

ALDERNEY GAMBLING CONTROL COMMISSION

AML/CFT Update (2)

August 2015

In this update:-

1. STR reporting
2. AGCC 2014 STR update
3. Moneyval update assessment
4. AMLD4
5. AML/CFT event 2015

STR reporting

Licensees and certificate holders are reminded about the requirements of Section 7(2) of the Schedule 16 to the Alderney eGambling Regulations, 2009 which require a copy of any suspicious transaction report made to the Guernsey Financial Intelligence Service to be copied to the AGCC. The PDF generated at the conclusion of the submission should be sent to the AGCC using the dedicated email address str@agcc.gg or, if there are significant documents accompanying the submission, it may be uploaded to Xena with a notification email being sent to str@agcc.gg

AGCC 2014 STR Review

Every year the AGCC undertakes a review of STRs submitted in the previous year.

In 2014 there were 87 STRs submitted to the Guernsey FIS of which 78 related to eCasino activity and 9 related to other activity.

The vast majority of these (55/87) related to individuals in the United Kingdom and licensees and certificate holders may find it useful to refresh themselves about their obligations in respect of individuals who may be the subject of two different jurisdictions. Instruction Number 4¹ provides useful guidance about the obligations in this respect.

Over half of the STRs (48/87) submitted related to payment risks with 46 of the 48 relating to card fraud, identity fraud and proceeds from stolen credit cards.

Customer risk posed the next biggest threat (28/87). Within this category the greatest number (13/28) related to the risks posed by customers who are criminals and criminal infiltration

¹ <http://www.gamblingcontrol.org/wp-content/uploads/2015/06/Instruction-4-Consent-requests-v2-19112014.pdf>

with 10 of the 13 relating to police interest in an individual who had not previously been identified as suspicious; the police interest would take the form of a DPA request a Court Order. 8 of the 28 related to customers who could not be properly identified or who failed verification and 6 related to customers whose source of funds was either suspicious or could not be verified.

Transaction risks were the third area of risk with 9 reports relating to unusual account activity such as deposits with no play and similar activity.

A more detailed analysis will be given at the AGCC's 2015 AML/CFT event later this year (see below).

MONEYVAL update

Licensees and certificate holders will be aware that the Bailiwick of Guernsey (Alderney forms part of the Bailiwick) was the subject of a further follow up assessment by MONEYVAL in October 2014. The results of this assessment are due to be published at a MONEYVAL plenary later this year.

AMLD4

The Fourth European Money Laundering Directive was adopted by the European Parliament on 20th May, 2015. Member states now have two years to implement suitable legislation. AMLD4 has its origins in the revised FATF 40 recommendations published in February, 2012. Following the completion of the MONEYVAL assessment of the Bailiwick which was based on the 2003 FATF recommendations the AGCC will be reviewing the AML/CFT framework to identify changes that will be necessary to meet the requirements of the 2012 FATF recommendations.

Licensees and certificate holders are reminded that pursuant to section 11(2) of Schedule 16 to the Alderney eGambling Regulations, 2009 where two AML/CFT regimes apply the requirement that provides the highest standard of compliance by reference to the FATF recommendations must be complied with.

2015 AML/CFT event

Licensees and certificate holders will, by now, be aware that the AGCC holds an AML/CFT event every year. The AML/CFT event for 2015 will take place on Thursday 8th October, 2015 at the Hilton, London Tower Bridge. As in previous years newly operational licensees and certificate holders will be required to field a delegate (notices issued under the appropriate part of the Alderney eGambling Regulations, 2009 will be issued to those affected in due course) and all other licensees and certificate holders can attend. To reserve your place please email paula.moore@agcc.gg and if there is a topic of interest that you would like to see covered please email philip.taylor@agcc.gg and it may be possible to add further topics to the agenda.