

FINANCIAL INTELLIGENCE UNIT
ANNUAL REPORT
2022



MINISTRY OF JUSTICE
CRIMINAL POLICE
PORTUGAL



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OPENING REMARKS

In 2022, as in previous years, there was a continuous increase in demands and the FIU has implemented new measures to improve its effectiveness, while maintaining existing systems, as it continued with the development and testing of the new STRs Portal, which is part of the goAML system, soon to become operational.

The STRs Portal will be a radical change in the relationship between the FIU and the several obliged entities and sectoral authorities specified in Law 83/2017 of August 18th. It consists of an Online Portal that provides the appropriate forms for suspicious and threshold transaction reports, depending on the type of entity, and a subsystem for filling and sending such reports automatically or semi-automatically. The reports in question shall be simultaneously sent to DCIAP (Investigations and Public Prosecution Central Department).

The testing phase of the STRs Portal started at the end of 2022, with the participation of some financial sector entities and will be extended, in stages, to other entities in the financial sector, the non-financial sector, and the supervisory or equivalent authorities.

OPENING REMARKS

In 2022, the FIU implemented measures to set up procedures to normalize feedback to obliged entities. As a result, feedback to obliged entities was standardized for thousands of STRs.

Measures have also been taken which have resulted in a significant increase in the dissemination of relevant information, both at national and international level.

Together with the Institute for Public Management and Administration (IGAP) and the Institute for Public Markets, Real Estate and Construction, I.P. (IMPIC, I.P.), the FIU organized two seminars in June and December on the subject of “Real Estate Sector, Prevention and Duties, Money Laundering and Terrorism Financing” which took place at the auditoriums of the Headquarters of the Criminal Police in Lisbon, which were flooded with hundreds of real estate professionals, and were broadcast through the Portuguese Association of Property Mediators (ASMIP) on the Facebook social network, with thousands of followers.

OPENING REMARKS

More than five years since the Law 83/2017 of August 18th, there are still obliged entities with little or no reporting. Indeed, the largest number of suspicious transaction reports received by the FIU come from financial entities and there is still an omission of several entities, which are also subject to the special obligations according to that law. The time lapse also allows us to confirm that the non-financial sector, in particular, is gradually becoming aware of the need to comply with preventive measures to combat money laundering and terrorism financing.

António Oliveira
Director

FINANCIAL INTELLIGENCE UNIT

THE FIU COMPETENCES ARE DEFINED BY
ARTICLE 82 OF LAW 83/2017, OF AUGUST
18th.

The Financial Intelligence Unit is the national central unit with competence to receive, analyze and disseminate information on suspicions of money laundering or terrorism financing.

The Financial Intelligence Unit has, amongst others, the competence to produce operational and strategic analysis reports.

Due to its competences on tax-related offences, the FIU hosts the Liaison Standing Group, which is composed of officials of the Tax and Customs Authority.

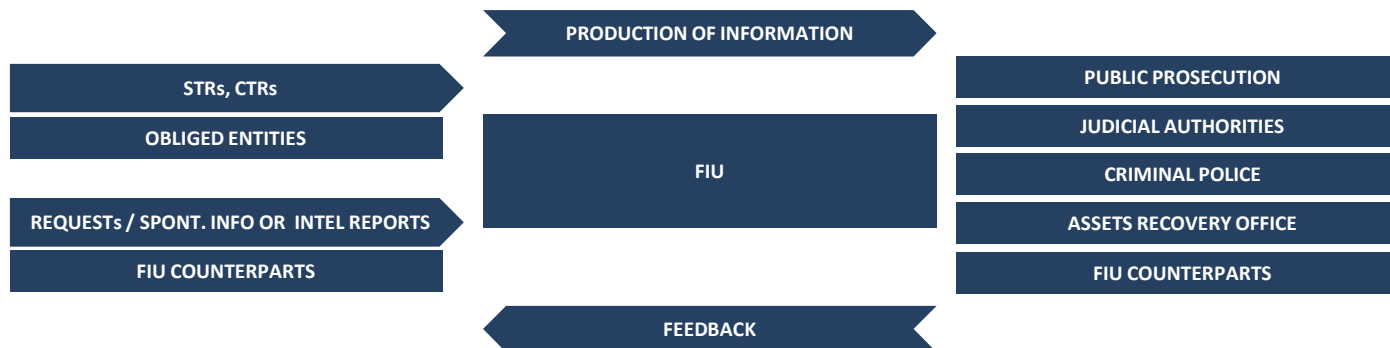
The Suspicious Transaction Reports from the obliged entities must be simultaneously sent to both the FIU through the email address uif.comunicacoes@pj.pt, and to the Investigation and Public Prosecution Central Department (DCIAP), through uai.dciap@pgr.pt.

FINANCIAL INTELLIGENCE UNIT

Within the framework of the analysis of suspicious and/or threshold transaction reports, the FIU works alongside with DCIAP, and exchanges information through the preparation of operational analysis reports.

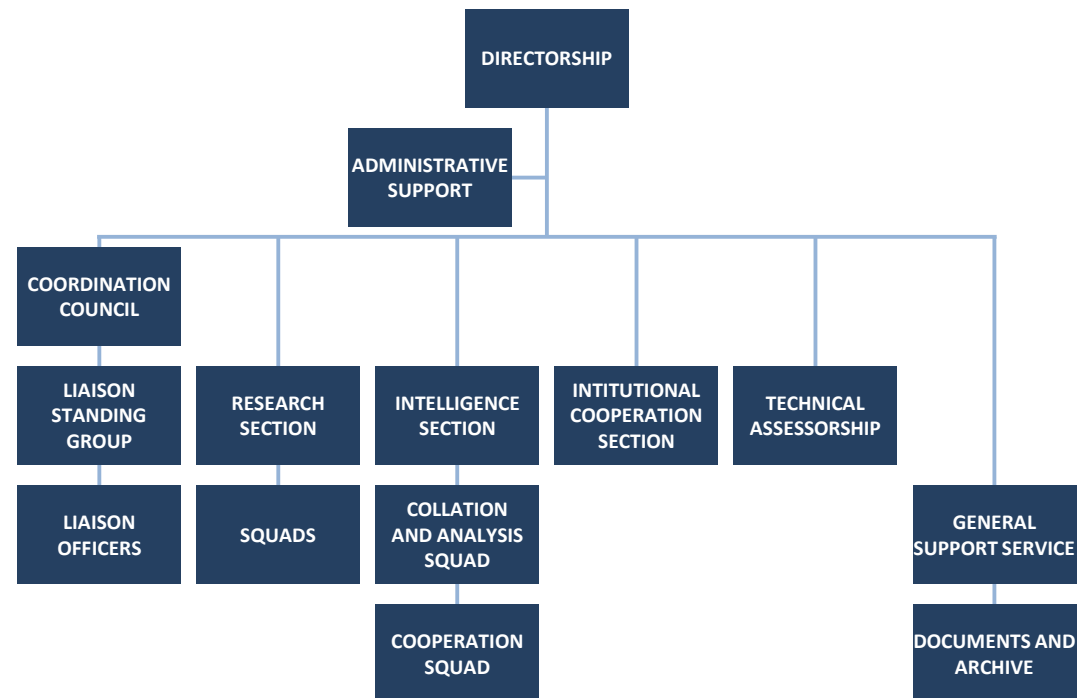
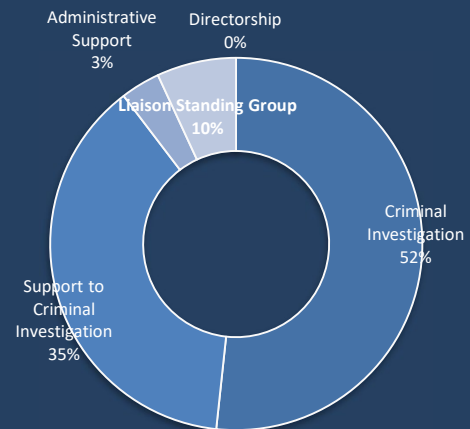
Requests for information received from the competent authorities are covered by Law 54/2021 of August 13th.

It is up to the FIU to provide feedback on the suspicious transaction reports received (the result of the analysis and the respective processing).



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HUMAN RESOURCES



REPORTS RECEIVED – BY SECTOR

IN 2022, 11,136 STRs AND 68,864 THRESHOLD REPORTS, FROM ALL THE SECTORS INVOLVED, WERE RECEIVED AND ANALYSED.

In relation to 2021, STRs had an increase of 10,7%, whereas the threshold reports increased in 26,9%.

Type of Sector	No. STRs
Financial	9314
Non Financial	1058
Auxiliary Entities	477
Other entities	22
Financial Sector Supervising Entities	190
Non-Financial Sector Supervising Entities	69
Supervision Authorities of the Non-Financial Sector Auxiliary Entities	6
Total	11136

REPORTS RECEIVED – DUTY TO REFRAIN

IN 2022, 1032 SUSPICIOUS TRANSACTION
REPORTS UNDER ARTICLE 47 OF LAW
83/2017, OF 18/08, DESIGNATED AS
DUTY TO REFRAIN, WERE RECEIVED AND
ANALYSED

The duty to refrain requires obliged entities to refrain from any transaction or set of transactions, current or future, that they know or suspect to be associated with funds, or other property derived from, or related to any criminal activity or terrorist financing.

Compared to 2021, there was an increase of 38.7 %, with more 288 STR47.

Type of Sector	No. of STR 47
Financial	1007
Non Financial	25
Total	1032

The financial sector contributed to this increase by 37.8 %, an additional 277 STR47, and a 78.6 % increase for the non-financial sector, with a further 11 COS47.

SUSPICIOUS REPORTS RECEIVED – FINANCIAL SECTOR

IN 2022, AS FAR AS FINANCIAL INSTITUTIONS ARE CONCERNED, THERE WAS AN INCREASE OF 5,3% IN THE NUMBER OF REPORTS RECEIVED, COMPARED TO 2021.

The Virtual Assets by 55.8 %, sub-sector, with an increase of 9 STRs compared to 2021, an increase of 150 %, while the Central and Cooperative Agricultural Banks grew with more 179 STRs.

Activity	No. STRs
Portuguese Treasury and Debt Management Agency- IGCP, EPE.	3
Activities with Virtual Assets	15
Banks	5230
Central and Cooperative Agricultural Banks	500
Savings Banks	339
Insurance companies	11
Entities managing Pension Funds	1
Entities providing postal services relating to financial products available on their own	35
Offices of payment institutions located in the EU	18
Financial Credit institutions	23
Credit institutions	25
EU Credit institutions with a free regime for services providing	55
Electronic currency institutions	15
EU Electronic currency institutions with a free regime for services providing	16

SUSPICIOUS REPORTS RECEIVED – FINANCIAL SECTOR (CONT.)

IN 2022, AS FAR AS FINANCIAL INSTITUTIONS ARE CONCERNED, THERE WAS AN INCREASE OF 5,3% IN THE NUMBER OF REPORTS RECEIVED, COMPARED TO 2021.

The three sub-sectors of the Payment Institutions fell by 5.1 %, with 154 STRs less, while the Registered Financial Intermediaries in Portugal fell from 5 STRs in 2021 to 1 in 2022, a decrease of 400 %.

Activity (conti.)	Nº STRs
Payment institutions	128
EU Payment institutions with a network of agents	2757
EU Payment institutions with a free regime for services providing	1
Financial brokers registered in Portugal	1
Financial brokerage companies	4
Financial credit companies	7
Companies managing Risk capital funds	10
Companies managing real estate investment funds	7
Collective investment managing companies	2
Equity managing companies	1
Property managing companies	10
Mutual guarantee companies	94
Branches of credit institutions located in the EU	1
Total	9314

SUSPICIOUS REPORTS RECEIVED – SECTORAL AUTHORITIES FINANCIAL SECTOR

AS TO THE SECTORAL ENTITIES OF THE FINANCIAL SECTOR, THERE WAS AN INCREASE OF 331,8% IN THE NUMBER OF SUSPICIOUS REPORTS RECEIVED, COMPARED TO 2021.

In these numbers there's an increase of 551,9% concerning the Central Bank, and a decrease of 17,6%, regarding the Securities Market Commission.

Sectoral Authority	Nº of STRs
Central Bank	176
Securities Market Commission	14
Total	190

SUSPICIOUS REPORTS RECEIVED – NON-FINANCIAL SECTOR

IN THE NON-FINANCIAL SECTOR, THERE WAS AN INCREASE OF 140,5% IN THE NUMBER OF SUSPICIOUS REPORTS RECEIVED WHEN COMPARED WITH 2021.

There was a reduction of 634,7% from the entities with concessions to exploit games in Casinos and Bingo, with more than 292 STRs overall. Notaries increased their reports in 97%, with 233 STRs, whereas ONLINE gaming and betting entities showed an increase of 84,8%. Real Estate Activities, with 9 STRs more, had a growth of 42,9%.

Activity	Nº of STRs
Real Estate Activities	30
Single high value goods dealers	1
High value goods dealers	1
Entities with concessions to exploit games in Casinos and Bingo	388
Entities operating under the legal Regime of Online Games and Bets	85
Entities authorized for the carriage, safekeeping, handling and distribution of funds and valuables	1
Entities paying prizes from Bets and Lotteries	71
Notaries	473
Other support activities for businesses	2
Other consulting activities for business and management	3
Statutory auditors	3
Total	1058

SUSPICIOUS REPORTS RECEIVED – SECTORAL AUTHORITIES NON-FINANCIAL SECTOR

AS TO THE SECTORAL ENTITIES OF THE
NON-FINANCIAL SECTOR, THERE WAS AN
INCREASE OF 140,5% IN THE NUMBER OF
SUSPICIOUS REPORTS RECEIVED,
COMPARED TO 2021.

The Sectoral Authorities of the Non-financial Sector are provided for under article 7, paragraph 6, and article 89 of Law 83/2017, of August 18th.

The ASAE (Economic and Food Safety Authority) had an increase of 215%, whereas the Bar Association, with 4 STRs more than in 2021, represents an increase of 400%.

Supervision Authority	Nº STRs
Economic and Food Safety Authority	63
General Inspectorate of the Ministry of Labour, Solidarity and Social Security	1
Bar Association	5
Total	69

SUSPICIOUS REPORTS RECEIVED – AUXILIARY ENTITIES

AS TO THE AUXILIARY ENTITIES, THERE
WAS A REDUCTION OF 30,1% COMPARED
TO 2021, WITH 205 STRs LESS.

Auxiliary Entities are mentioned on article 7 of Law 83/2017, of August 18th.

Auxiliary Entity	Nº STRs
Registrars	472
National Registry of Legal Persons	5
Total	477

SUSPICIOUS REPORTS RECEIVED – SUPERVISION AUTH. AUXILIARY ENTITIES

AS TO THE SUPERVISING AUTHORITIES OF
THE AUXILIARY ENTITIES, THERE WAS A
REDUCTION OF 40% COMPARED TO 2021,
WITH 4 STRs LESS.

The Registrars and Notaries Public Institute is the entity equivalent to sectoral authority, under article 7, paragraph 6, of Law 83/2017, of August 18th.

Supervising authority or equivalent	Nº STRs
Registrars and Notaries Public Institute	6
Total	6

SUSPICIOUS REPORTS RECEIVED – OTHER ENTITIES

AS TO THE OTHER ENTITIES, THERE WAS A
SIGNIFICANT INCREASE OF 83,3%
COMPARED TO 2021, WITH 10 STRs
MORE.

Under article 82, paragraph 2, subparagraph a) of Law 83/2017, of August 18th, the FIU can trigger analysis pinpointed by other information.

The major increases are from the FIU itself, with the creation of 12 cases for analysis, meaning 71,4% more, and those from the Taxes Authority with an increase of 100%, corresponding to 3 reports more.

It is also worth emphasizing the two cases originating from the Assets Recovery Office.

Other Entities	Cases
Taxes Authority	6
Assets Recovery Office	2
Criminal Intelligence Unit	2
Financial Intelligence Unit	12
Total	22

THRESHOLD REPORTS RECEIVED

AS TO THRESHOLD REPORTS BASED ON
DECREE-LAW 310/2018, OF 4 DECEMBER,
THERE WAS AN INCREASE OF 27,3%.

The government decree No. 310/2018, of 04 December, regulates the provisions laid out in article 45 of Law 83/2017, of 18 August 18th.

Subparagraph b) of the mentioned government decree displayed an increase of 48%, with 6333 reports more, whereas subparagraph e), with more 8488 reports, had a 37,1% increase.

Subparagraph d) of the said government decree, with 83 reports more, with an increase of 162,7%.

Subparagraph	No. per item
Art. 2	
a	15156
b	19528
c	2501
d	134
e	31534
f	11
Total	68864

SUSPICIONS CONFIRMED

THE ANALYSIS OF THE REPORTS TAKES INTO ACCOUNT, BESIDES THE REASON FOR THE SUSPICION RAISED BY THE REPORTING ENTITY, THE SUPPLEMENTARY INFORMATION COLLECTED.

The global information gathered at the FIU comprises suspicious transaction reports, threshold reports, spontaneous disclosures, additional information, dissemination and requests for national and international cooperation.

The whole information is assessed and is enhanced by the addition of judicial, police, financial, administrative and tax-related information, as well as open sources.

Suspicious cases that are confirmed (cases where the evidence gathered confirms the initial suspicion) are forwarded to the judicial authorities and the competent criminal police bodies for evaluation and possible prosecution.

SUSPICIONS CONFIRMED

1.839 operational analysis were carried out, from which 994 were verified suspicions, 388 international cooperation and 136 domestic cooperation.

From the 994 suspicions confirmed, 921 are of money laundering, 4 terrorism financing, and 69 were undefined.



Type of Suspicion	Total
ML	921
FT	4
UND	69
Overall	994

PREDICATE OFFENCES

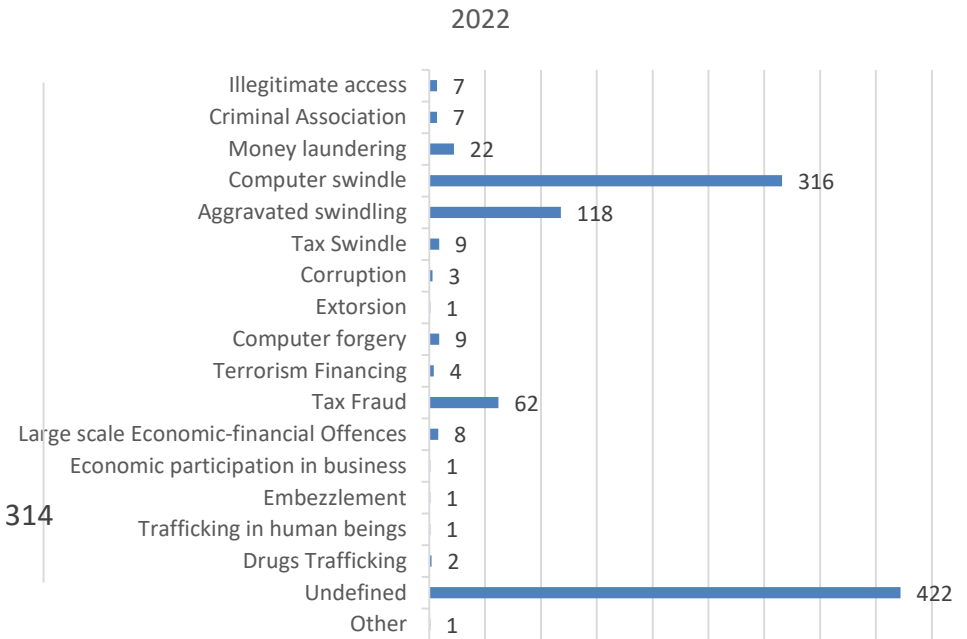
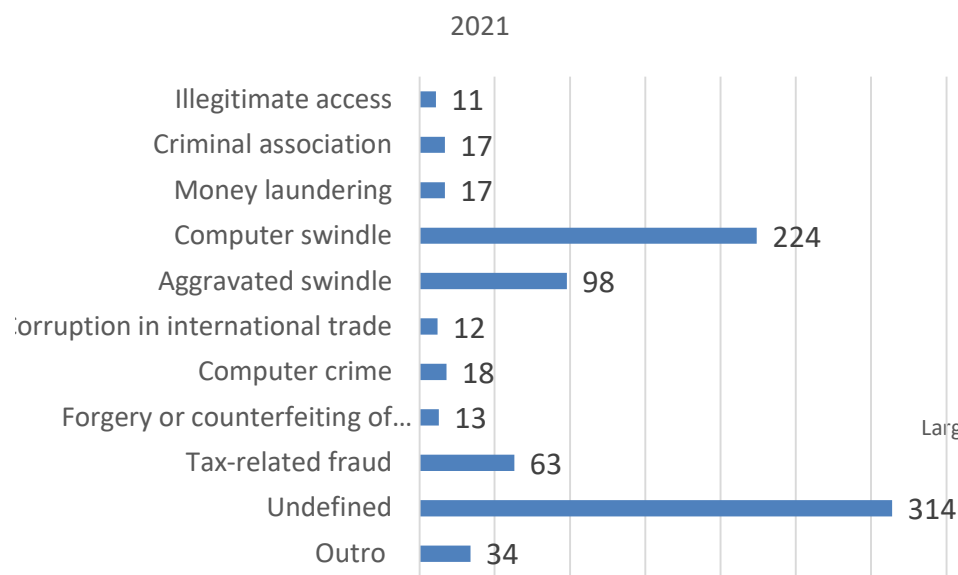
**THE PREDICATE OFFENCES DETECTED ARE
BASED ON THE OPERATIONAL ANALYSIS
CARRIED OUT.**

Its indication provides clues for further investigation, while also being an indicator for the competent investigation entities in order to disseminate analysis reports.

Cyber crime is still the most detected predicate offence, followed by economic-financial crime.

The parameter known as "Undefined" reflects the doubts surrounding predicate crime, that will be clarified in possible criminal proceedings.

PREDICATE OFFENCES TO MONEY LAUNDERING



TERRORISM FINANCING

TERRORISM FINANCING IS A CONDUCT PROVIDED AND PUNISHED BY ARTICLE 5-A OF LAW 52/2003 OF AUGUST 22nd. IT IS THE RESPONSIBILITY OF THE FIU TO EXAMINE THE SUSPICIOUS TRANSACTION REPORTS AND OTHER SOURCES CONCERNING TERRORISM FINANCING.

In 2022, 4 analysis concerning terrorism financing were confirmed, 2 less than in 2021.

RESTRICTIVE MEASURES

RESTRICTIVE MEASURES ARE DEFINED IN
LISTS PUBLISHED AND KEPT BY THE
UNITED NATIONS AND THE EUROPEAN
UNION.

The restrictive measures regime is governed by Law 97/2017 of August 23rd.

In 2022, 189 hits were created linked to restrictive measures.

FREEZING PROPOSALS

**THE FREEZING PROPOSALS ARE
SUPPORTED BY THE ANALYSIS OF THE
TRANSACTION THAT WAS REPORTED.**

Under the duty to refrain (Article 47 of Law 83/2017 of August 18th 2017), obliged entities shall simultaneously send reports of suspicious transactions to the FIU and the DCIAP, indicating their intention to refrain from carrying out a transaction or a set of transactions, whether present or scheduled, and suspected of being associated with illicit origin of funds.

In three working days, the FIU sends an operational analysis, proposing, or not, to suspend the operation, which shall be forwarded to the DCIAP.

The figures presented refer to the amounts involved in the communications received from the reporting entities, or to the additional information provided by the obliged entities when the suspension proposal was made by the FIU.

FREEZING PROPOSALS

THE FREEZING PROPOSALS ORIGINATED EITHER FROM REPORTS DUE TO THE DUTY OF REFRAINT (ARTICLE 47 OF LAW 83/2017, OF AUGUST 18th) OR FROM REPORTING SITUATIONS REGARDING THE DUTY OF REPORT (LAW NO. 83/2017, 18 AUGUST 18th, ARTICLE 43).

Compared to 2021, the number of proposals for freezing increased in 29,9%, more accrued there were 173 more.

Nonetheless, the amount in EUR decreased in 34%, from €246 560 709,76 to €162 549 897,29, specifically €84 010 812,47.

There were no proposals for freezing linked to Terrorism Financing.

Nº Cases	EUR	USD	GBP
751	162 549 897,29	25 492 577,14	131 721,20

INTERNATIONAL COOPERATION

**AS TO INTERNATIONAL COOPERATION,
THERE WAS A SLIGHT INCREASE IN THE
NUMBER OF COUNTERPARTS WITH
WHICH WE EXCHANGED INFORMATION.**

The Financial Intelligence Unit has participated, on a regular basis, in several international events, working groups and international organizations, namely the Financial Action Task Force, the Egmont Group and the FIU Platform of the European Union.

As to the exchange of information with the other FIUs, there was an overall number of 907 exchanges of information (75 with counterparts, which clearly shows the importance of the FIU's international cooperation), corresponding to an increase of 57,7%, that is 332 more compared to 2021.

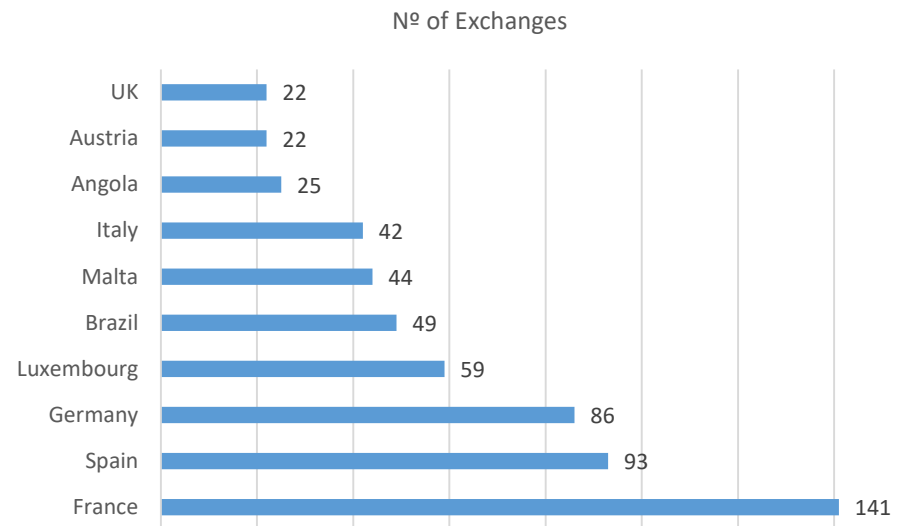
International cooperation also involved 56 other cases of information exchange, mainly through the National Europol Unit and the National Interpol Bureau.

The Units with which the FIU had more exchanges of information were from Spain, France, Germany, Luxembourg, Brazil and Malta.

INTERNATIONAL COOPERATION

THE EXCHANGES OF INFORMATION THAT ARE REPRESENTED INCLUDE THE INFORMATION THAT WAS BOTH SENT AND RECEIVED.

The 10 counterparts with whom the FIU exchanged more information represent 583 exchanges.



DOMESTIC COOPERATION

THE EXCHANGE OF INFORMATION WITH
NATIONAL ENTITIES IS RULED BY LAW
54/2021 OF AUGUST 13th.

The requests submitted by national entities to the FIU, originate almost totally from the Units, Directorates and Departments of the Criminal Police, mainly from the National Units and from the Directorate of Lisbon and Tagus Valley. The Judicial authorities also send requests to the FIU, where Portugal also has its representation at the European Prosecutor's Office.

In 2022, from the 140 requests submitted to the FIU, 113 illustrate this (requests submitted by the various Units and Departments of the Criminal Police). These are generally urgent, since they are linked to operational and tactical proceedings of the investigations in money laundering and its respective predicate offences.

The requests submitted to the Permanent Liaison Group (GPL) are covered by Decree-Law No. 93/2003, of April 30th, regulating the manner, the extent and the limits of cooperation between the Criminal Police and the Taxes Authority.

There were 157 requests submitted to the GPL, which represent a decrease of 13,7% compared to 2021, with 25 requests less.

FEEDBACK

**ACCORDING TO ARTICLE 114 OF LAW
83/2017 OF AUGUST 18TH 2017, THE FIU
CARRIES OUT THE FEEDBACK OF
INFORMATION TO THE OBLIGED ENTITIES
AND THE SECTORAL AUTHORITIES ON THE
FORWARDING AND THE OUTCOME OF
SUSPICIOUS REPORTS SUBMITTED UNDER
ARTICLES 43 AND 104.**

With the adoption of new procedures, the FIU was able to carry out the feedback of the information over a period extended back to 2020 in order to ensure, even at the risk of repetition, that the feedback of all the STRs, including those not yet finalized at the time of the previous feedback, was indeed carried out.

This resulted in the feedback of around 25,000 STRs to the entities that had sent them, including the Sectorial or equivalent Authorities.

DISSEMINATION OF INFORMATION

ACCORDING TO ARTICLE 82, PAR. 1, SUB-PAR. c) OF THE ML/TF LAW, THE FIU SHALL BE RESPONSIBLE FOR DISSEMINATING, AT NATIONAL LEVEL, INFORMATION RELATING TO THE ANALYSIS CARRIED OUT AND THE RESPECTIVE OUTCOME, AS WELL AS ANY OTHER RELEVANT INFORMATION.

The relevant information is that which by definition may contain important and meaningful data for the receiving entity or sectorial authority.

Also due to the adoption of new procedures, in 2022 the FIU disseminated to the Taxation and Customs Authority 25 relevant information reports.

DISSEMINATION OF INFORMATION

IT IS UP TO THE FIU TO DISSEMINATE RED
FLAGS AND UPDATED INFORMATION ON
TRENDS AND PRACTICES RELATING TO
PREVENTION AGAINST MONEY
LAUNDERING AND TERRORISM
FINANCING.

The FIU has cooperated with the obliged entities in dissemination actions on new trends and practices.

These actions are a part of the cooperation that the FIU establishes with the obliged entities, bearing in mind that they are also required to train their employees.

Moreover, the FIU attends regular and quarterly meetings held by the Coordination Committee for the Money laundering and terrorism financing prevention policies, as well as weekly meetings of the Permanent Secretariat of the same Committee, in the Egmont Group Plenary and the FATF Plenary.

DISSEMINATION OF INFORMATION

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The FIU is also present in the plenary of the Financial Action Task Force (FATF), the Intergovernmental Task Force on Money Laundering in West Africa (GIABA), and FIU.Net.

Also in 2022, the UIF trained groups of representatives of the Mozambican police and judicial authorities.

In partnership with the Institute for Management and Public Administration (IGAP) and the Institute for Public Markets, Property and Construction, I.P. (IMPIC, I.P.), the FIU organized and participated in two training/clarification seminars concerning ML/TF with a large number of representatives of the real estate sector.

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