



**Office for Prevention of Laundering of
Proceeds Derived from Criminal Activity
Annual Report for 2018**

Riga, 31 March 2019

Developments of 2018

Financial Intelligence

6,617 reports received on suspicious transactions

3,203 cases where financial intelligence has been performed

470 cases where information has been forwarded to Latvian law enforcement agencies or foreign financial intelligence units

The Control Service has seized the largest amount of financial assets ever:

101.48 million EUR
and
2 immovable properties,
882,15 gold ounces, **5** financial instruments, **8** vehicles, **4** safes

Characteristic Typologies of ML

Different predicate offences abroad and ML in Latvia

46%

Tax evasion and ML in Latvia

19%

Autonomous/independent ML

12%

International Cooperation



In cooperation with analogous foreign services:

644 requests received

443 requests sent

408 spontaneous reports received

174 spontaneous reports sent

ABL V

On 13 February 2018, FinCEN statement

On 24 February 2018, the European Central Bank passed a decision on unavailability of deposits

On 26 February 2018, the bank's shareholders decided on the bank's voluntary liquidation

On 12 June 2018, the FCMC supports controlled voluntary liquidation of the bank

Strategic Analysis

- Assessment of the Latvian AML/CFT system provided by MONEYVAL.
- Preparation of risk assessment: sectoral risks of AML/CFT, risks of legal entities and NGOs, risks of virtual currencies, risks of financing of terrorism and proliferation.
- Thematic studies: financial flows in the EU fund projects, declaring cash on the EU border, profiling of Latvian banks' risk, case studies of foreign and local corruption.

Preface



I am happy to provide the very first report since taking this position on 1 June 2018. The report includes impressive results achieved by the Office for Prevention of Laundering of Proceeds Derived from Criminal Activity in 2018, thus helping to protect security and welfare of Latvian inhabitants.

The traditional task of the Control Service as an autonomous leading system for anti-money laundering and combating the financing of terrorism (AML/CFT) has been to support the national and international law enforcement agencies as much as possible and support our international cooperation partners, EGMONT Group members, by providing an opportunity to get acquainted with the financial information at our disposal, as well as to provide complex analysis of financial transactions.

The global financial crisis and consequences thereof in last decade have significantly changed the attitude of governments towards economic and financial crimes, therefore more and more resources all over the world are used to strengthen the fight against such crimes. Considering the rapid development and increasing complexity of economic crimes, cooperation among various national institutions, as well as international cooperation and information exchange is being strengthened.

With such international developments in the background, two major events of the last year, which shook the Latvian system of anti-money laundering and combating the financing of terrorism, stood out: the assessment performed by the Council of Europe Committee "Moneyval" of the Latvian system for anti-money laundering and combating the financing of terrorism, and the statement by the Financial Crimes Enforcement Network of the United States Department of the Treasury on Joint-Stock Company "ABLV Bank", which is currently under liquidation.

As a result of these events, not only responsibility, scope and volume of work of the Office for Prevention of Laundering of Proceeds Derived from Criminal Activity have changed, but also understanding of the entire Latvian population that circulation of illegal funds in the Latvian financial system is a direct threat for safety and sustainability of our country has changed.

Last year, the Control Service demonstrated readiness to react to changes in external environment and operationally adapt its resources — to make smart investment in development of employees' skills, to ensure that the institution has the latest technologies for information analysis, processing and analytics. Thus, we as an organisation have undertaken the commitment to move towards changes and excellence including efficient management of human resources and of technological and financial resources.

To implement the mandate provided in the Law on the Prevention of Money Laundering and Terrorism Financing, the goal of the Office for Prevention of Laundering of Proceeds Derived from Criminal Activity is to become the leading industry expert. This, inter alia, means contributing to education of investment monitoring and control institutions and introducing the reporting culture for prevention and discovery of financial crimes and attempts thereof that is based on clear criteria.

Significance of the information forwarded by the Control Service is proved by the fact that approximately a half of all court rulings that have become effective in the field of fight against money laundering (with a steady increasing trend) is based on the information we initially provided.

This is a very interesting and challenging time, therefore I feel very privileged about the opportunity to work with highly professional colleagues whose knowledge has been appreciated not only in Latvia but also on the international level and that the scope of our cooperation partners has significantly increased over the last year both in the public and private sector.

Ilze Znotiņa

Head of the Office for Prevention of Laundering of Proceeds Derived from Criminal Activity

Authorisation and Status of the Control Service

The Office for Prevention of Laundering of Proceeds Derived from Criminal Activity (Control Service) is the leading institution for the system of anti-money laundering and combating the financing of terrorism with a decisive role in the fight against circulation of illegal proceeds in the Republic of Latvia and the consequential threats for the country's security.

Authorisation

The key task of the Control Service is to summarise and analyse financial intelligence data with an aim to forward them to Latvian law enforcement agencies for investigation of cases of money laundering and financing of terrorism and proliferation. To satisfy the needs of the Control Service and cooperation partners thereof, the Control Service also develops different strategic analysis products, including development of specialised studies on risks, tendencies, volumes, and the latest methods of money laundering and financing of terrorism.

By the amendments to the Law On the Prevention of Money Laundering and Terrorism Financing (Law on AML/CFT) that entered into force on 9 May 2018 and 1 January 2019, duties and rights of the Control Service have been supplemented and specified, providing that, in addition to the financial intelligence and strategic analysis function, the Control Service ensures an operation of a coordination group for private and public cooperation, as well as summarises information for a national AML/CFT risk assessment.

Although the number of employees of the Control Service in 2018 increased insignificantly, after a systematic operational planning, setting of goals, performance results and deadlines, as well as by regularly assessing and reviewing the performance, efficiency and operational transparency of the Control Service have increased significantly.

In 2018, the Control Service, in parallel to its daily tasks, provided management of a working group for development of the amendments to the Law on AML/CFT directed towards strengthening of the institutional monitoring model, functional capacity and independence of the Control Service.

Results of the financial intelligence performed by the Control Service, as well as the expertise in the field of AML/CFT are highly demanded. The Control Service is not only invited to international conferences and seminars, and cross-border research projects, but it also regularly leads the Monitoring and Controlling Institutions' Platform (once a month starting from the second half of 2018), as well as organises meetings and trainings to representatives of the private sector, especially in the field of finances.

By fulfillment of the tasks, the Control Service has undertaken to ensure retention and security of the received information that is disclosed by the Service to the law enforcement agencies. The Control Service is aware — the privacy protection is a significant pre-condition for the people's trust in the Control Service and wider system of AML/CFT.

Status

On 1 November 2018, amendments to the Law on AML/CFT were adopted, and thus, since 1 January 2019, the Control Services is a direct administration institution subordinated to the Cabinet of Ministers, as opposed to the previous status when it was subordinated to the Prosecutor's Office. The Cabinet of Ministers exercises the institutional supervision through the Minister for Internal Affairs, providing specific borders of institutional monitoring and defining the fields that are not subject to monitoring powers. At the same time, the principles of independence and decision-making independence of the Control Service and employees thereof have been specified.

Such amendments were introduced in line with the recommendations of the Financial Action Task Force (FATF) on autonomy and independence of financial intelligence units, providing that the state has to ensure that the institution is autonomous and independent — it is entitled to execute its functions independently, without political intervention, including to take decisions, to analyse, to request and/or to transfer information to other competent authorities. Significance of the operational independence and autonomy is referred to also in the Charter of the EGMONT Group (international network of financial intelligence units), in principles of information exchange and participation criteria of the EGMONT Group.

After the end of the reporting period, the Control Service has received approval for the new supervisory model from the EGMONT Group.

Financial Intelligence

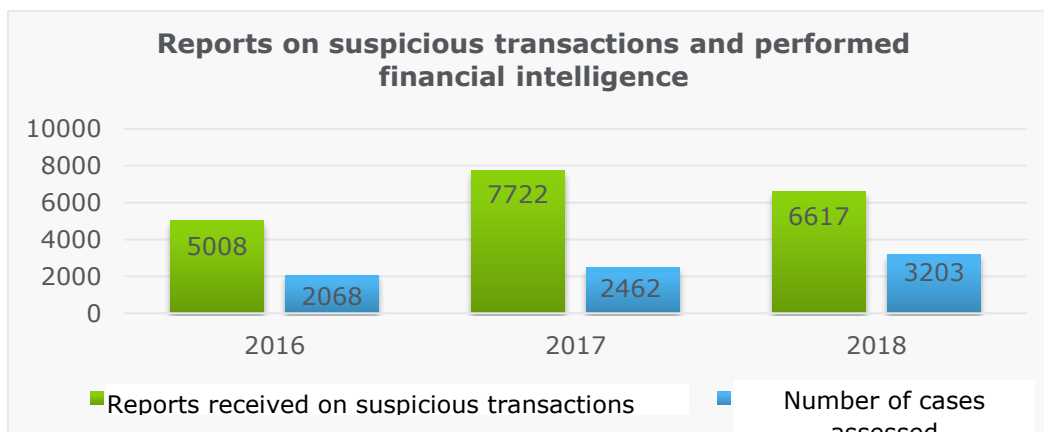
The Control Service, in execution of its tasks, ensures transfer of significant financial intelligence data to law enforcement and security agencies of the Republic of Latvia, helping in the fight against money laundering and financing of terrorism and proliferation, as well as against the consequential threats posed to the national security.

Financial intelligence is collection and analysis of data on the financial transactions performed by people. The goal of financial intelligence is to understand the essence of financial transactions in order to identify illegal activities such as money laundering, tax evasion, corruption, or other criminal offences.

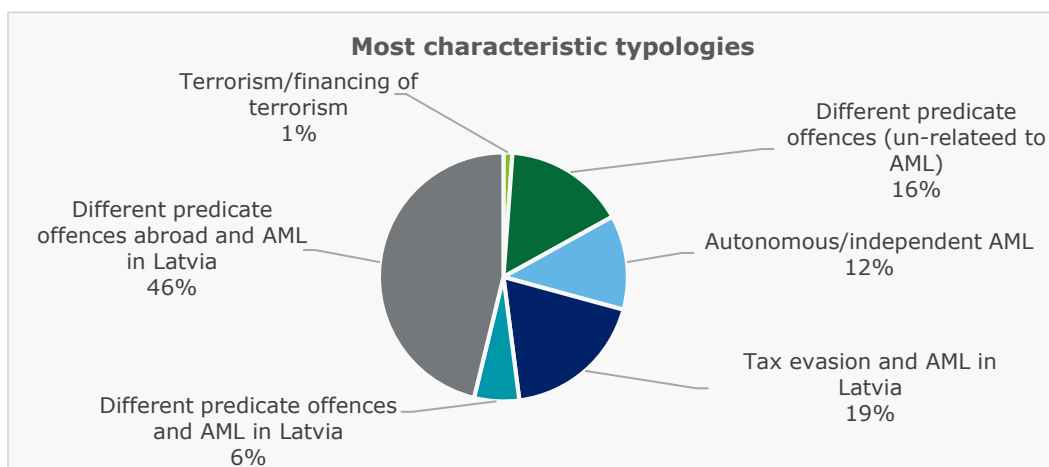
The Control Service obtains information on suspicious financial transactions as follows:

- From legal and natural persons in the form of reports on suspicious transactions;
- In the form of reports submitted by foreign financial intelligence units;
- By performance of a strategic analysis.

In 2018, the Control Service received and processed 6,617 reports on suspicious transactions and performed further financial intelligence in 3,203 cases. Within investigations of 470 cases, the Control Service issued a report, which included the so-called risk information being transferred to the law enforcement institutions or foreign financial intelligence units.



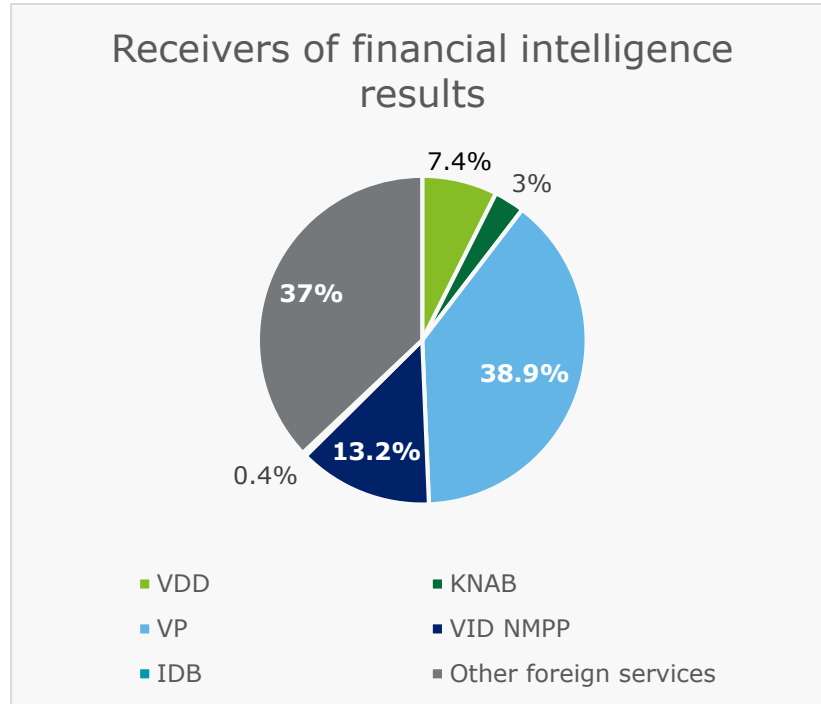
The highest number of the cases analysed under the intelligence procedure was related to predicate crimes abroad. Considering that similar statistical data were observed also in the last two years, it can be concluded that vulnerability of the Latvian financial sector remained high



in 2018 and that the greatest threats were related to the business models of financial institutions which are oriented towards servicing non-residents.

The division of materials sent to the law enforcement agencies and foreign financial intelligence units.

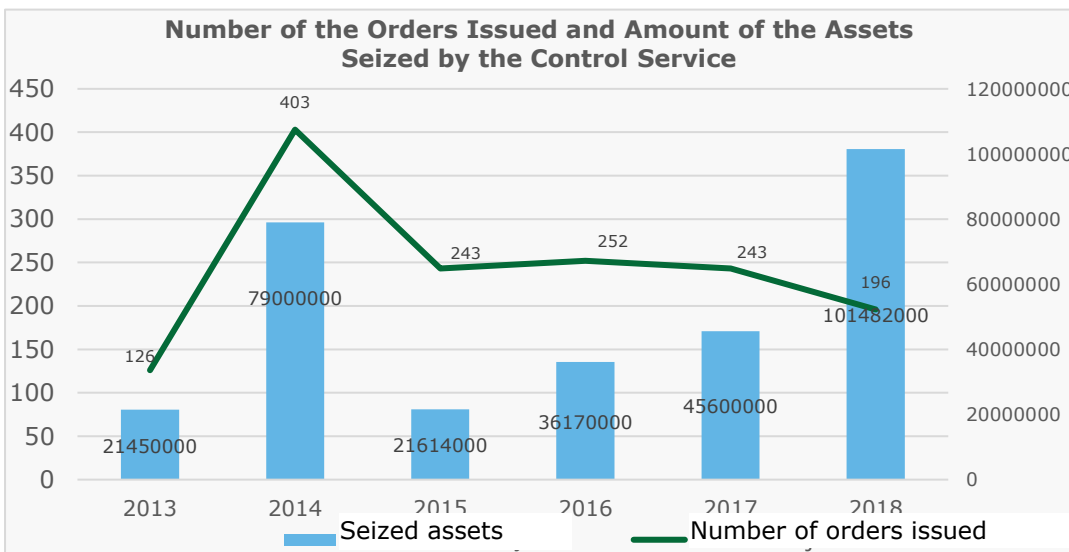
The most materials sent in 2018 were addressed to the Economic Crime Combating Board (ENAP), and a similar number of materials was sent to foreign financial intelligence units.



VDD — Latvian State Security Service; VP — State Police; IDB — Internal Security Bureau; KNAB —Corruption Prevention and Combating Bureau; VID NMPP —Tax and Customs Police Department of State Revenue Service

In 2018, 198 seizure orders of financial assets were issued for the total amount of 101,482,000 EUR. The largest amount of the seized financial assets is in the cases where the predicate offence was committed abroad (74%), however, there are suspicions that also in the autonomous/independent cases of ML (15% of all seized assets) the origin of resources is related to an unclear predicate offence abroad.

In 2018, within the financial intelligence, the Control Service has seized historically the largest amount of financial assets.



Proportionally, one of the largest amounts of the seized assets is related to deposits in ABLV Bank AS under liquidation, and this has been one of the most challenging projects of the Control Service in 2018 in general and it will continue to be significant in 2019 and 2020, too.

The case of ABLV Bank

On 13 February 2018, the Financial Crimes Enforcement Network (a cooperation institution of the Control Service — FinCEN) of the United States Department of the Treasury published a statement suggesting prohibition of the U.S. financial institutions to open or maintain corresponding relations with or on behalf of the Joint-Stock Company ABLV Bank (ABLV). The FinCEN's statement made strict assurances about the use of ABLV in money laundering, transactions with persons related to institutions on the list of sanctions of the USA and UN, at the same time indicating that ABLV has institutionalised money laundering as the bank's primary line of business. The FinCEN statement was followed by launch of a voluntary liquidation of ABLV accepted by the Financial and Capital Market Commission.

These developments have adversely affected international reputation of Latvian credit institutions, as well as they might cause an unfavourable impact on the stability of state financial sector and financial position in general.

Although the voluntary liquidation of ABLV is continuing and methodology thereof was approved only after the end of the reporting period (in March 2019) after consent of the Control Service, representatives of the Latvian system of AML/CFT have made several significant conclusions and used this experience to improve the system.

Although the legal framework of anti-money laundering and combating the financing of terrorism in Latvia has been significantly strengthened over the last years, the FinCEN statement pointed on necessity to strengthen its homogeneity and persistent application, turning against the opportunities to use the Latvian financial system for criminal purposes.

In addition to several operations with an aim to prevent risks in relation to ABLV, it is important to emphasise the Plan of Measures for Introduction of Moneyval Recommendations approved by the Cabinet of Ministers on 11 October 2018 where strengthening of risk-based supervision and introduction of preventive measures, incl. controlled, transparent, and professional management of liquidation of ABLV Bank are indicated as one of the key priorities.

Strategic Analysis

Strategic analysis is a specially important priority of the Control Service. Its goal is to minimise the threats of money laundering by developing and applying appropriate and proportionate solutions, as well as to identify specific criminal actions, vulnerabilities at a sectoral level, for example, in the financial sector or at the national level.

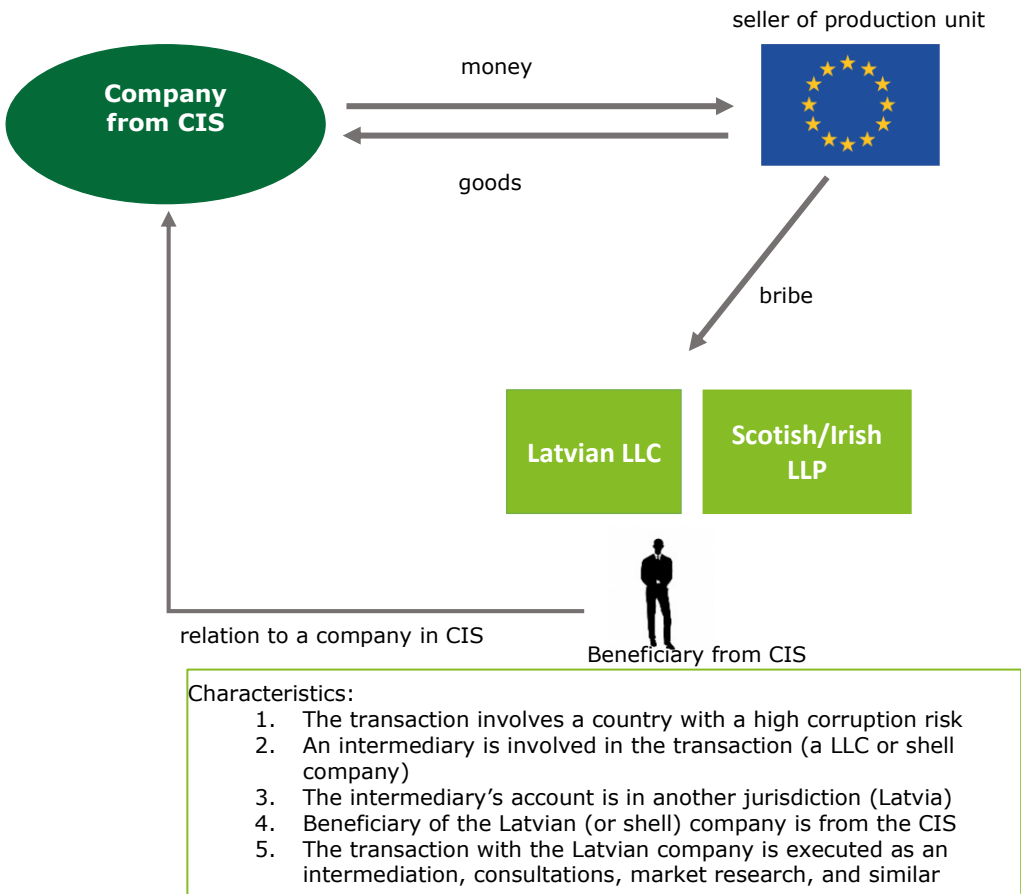
Data necessary for the strategic analysis are summarised based on reports by subjects of the Law on AML/CFT, statistical data and other sources. In 2018, the strategic analysis team worked in three directions:

- Moneyval assessment of the Latvian system of AML/CFT.
- Elaboration of risk assessments on:
 - Sectoral risks of the AML/CFT;
 - Risks of legal entities and non-governmental organisations;
 - Virtual currency risks;
 - Risks of financing of terrorism and proliferation.
- Development of thematic studies on:
 - Financial flows in projects of the EU Funds;
 - Declaring cash on the external border of the EU;
 - Analysis of court judgements in the ML cases;

- Profiling of Latvian bank risk;
- Research of foreign and local corruption cases, including the role of non-residents.

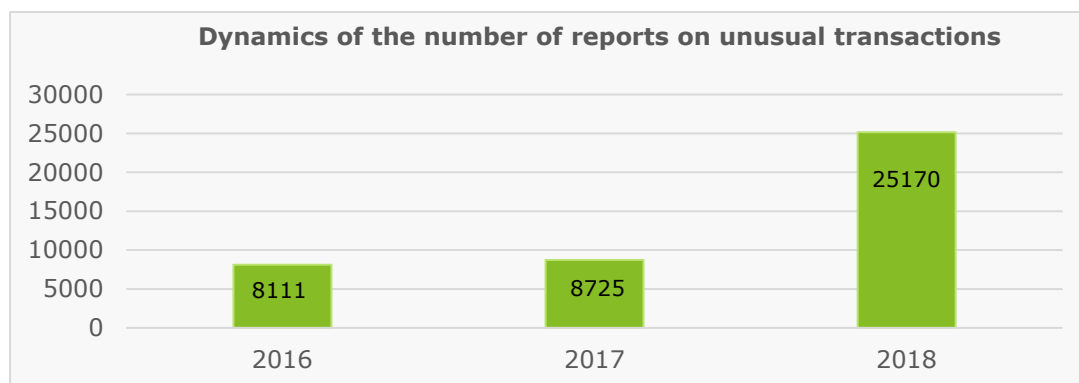
As a result of such strategic analysis of corruption cases, the Control Service has detected several cross-border corruption cases with a number of joint features and implemented according to the information provided herein.

Cross-Border Corruption



To improve the opportunities of strategic analysis, the Control Service, starting from 2020, will change the reporting procedure. Until now, there were two types of reports —on suspicious and unusual transactions. The reports on unusual transactions, with the number increasing almost three times in 2018, served as an instrument to report on reaching certain thresholds and the obtained data were mainly used for purposes of the strategic analysis.

Starting from 2020, the reports on unusual transactions will be replaced by threshold declarations which will be submitted by the subjects of the law to the Control Service for the purposes of the strategic analysis. The new approach will not only significantly simplify the operation of the Control Service, but also reduce uncertainty about the differences of these two types of reports and a practical action in the cases when a transaction corresponds to the criteria of both suspicious and unusual transaction.



In addition, the Control Service has developed and provided the subjects of the Law on AML/CFT with a simplified client examination tool, as well as improved the IT tool for searching the sanction subjects on the website of the Control Service (<http://sankcijas.kd.gov.lv/>).

In 2018, in cooperation of the strategic analysis and financial intelligence teams, work on guidelines for determining and analysing the priority cases of the Control Service was started in line with the task of the Control Service set in 2018 — to focus the resources of the Control Service, and in the alternative, the resources of the law enforcement agencies and courts, on the cases where costs and time of intelligence, investigation and adjudication, as well as the amount of the seized assets and punishment is proportionate with the alleged criminal offence. According to the guidelines approved after the end of the reporting period on 24 January 2019, the Control Service's priority is to assess information on the possible:

- Financing of terrorism or proliferation;
- Large-scale ML (Section 195, Paragraph Two and Three of the Criminal Law);
- Large-scale circulation of allegedly criminal property (Section 70¹¹ Paragraph Two and Three of the Criminal Law);
- Corruption and bribery;
- Criminal offences in the field of taxes;
- Fraud;
- Illegal movement of goods across the external borders of the EU.

An additional priority has been assigned to:

- Seizure of large-scale financial assets with unclear or suspicious legality of origin;
- Transactions that are related to well-known cases or persons with negative publicity.

Strategic Cooperation and Coordination

The amendments to the Law on AML/CFT, which became effective on 9 May 2018, the legal basis for exchange of information between the public and private sector was strengthened with an aim to improve the efficiency of combating financial crimes, appointing the Control Service as the institution responsible for development of the platform for the public and private information exchange and successful operation thereof.

Consequently, the Control Service has developed internal regulations necessary for the operation of cooperation coordination groups, including operating regulations of the group, as well as it has determined working organisation of the cooperation coordination group, book-keeping and confidentiality provisions along with the principles of efficient operation of the group.

In line with the above regulation, legal framework, practical operation of the cooperation coordination group under leadership of the Control Service has been successfully launched in the second half of 2018. Meetings of the cooperation coordination group are organised upon initiative of the Control Service, law enforcement agencies or private sector representatives. During the meetings, both operative issues for the purpose of effective prevention or investigation of a certain criminal offence and strategic matters, including the latest money laundering tendencies, typologies, or features, etc. are being discussed.

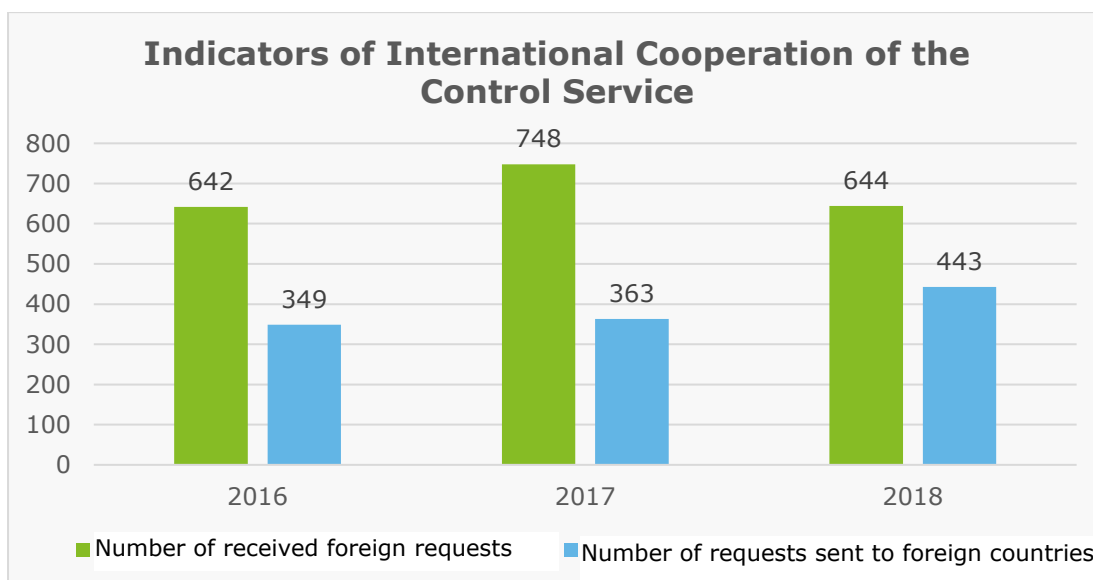
In the second half of 2018, 14 (fourteen) cases have already been examined at the meetings of the cooperation coordination group. The composition of the meetings changes and depends on specific features of the case under review. Over the said period of time, the group has cooperated with the representatives of the Control Service, Economic Crime Combating Board of the State Police, Corruption Prevention and Combating Bureau, State Revenue Service, Latvian Council of Sworn Notaries, Lotteries and Gambling Supervision Inspection, and four different credit institutions.

In addition, under guidance of the Control Service, pursuant to order No. 1-5.1/3 dated 24 January 2019, Supervisory and Control Institution Cooperation and Coordination Platform was established, providing regular meetings of representatives of all supervisory institutions (Section 45 of the Law on AML/CFT). The goal of the above platform is to facilitate mutual coordination and cooperation among supervision and control institutions of the subjects of the Law on AML/CFT, as well as to facilitate a single approach to fulfilment of supervision and control duties. Although the platform was established only on 24 January 2019, the first meeting took place on 6 November 2018. (Meetings: 6 November 2018, 12 December 2018, 24 January 2019, 19 February 2019, 19 March 2019). The key issues so far: development of sectoral risk assessment reports, procedure of clarifying beneficiaries in the sectors under supervision, procedure and content of reports on suspicious and unusual transactions, involvement of supervisory institutions in defining ML typologies and indicators (red flags).

International Operation

In the MONEYVAL assessment, the international cooperation efficiency of the Latvian competent authorities has been assessed as good, emphasising successful cooperation of the Control Service with analogous foreign units, and it has been recognised as constructive and, according to foreign colleagues, useful, highlighting the ability of the Control Service to respond to information requests fast. In 2018, the average response time of the Control Service was 11 calendar days (the EGMONT Group recommends not to exceed 30 days).

Since 1999, the Control Service is a member of the group of international financial intelligence units, EGMONT. Overall, the EGMONT Group currently unites 159 financial intelligence units from all over the world; moreover, the number of the members increases every year. Membership in the EGMONT Group provides the Control Service with an opportunity to communicate and exchange information using a safe and protected information exchange channel with all the group members. The Control Service is an active user of this opportunity, as one of the key function of international cooperation of the Control Service is preparation of responses to the requests of analogous foreign units, as well as preparation of requests to the foreign units. In 2018, the Control Service received 644 requests of foreign colleagues from 57 foreign units, while 443 information requests have been sent to 56 units. It should be noted that the number of the requests sent in 2018 is the highest in the history of the Control Service.

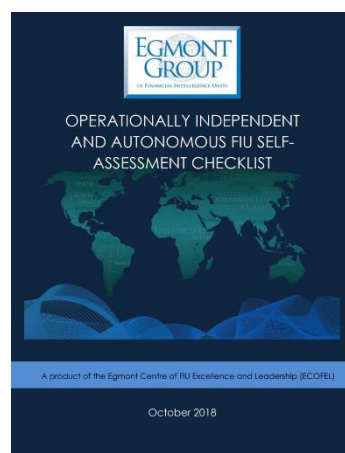


The key foreign cooperation partners of the Control Service include financial intelligence units from the states such as Lithuania, Estonia, Russia, Belarus, Ukraine, Moldova, Czech Republic and Poland.

In 2018, information obtained by the Control Service within the international cooperation was used in a total of 64 materials or 37% of all the materials sent to law enforcement agencies for taking a decision on initiation of criminal proceedings.

Also, upon a request of law enforcement institutions, the Control Service has prepared and sent information requests to analogous foreign units in 108 cases.

In 2018, the Control Service actively participated in various international events and organised training seminars on anti-money laundering and combating the financing of terrorism. Participation of the Chief of the Control Service in a seminar of the Egmont Centre of Excellence and Leadership must be mentioned among the most important events of 2018. The seminar took place in Zurich, Switzerland, and it resulted in guidelines elaborated by a working



group on operational independence and autonomy of financial intelligence units, as well as on a self-assessment checklist of the FIUs. In October 2018, the EGMONT Group published the research in its official website.

Also, participation of employees of the Control Service in the annual meeting of the working groups of the EGMONT Group in Buenos Aires, Argentina, must be mentioned along with participation in the annual plenary meeting of the Egmont Group in Sydney, Australia, where the Chief of the Control Service led a presentation on the issues related to the understanding the role of financial intelligence units in the system of anti-money laundering, the institutional supervisory model of the Control Service, challenges that it encompasses and the necessity to change it.

In addition, the Control Service has organised different international events in Riga in 2018:

A visit of the Chairman of the MONEYVAL Committee, Daniel Thelesklaf (in August), during which Mr Thelesklaf met ministers of the Latvian government, chiefs of law enforcement agencies, representatives of the Financial Sector Development Council, and employees of the Control Service, to discuss the results of the MONEYVAL assessment and the necessary improvements.

A four-day training seminar in August on combating professional money laundering, cooperation of the Control Service with the law enforcement agencies in investigation of cases of ML, as well as on conclusions after the MONEYVAL assessment. The seminar was attended by foreign experts, representatives of the Latvian law enforcement agencies, and the Chairman of the MONEYVAL Committee, Mr Thelesklaf.

A four-day training seminar in October, on aspects of corruption and transnational organised crime. The seminar was organised by the Control Service in cooperation with the Latvian School of Public Administration and attended by both foreign experts and representatives of the Latvian law enforcement agencies.

A four-day training seminar in November on investigation of corruption and money laundering and search and seizure of criminally acquired property. The seminar was attended by foreign experts and representatives of the Latvian law enforcement agencies.

In addition, it should be noted that in 2018, the Control Service started working on organisation of a large-scale two-day international conference on efficiency index No. 11 "Financial Sanctions for Proliferation Financing" of the MONEYVAL assessment. The goal of the conference is to facilitate discussion and look for solutions to prevent financing of proliferation and prevent avoidance of financial sanctions thereof.

Strengthening of Corporate Management of the Control Service

Knowledge, Excellence, and Cooperation

After developments that significantly affected the reputation of the Latvian financial sector (the FinCEN's statement on ABLV), the Latvian government suggested changes in the management of the Control Service, and as a result, Ilze Znotiņa was appointed in the position of the Chief of the Control Service as of 1 June 2018.

By approval of the new management, in addition to the execution of direct functions of the institution directed towards prevention of the ability to use the financial system of the Republic of Latvia for money laundering and terrorism financing, another significant priority was defined, namely, strengthening the institutional capacity of the Control Service in the field of both strategic analysis and operational analysis.

In 2018, two additional positions were established, expecting formation of 16 new positions in 2019. At the same time, the necessary amendments to the laws and regulations were prepared to ensure adequate and competitive salary to employees that would allow retaining and attracting highly qualified employees.

During 2018, the necessary measures were taken to ensure that the status of the Control Service could be changed in 2019 already, ensuring autonomy and operational independence of the Control Service, as well as the work of Advisory Council of the Control Service was improved.

Another important aspect in a Control Service's path towards excellence is the necessity to invest in and introduce the latest technologies that would help in achievement of the goals provided in the law, especially in regard to processing and analysis of information. Consequently, in 2018 already, the Control Service started working on a research of IT solutions used in similar authorities with an aim to launch a new data base and software by 2019.

As efficient discovery and investigation of economic and financial crimes is not possible without involvement of the private sector, in 2018, work on establishment of a cooperation coordination group that would involve the private sector and law enforcement agencies was started, ensuring regular meetings with an aim to raise awareness and facilitate training and feedback of supervisors and subjects. Also, the reporting procedure of suspicious and unusual transactions was reviewed.

Investments in Technologies

At the Control Service, quality analysis of the received requests depends on IT-based solutions that allow electronic receipt, processing, analysing, and transferring of information to pre-trial investigation authorities. In 2018, the Control Service completely converted to the procedure of receiving the reports electronically, via e-service: <https://zinojumi.kd.gov.lv>. Also, the Control Service continued to develop its data base, improving the features of data processing and data analysis. These solutions have allowed the Control Service to process the significantly increasing number of reports in 2018 and automatically select the priority reports for analysis set by the algorithms incorporated in the systems.

In 2018, the Control Service has defined the strategic direction towards IT-based information analysis that provides its ability to perform operative and strategic analysis of reports by automating the manual work.

In 2018, The Control Service as the central institution of AML/CFT, developed an innovative solution for pseudo-anonymised processing of data which allows every pre-trial investigation authority to obtain information from the Control Service, without disclosing the names or account numbers of the persons under review. Also, the simplified customer examination tool

was developed (available on the website of the Control Service: <http://kd.gov.lv/index.php/metodiskie-materiali/zinosanas-sistema>).

The function of sanction search (sankcijas.kd.gov.lv) provides up-to-date and convenient information on the subjects of international (UN, EU, and OFAC) and national sanctions. Information is updated immediately, for example, on 28 March, information on the subject of national sanctions was published in less than half an hour after Order No. 137 of the Cabinet of Ministers became effective.

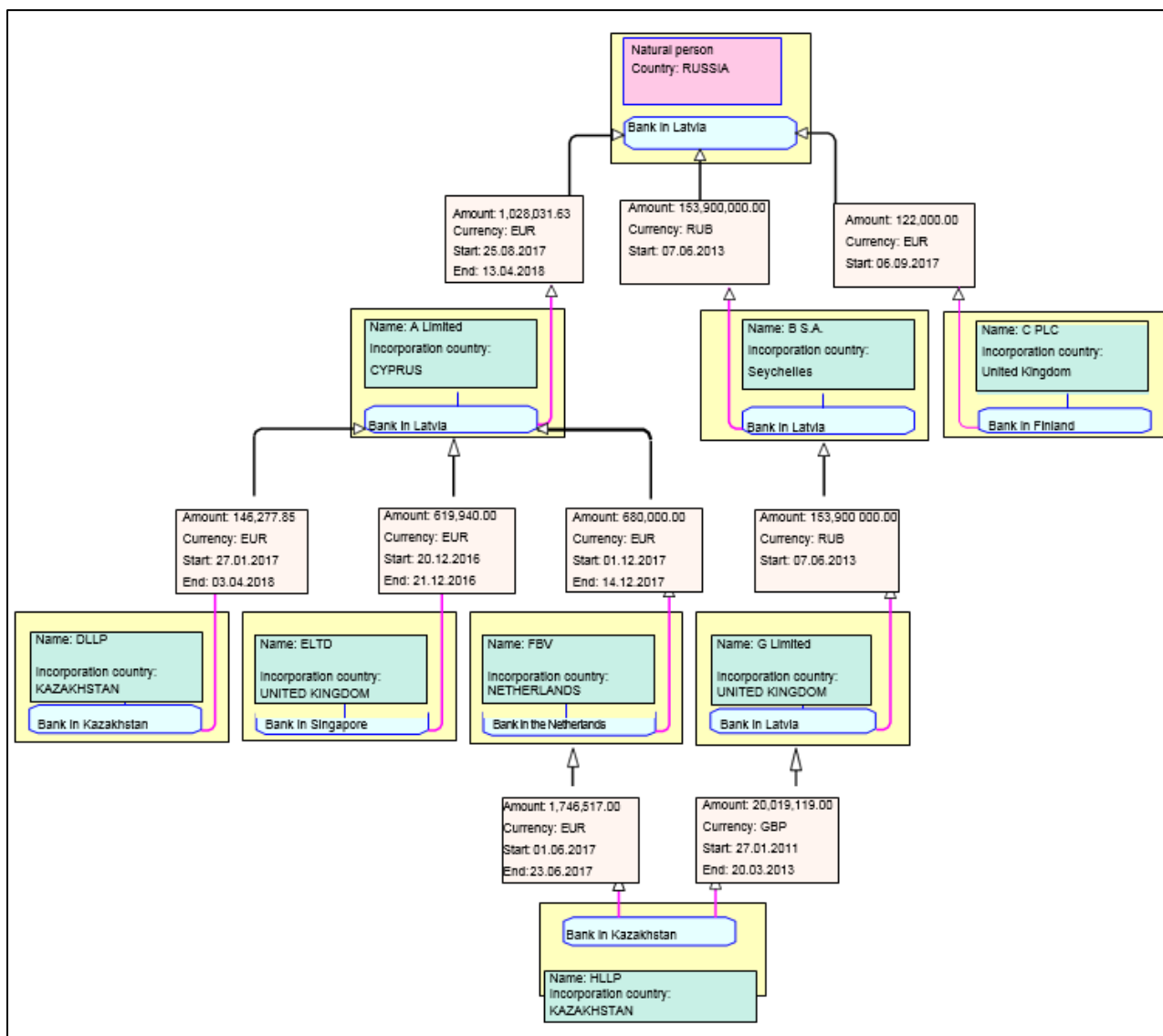
The website of the Control Service, www.kd.gov.lv, should also be mentioned. This website has had a decisive role in 2018 to provision of information to the subjects of the Law on AML/CFT, as the website provides not only the information necessary for submission of a report, but also documents related to prevention of a risk of national money laundering and financing of terrorism and to MONEYVAL 5th Round Mutual Evaluation Report.

Appendix No. 1 Project “Silk Road” – An Anonymised Case

The Project “Silk Road” included information on a scheme of complex, related transactions among companies that were registered in different countries and involved a Russian citizen, previously an official in a Kazakhstan company, with a residence permit in Latvia and accounts with a credit institution in Latvia.

Within the case, after analysing information available to the Control Service, including information obtained from foreign units, the Control Service concluded that the respective person has been involved in criminal proceedings initiated abroad in relation to alleged bribery and intermediary in bribery. As a result, suspicions that accounts with the Latvian credit institutions were used to launder money arose.

The Control Service, within the case, issued orders on seizure of assets in the accounts of the person involved in the transactions in the amount of approximately 1.3 million EUR, as well as sent all the collected and analysed information to a Latvian investigatory institution to initiate criminal proceedings.



Appendix No. 2 Statistics

Large-Scale Cross-Border Payments in Foreign Currencies

5,068,737,738 USD	The Control Service receives reports from credit institutions, payment authorities, electronic money authorities, as well as companies that provide no-account money transfers, when there is a transaction in which the client sends or receives a cross-border payment in a foreign currency and the amount equals to or exceeds 500,000 EUR.
293,232,569,358 RUB	
108,712,492 GBP	

Reports on Suspicious Transactions

2016 – 5,008	The subjects of the Law on AML/CFT regularly assess the suspiciousness of transactions and immediately reports the suspicious transaction detected, advised, planned, appointed, started, postponed, performed, or confirmed to the Control Service as a result of analysis.
2017 – 7,722	
2018 – 6,617	

Property Seized by an Order of the Control Service

2016	36.17 million EUR; 1 immovable property; 3 financial instruments
2017	45.60 million EUR; 2 immovable properties, 1 financial instrument, 1 vehicle; 2 safes
2018	101.48 million EUR; 2 immovable properties, 882.15 gold ounces; 5 financial instruments; 8 vehicles; 4 safes

Funds Confiscated and Recognised Illegal

2016	59.56 million EUR; 2 cars
2017	36.78 million EUR; 4 immovable properties; 1 car
2018	7.23 million EUR; 6 immovable properties; 9 vehicles; 8 jewels; 29,591.8542 units of securities; more than 40 units of computer equipment and mobile phones.

Criminal Proceedings Pursuant to Section 195 of the Criminal Law

	Criminal proceedings initiated	Criminal proceedings received for prosecution at the Prosecutor's Office	Number of prosecuted persons
2016	111	24	9
2017	104	24	5
2018	186	20	8

Trainings

	Trainings attended by employees of the Control Service	Trainings led by employees of the Control Service
2016	27	37
2017	28	42
2018	28	53