19 pandemic on the public sector, the private business sector, and the general population and still continues as the country has now fully transitioned from the said pandemic.

Trinidad and Tobago continues to fully recognise the importance of continuously satisfying the technical compliance and effectiveness requirements of the FATF Recommendations and their related Immediate Outcomes, even as these are updated in response to evolving threats to the global financial system. This is matched by high-level commitment at the political, administrative and technical levels. To this end, Trinidad and Tobago has engaged in the amendment of existing legislation, the enactment of new legislation, the restructuring of processes and procedures, and in the development of new arrangements for internal cooperation and coordination within the public sector, as well as with international partners, in parallel with increased involvement of the private business sector, NPOs, and enhanced outreach and the provision of information to the general population.

Satisfying the FATF Recommendations on an ongoing basis is only one aspect of the continuing effort, albeit a critically important one. As indicated above, the FATF Recommendations themselves are subject to ongoing review and revision to take account of, among other developments, new products and delivery mechanisms, especially in the financial sector; the need for enhanced cooperation and coordination both domestically and across international borders; and a stronger emphasis on the development of risk-based approaches on the part of both supervisory authorities and agencies, and FI and LBs themselves, in order to make more efficient and effective use of resources in mitigating financial crime and

targeted financial sanctions risks. Consequently, the NAMLC will ensure that the policies and sector guidance are revised and updated.

Priority will also be given to strengthening the supervisory regime for those businesses which are at the greatest risk of abuse for ML, TF and PF.

The country will continue to monitor and evaluate developments in the domestic and international environments, as this is a critical element in maintaining and enhancing the effectiveness of the entire AML/CFT/CPF framework. Maintaining effectiveness will be achieved by ensuring that the legislative and regulatory framework is kept up to date, and provides sufficient authority and capacity to supervisory authorities, regulators, and law enforcement entities to identify predicate offences and potential criminal and terrorist activity, and to take appropriate action to prevent, prosecute, and penalise such activity in ways that minimise or eliminate the possibility of benefiting from criminally derived proceeds or financing of terrorism, and that dissuades others from participating in such activity.

In light of the foregoing, the NAMLC will follow closely, changes to the FATF Recommendations, Interpretive Notes and Immediate Outcomes, as well as international best practices, together with developments in the global and domestic risk landscapes. Guided by the NAMLC, Trinidad and Tobago will continue to strengthen its policy, legislative, regulatory and operational frameworks in response to emerging and evolving risks and as global standards evolve. Trinidad and Tobago will maintain the flexibility to quickly adjust components of the national framework, as well as regulatory and operational mechanisms in response to both ongoing evolution and rapid changes in the domestic and international landscapes.

The SAs will continue to maintain an understanding of evolving and emerging risk via national risk assessments and sectoral and thematic assessments, as well as, undertake standalone risk assessments, such as those pertaining to Legal Persons/Legal Arrangements and Virtual Assets Service Providers (VASPs) to ascertain the risks the country may face in these areas. The sub-committees of the NAMLC will

be used to coordinate the undertaking of the cross-sectoral thematic assessments. This ongoing understanding of risk will be channelled upwards to the NAMLC, through the SWG and LEAWG, which shall act as a coordinating and cooperative body for this purpose, particularly in areas of dual supervision. Industry meetings will also be used as a mechanism for identifying emerging risk, as well as ensuring that there is shared understanding of risk between SAs and FI and LBs. This is in line with the understanding that protecting the financial system from ML/TF/PF abuse is a shared responsibility between CA, REs and other public and private sector stakeholders. It shall therefore remain the policy of GoRTT that CA shall engage in public-private partnership initiatives to ensure that the national AML/CFT/CPF framework remains robust and effective.

The FIUTT will also continue to assess emerging and evolving risk through typology reports.

The NAMLC will continue to maintain its contemporary understanding of TF risks through feedback channelled upwards regarding CFT investigations conducted by the LEAs. The NAMLC shall also conduct NPO risk assessments on a periodic basis, maintaining an ongoing understanding of NPO risk through regulatory mechanisms and feeding the understanding of NPO risk into the process of the NAMLC maintaining an ongoing understanding of TF risk. The regulator for NPOs, the FIUTT, is directly incorporated into policy matters, as a member of the NAMLC and operational coordinating bodies, by being a member of TFC. This eases the information sharing on NPO/TF risk among key stakeholders, including investigative and intelligence agencies.

The NAMLC shall implement measures to maintain an ongoing understanding of ML/TF/PF risks, not limited to the conduct of NRAs.

All SAs will continue to police the perimeter on a risk sensitive basis to detect and deter unlicenced and unauthorised activity in the sectors under their respective supervision.

All SAs will continue to keep their written supervisory frameworks, including supervisory manuals, risk rating matrices and on-site calendars updated, as well as continue to prioritise off-site and on-site schedules for examinations of FI and DNFBP, guidance and outreach, enforcement and penalty matrices. All of these measures shall be in line with risk.

The LEAs will continue to prioritise investigations in line with risk. Decision making on utilising the most effective criminal justice, regulatory and other measures to disrupt and dissuade criminal and terrorist activity where it is not practicable to pursue a conviction shall be integrated into the investigative process.

The GoRTT continues to recognise that the Judiciary of the Republic of Trinidad and Tobago (Judiciary) is an important stakeholder in the AML/CFT/CPF framework and will continue to foster cooperation and collaboration with the Judiciary, while respecting the boundaries of judicial independence. The GoRTT shall ensure that strategic support is provided to the Judiciary, in terms of staffing (ensuring there are sufficient judicial officers and support staff) and other resources.

The IMC, shall ensure that the GoRTT allocate time for AML/CFT/CPF legislation on the basis of risk, as well as ensure that other pieces of legislation are harmonised with AML/CFT/CPF policies.

The NAMLC, as part of its mandate, shall maintain oversight to ensure that sanctions to be imposed on FIs and LB found to be in breach of their obligations are effective, proportionate and dissuasive with SAs reporting upwards to NAMLC in this regard. Penalties will also be reviewed on a periodic or triggered basis to ensure that they remain effective, proportionate and dissuasive.

5. Achieving Policy Objectives

Strengthening the AML/CFT/CPF framework of the country and allowing for the effective detection and deterrence of ML/TF/PF in accordance with the FATF Recommendations shall be achieved through a multi-stakeholder approach. These coordinated and cooperative measures will contribute to:

- Understanding of national and sectoral risk by way of national risk assessments, sectoral reports, thematic reports, typology reports and ad hoc targeted risk assessments as required by significant trigger events;
- Timely implementation of Action Plans developed and/or updated from the results of risk assessments;
- Emphasizing of a risk-based approach to AML/CFT/CPF at the policy and operational levels;
- Incorporation of a strong AML/CFT/CPF focus where appropriate in all relevant legislation;
- Further strengthening of cooperation, collaboration, and information-sharing among all relevant public sector agencies, with particular attention to those agencies responsible for licensing, regulating or supervising REs and regulating NPOs;
- Strengthening of intelligence-gathering, investigation, prosecution, asset forfeiture and judicial capacity;
- Maintenance of mutual cooperation, support and information-sharing arrangements with external law enforcement and peer institutions; and
- Increased awareness and involvement of the private sector and the general population in combating financial crime and sanctions evasion.

Trinidad and Tobago shall also ensure that it maintains comprehensive quantitative information to inform the understanding of evolving risk including but not limited to statistics regarding:

- STRs received and disseminated;
- ML/TF investigations, prosecutions and convictions;
- Property frozen, seized and confiscated; and
- Mutual legal assistance and other international requests for cooperation made and received.

5.1 LEGISLATIVE AND REGULATORY FRAMEWORK

The legal and regulatory framework is the foundation on which all effective AML/CFT/CPF measures are implemented. The main elements of the legal and regulatory framework in Trinidad and Tobago, to meet global AML/CFT/CPF standards, consists of the POCA, ATU and the Financial Intelligence Unit of Trinidad and Tobago Act (FIUTT Act), Chapter 72:01, together with:

- i. the enabling legislation establishing the individual Regulatory, SAs and other CA charged with responsibility in the POCA for AML/CFT/CPF matters in designated classes of FI and LBs; and
- ii. the regulatory power provided to SAs both by their enabling legislation and by the primary and subsidiary legislation governing the various classes of FI and LBs.

A critical element of the framework involves cooperation, coordination, and information-sharing arrangements among not only the SAs, but also among the broader set of public sector agencies, including those responsible for taxation, non-financial business regulation, law enforcement and the gathering and analysis of financial intelligence and other relevant information that are provided through membership in the NAMLC.

Trinidad and Tobago's AML/CFT/CPF legal and regulatory framework consist of the following pieces of legislation:

- The Proceeds of Crime Act, Chapter 11:27;
- The Anti-Terrorism Act, Chapter 12:07;
- The Financial Intelligence Unit of Trinidad and Tobago Act, Chapter 72:01;
- The Civil Asset Recovery and Management and Unexplained Wealth Act, 2019;
- The Mutual Assistance in Criminal Matters Act, Chapter 11:24;
- The Non-Profit Organisation Act, Chapter 72:02;
- The Companies Act, Chapter 81:01;
- The Economic Sanctions Act, Chapter 81:05; and

- The Miscellaneous Provision (Global Forum) Act, 2024.

5.2 EFFECTIVE IMPLEMENTATION OF LEGAL AND REGULATORY FRAMEWORK

5.2.1 Risk-Based Framework

A sound understanding of risk is a foundational step to prevent or mitigate ML and TF and to implement targeted financial sanctions, as highlighted in FATF's Recommendation 1. The likelihood of a risk-event results from the combination of threats and vulnerability to those threats, while likelihood, when taken together with the consequence of a risk-event, provides a gauge of risk. Given the likelihood of multiple threats and their different levels of potential to cause harm, on the one hand, together with varying levels of capacity to address different threats, on the other, jurisdictions need to assess each threat-set and its level of vulnerability to that set, and determine the resulting level of risk posed to the jurisdiction. A risk-based approach to the operationalization of Trinidad and Tobago's national AML/CFT/CPF framework is therefore key to its effectiveness. This feeds into the allocation of resources and commensurate efforts that are in proportion to the level of risks at all levels.

Documents, such as sector and thematic reports, information received from the RGD and analysis of STRs/SARs will continue to be utilised to maintain an ongoing understanding of risk. Such assessments shall be taken into account by the GoRTT in allocating resources to CA, and shall guide competent authorities in prioritizing the use of available resources to prevent or mitigate ML, TF and PF risks.

In addition to the ongoing monitoring of risk and identification of emerging risks through the NAMLC, Trinidad and Tobago shall conduct periodic updates to the National Risk Assessment (NRA) on a periodic and triggered basis.

Risk assessments pertaining to the areas of new technologies and transparency and beneficial ownership of legal persons will be undertaken to maintain an ongoing understanding of these nuanced risks. Regarding Virtual Assets (VAs) and VASPs, the

country shall take a conservative approach to any introduction of VAs and VASPs which will be informed by a robust assessment of ML/TF/PF risk.

All CA, included regulatory, supervisory, law enforcement and prosecutorial authorities, will be guided by the NRA, sectoral risk assessments and measures implemented through NAMLC to maintain an ongoing understanding of risk in ensuring that a risk-based approach is applied to developing and revising institutional strategies, policies and work programmes. This includes collaborative efforts and cross-cutting measures including revision and strengthening of the legislative framework as necessary.

The NAMLC in respect of NRAs, and CA in respect of Sectoral Risk Assessments shall provide appropriate targeted information on the results of such risk assessments to all relevant CA, FIs and LBs and the wider public, as well as continue to ensure that there is a shared understanding of risk between CA, FIs, LBs and other stakeholders.

It is recognized that as both global AML/CFT/CPF standards and risks continue to evolve, it may be practical for Trinidad and Tobago to undertake stand-alone/thematic/sectoral risk assessments of other risk areas. The findings of these risk assessments will provide a valuable tool for understanding and addressing specialized risks that may not be fully addressed in a broader, general risk assessment. Trinidad and Tobago will continue to ensure that resources are allocated to assess and mitigate risks. The country shall also promote financial inclusion through increased focus on proportionality and simplified measures under the risk-based approach.

Responsible Stakeholders: The NAMLC at the national level and all CA at the operational level.

5.2.2 Supervision of FIs and LBs

The SAs will continue to intensify their work programs using various methods, providing guidance to and risk-based supervision of FIs and LBs (including through desk-based reviews, on-site examinations and other supervisory interventions), as appropriate to

ensure that FI and LBs are fulfilling their compliance obligations. In respect of targeted financial sanctions, where lower risks are identified, commensurate measures may be approved but this shall be balanced against the requirement for full implementation of such sanctions.

Responsible Stakeholders: SAs – CBTT, FIUTT and TTSEC

5.2.3 Compliance by FI and LBs

FI and LBs play a critical role in detecting financial crime (including terrorist financing) and attempts at sanctions evasion through the filing of high-quality STRs and other relevant reporting forms in line with risk.

The adoption of robust risk-based compliance programmes by FI and LBs is key to protecting Trinidad and Tobago's financial system from ML, TF and PF abuse. This includes FI and LBs:

- i. Undertaking at an appropriate level, an assessment of the risk of ML, TF and PF abuse.
- ii. Adopting risk-based policies, procedures and controls;
- iii. Appointing a Money Laundering Compliance Officer at the management level;
- iv. Conducting ongoing AML/CFT/CPF employee training tailored to the level of responsibility of the employee;
- v. Applying robust screening procedures when hiring and retaining employees; and
- vi. Establishing an adequately resourced and independent audit function to test compliance.

Special emphasis shall also be placed on implementing targeted financial sanctions compliance programmes which, while being risk-based, ensure full implementation of sanctions compliance obligations.

Responsible Stakeholders: FI and LBs under the POCA and ATA

5.2.4 Taking the Profit out of Crime

The country aims to disrupt and disincentivize criminality, and hold both professional money launders and self-launderers to account by way of successful prosecutions of financial crimes and asset forfeiture. Taking the profit out of crime is a key pillar of the anti-financial crime strategy of Trinidad and Tobago. This is clearly reflected in the UW Act, 2019 which has expanded measures for civil forfeiture and confiscation, to taking the profit out of crime by utilising unexplained wealth orders, criminal forfeiture orders and property restraint orders. The country shall ensure that the UW Act, 2019 is fully implemented in order to provide the country with a comprehensive civil asset recovery and management of unexplained wealth framework.

These mechanisms will work alongside pre-existing mechanisms outlined in the Asset Recovery and Management Policy Framework (Framework), such as the use of financial intelligence that is disseminated by the FIUTT, on its own motion or upon request, for conviction and non-conviction-based asset forfeiture, confiscation and other tools for depriving criminals of their proceeds and the instrumentalities of crime, the use of which will continue to be a priority. The application of both the Framework and mechanisms under the UW Act, 2019 shall be comprehensively harmonised for ensuring the most effective tools are available in combatting ML/TF/PF.

Trinidad and Tobago also intends to establish and maintain comprehensive measures addressing all aspects of asset forfeiture/confiscation measures including the following:

1. Properly caring for and preserving as far as practicable such property;
2. Achieving the maximum realisable value for any property which must be liquidated;
3. Respecting the rights of the accused, owner of the property and any relevant third-parties;
4. Keeping appropriate accurate records;
5. Maintaining appropriate human resource standards to support the asset management function;

6. Allocating sufficient resources to the asset management function;
7. Supporting stakeholders in the asset forfeiture, management and confiscation process through appropriate guidance and outreach; and
8. Being transparent and accountable in the exercise of the seizure, management, confiscation and disposal of such property.

Trinidad and Tobago will continue to use its legislative measures, *inter alia*, to enable the confiscation of criminal property and property of corresponding value after a person is convicted.

The country will also ensure, that where required, confiscated property will be returned to its prior legitimate owners and use confiscated property to compensate victims of crime.

Responsible Stakeholders: All LEAs.

5.2.5 Domestic and International Collaboration and Cooperation The effectiveness of implementing the technical compliance arrangements involves the establishment or enhancement of processes and procedures in several areas. These include:

- i. Robust and holistic domestic and international cooperation and collaboration;
- ii. Full implementation of a risk-based analytical and mitigation approach;
- iii. Robust intelligence-gathering, investigations, enforcement and a comprehensive and dissuasive sanctions regime; and
- iv. targeted outreach to key sectors and members of the wider public in order to reduce their vulnerability to profit-generating predicate offences and to enlist their participation in the overall anti-crime effort.

While the core membership of the NAMLC forms the hub of Trinidad and Tobago's national AML/CFT/CPF defences, other public sector agencies also play a critical role in this fight, including as sources of intelligence and evidence, platforms for

collaboration with sectors, and preventing market access by money launderers, criminals, terrorists, proliferators and their associates. Effective coordination and collaboration between the NAMLC and other agencies that have prudential licensing or other licensing and regulatory responsibilities for key sectors, shall therefore be prioritized. The NAMLC shall institutionalize strategic partnerships with such other agencies through entering into memoranda of understanding or other formalized frameworks, providing sufficient detail of cooperative and collaborative arrangements.

Cooperation, collaboration, and information-sharing cannot be limited to domestic institutions given the cross-border nature of financial criminal activity, particularly in small, trade-dependent economies like Trinidad and Tobago. The country views international cooperation as a lifeline and key mechanism to support investigations and disrupt criminal and sanctions evasion activities. CA will ensure that they make appropriate and effective use of outgoing formal (mutual legal assistance and extradition) and informal international cooperation in line with a risk-based approach. Trinidad and Tobago will also continue to provide constructive and timely formal and informal international cooperation to our foreign partners.

Responsible Stakeholders: The NAMLC at the national level and all CA at the institutional level.

5.2.6 Targeted Financial Sanctions

Trinidad and Tobago is committed to fulfilling its international obligations in accordance with Chapter VII of the Charter of the United Nations and as called for by the FATF, including through the implementation of targeted financial sanctions for both PF and TF. Special care will be taken to balance these obligations with adherence to the rule of law.

Trinidad and Tobago while strictly adhering to these international obligations will implement measures in alignment with assessed risk.

Trinidad and Tobago recognizes that CPF is a relatively new area that globally lags behind AML and CFT in terms of emphasis. Focus will therefore be placed on building knowledge within CA, FI and LBs and other higher-risk sectors on CPF as a foundation for understanding PF targeted financial sanctions risks and identifying effective mitigation strategies. CA shall take a collaborative approach with other private-sector stakeholders to ensure the full implementation of international standards in the shortest possible time.

Responsible Stakeholders: The NAMLC at the national level, the ATU, SAs, the FIUTT and LEAs at the institutional level and FI and LBs and the general public.

5.2.7 Policy on NPOs

Trinidad and Tobago recognizes that NPOs, play a critical role in our society, bringing relief and opportunities to the most vulnerable. Due to their types, activities and characteristics, NPOs are at varying degrees of risk of TF abuse. NPOs need to be protected from this type of abuse, as it is key to preserving public trust and confidence in the NPO sector.

In protecting NPOs from such TF abuse, the GoRTT shall ensure a careful balance is struck to prevent unduly disrupting or discouraging legitimate NPO activities. In line with a risk-based approach (guided by the measures outlined in this policy for maintaining an ongoing understanding of risk), CA will apply focussed, proportionate and risk-based measures to only those NPOs falling within the FATF definition of NPOs, that is ***“A legal person or arrangement or organisation that primarily engages in raising or disbursing funds for purposes such as charitable, religious, cultural, educational, social or fraternal purposes, or for the carrying out of other types “good works”.***

Trinidad and Tobago will maintain legislative, regulatory and law enforcement measures reflective of such balance. Such measures will continue to be implemented in a manner which respects Trinidad and Tobago's obligations under the Charter of the United Nations and international law. Achieving such a balance also requires a

collaborative approach between national authorities, the NPO community and other key stakeholders in the NPO sector.

In this regard, going forward, national authorities shall continue to actively engage with the NPO sector by institutionalising mechanisms such as, the Working Group on NPOs. This will allow for, *inter alia*, direct consultation and collaboration on matters of mutual interest in order to bolster the national framework for NPOs and ensure continuous assessment and mitigation of vulnerabilities within the sector. In particular, this formalised arrangement will continue to be utilised in developing, adopting and refining best practices for NPOs to mitigate the risk of terrorist financing abuse.

Responsible Stakeholders: The NAMLC, FIs, LEAs, RGD, NPOs and Donors to NPOs.

6. Creative Approaches to Resource Management

Trinidad and Tobago, will continue to employ an integrated approach to addressing the matters of organisational planning, use of technology, human resources and other resources. This will ensure effectiveness in the AML/CFT/CPF arena through the efficient use of available resources for the purposes of intelligence gathering, analytical, investigative, supervisory and other supporting procedures.

7. Communication, Public Awareness and Outreach

Public awareness by the GoRTT is a critical component in the fight against ML/TF/PF, particularly for the risks and consequences of illicit activities and importance of compliance with the framework. The importance of communication between CA and their community cannot be overstated and is evidenced by responses to and reliance on guidance and typological information by FI and LBs, NPOs and the wider community. CA will therefore continue to reinforce their targeted awareness and outreach to key audience on the basis of risk.

Even though CA are integral parts of the national AML/CFT/CPF framework, the GoRTT recognises that FI and LBs are the first line of defence against financial crime. Their role is beyond being key sources of financial intelligence and critical stakeholders in the risk assessment and sectoral risk assessment procedures. AML/CFT/CPF compliance by FI and LBs and effective supervision by SAs are two sides of the same coin, with both being necessary for meeting international AML/CFT/CPF effectiveness standards. Thus, as previously noted in Section 3.1, CA shall pursue a policy of effective public-private partnership arrangements with their REs as a component of these frameworks.

8. Financial Inclusion and New Technologies

Trinidad and Tobago remains committed to implementation of a robust anti-financial crime framework but also has to ensure that a fair balance is struck between those obligations and ensuring the legitimate use of the formal financial system by the broadest cross-section of society.

Financial inclusion and protecting the country from ML, TF and PF abuse are national objectives that go hand-in-hand. Both objectives are vital for the sustainable development of Trinidad and Tobago in order for underserved individuals to have equitable access to a broad range of formal financial services.

By enabling the unserved and underserved segments of society to access and use regulated and supervised channels, this will disincentivise the use of unregulated channels, which can be easily abused for ML, TF and PF. This will further assist with improving consumer protection and deterring fraud, illicit activities, financial abuse, and other ML/TF risks.

The country has embraced Fintech for financial inclusion and development, while working on mitigating its potential risks. Trinidad and Tobago shall continue to leverage new technologies to improve the delivery of financial services, boost financial inclusion, and modernize the payment system, subject to the prior identification and assessment of ML/TF risks which may arise from the adoption of such technologies.

While Trinidad and Tobago recognises the tremendous opportunities that VAs present, the use of these assets and related services into our market are not without significant potential risks. The country shall therefore take a conservative approach to an introduction of VAs and VASPs, which will be informed by a robust assessment of ML/TF/PF risk.

Taking a prudent approach to regulation, supervision, monitoring and enforcement with respect to VAs and VASPs informed by the process of assessment and

understanding of risk. Trinidad and Tobago sees great potential in this sector, both for promoting financial inclusion and expanding the economy. Trinidad and Tobago will adopt an approach of working with private sector towards enacting and implementing a robust risk-based regulatory and enforcement regime for this sector. In the interim, Trinidad and Tobago will adopt a conservative approach by prohibiting such activities.

9. Additional Strengthening of the AML/CFT/CPF Framework

In executing the national legislative agenda, AML/CFT/CPF considerations will be taken into account in developing the broader suite of primary and subsidiary legislation and regulatory and supporting administrative frameworks. Particular attention will be placed on this as the country continues its drive towards maintaining and increasing its international competitiveness, including as a destination for investment. This is in keeping with the goals set under Theme IV “Building Global Competitive Business” of Vision 2030, such as making the country a more attractive destination for investment and trade, as well as making it a premier investment location. This includes:

- o Synchronization of the requirements for the filing of beneficial ownership information for legal persons and legal arrangements by amending several pieces of law.
- o Taking a prudent approach to regulation, supervision, monitoring and enforcement with respect to VAs and VASPs, informed by the process of assessment and understanding of risk. On the one hand, Trinidad and Tobago sees great potential in this sector, both for promoting financial inclusion and expanding the economy. On the other, as outlined above in section 8, it is recognised that the use of these assets and related services into our market are not without significant potential risks. The country shall therefore take a conservative approach to an introduction of VAs and VASPs, which will be informed by a robust assessment of ML/TF/PF risk.
- o Reforming the criminal justice system, by continuously reviewing investigative and prosecutorial processes to identify and remove bottlenecks and inefficiencies, enhancing inter-agency collaboration and information sharing to ensure a holistic approach to investigating ML related activities, standardise ML/TF/PF data collection procedures and formats across agencies (FIUTT, TTPS, Office of DPP and Judiciary). Focus will also continue to be placed on strengthening collaborative effort between

law enforcement and intelligence agencies to improve the intelligence and investigative capacity in light of the dynamic nature of terrorist organisations and their supporters to adapt to alternative measures to continue their work.

- Additional actions to reform the criminal justice system includes, equipping the Immigration Division with the use of technology solutions to support counter terrorism efforts and addressing issues surrounding potential returning FTFs and their family members seeking to return to Trinidad and Tobago. Providing capacity and resources for financial crime investigations.

10. Review of National AML/CFT/CPF Policy

A sub-committee of the NAMLC is tasked with keeping this Policy under review, and shall undertake such an analysis on a fixed basis, once every two years. In line with its responsibilities to keep abreast of changes to Global AML/ CFT/CPF standards and the global and domestic risk landscape, this Policy shall also be reviewed and revised as necessary following any significant development, such as changes to the FATF Standards or the identification of new or emerging criminal typologies locally, or any such relevant typologies internationally or any other trigger event.

11. Applicability of Policy to National Authorities

This Policy as approved by the Cabinet, shall constitute the national policy and strategy of Trinidad and Tobago and shall bind all national authorities accordingly.

TABLE OF ACRONYMS

AML Anti-Money Laundering

CBTT Central Bank of Trinidad and Tobago

CED Customs & Excise Division

CFATF Caribbean Financial Action Task Force

CFT Combating the Financing of Terrorism

CPF Combating the Financing of Proliferation of Weapons of Mass Destruction

DNFBPs Designated Non-Financial Businesses and Professions

FATF Financial Action Task Force

FI Financial Institutions

FIUTT Financial Intelligence Unit of Trinidad and Tobago

GoRTT Government of the Republic of Trinidad and Tobago

LB Listed Business

ML Money Laundering

NAMLC The National Anti-Money Laundering Counter Financing of Terrorism Committee

NPO Non-Profit Organisation

NRA National Risk Assessment

PF Financing the Proliferation of Weapons of Mass Destruction

PF Risk Assessment Financing the Proliferation of Weapons of Mass Destruction Risk Assessment

RE Reporting Entity

SA Supervisory Authority

STR Suspicious Transaction Report

TF Terrorism Financing

TTSEC Trinidad and Tobago Securities Exchange Commission

UNSCR United Nations Security Council Resolution