Collaboration in financial intelligence and risks from the cross border movement of cash

Workshop on Coordinated Border Management against Transnational Organized Crimes
14 August 2019
Jakarta, Indonesia
Key Points

• Why we need to collaborate
• How we are collaborating
• The trans national crime risk from the movement of cash across borders
Increasing money flows

Money flows have increased 240% in the past 10 years
Driven by new technology
And by the increase in people movement

Biggest increases expected in India and Indonesia
The CTF Summit Story

2015 - The Sydney Communique
2016 - The Nusa Dua Statement
2017 - The Kuala Lumpur Communique
2018 - The Bangkok Statement
Regional Collaboration

CTF Summit (Working Groups)

- Myanmar/MFIU
- Laos/AMLIU
- Thailand/AMLO
- Cambodia/CAMFIU
- Malaysia/BNM
- Singapore/STRO
- Indonesia/PPATK
- Vietnam/SBV
- Philippines/AMLC
- Brunei Darussalam/AMBD
- New Zealand/NZ Police
- Cambodia/CAMFIU
### Regional Risk Assessment

**CBM Risk Ratings**

<table>
<thead>
<tr>
<th>Country</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>High</td>
</tr>
<tr>
<td>Indonesia</td>
<td>High</td>
</tr>
<tr>
<td>Malaysia</td>
<td>High</td>
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<tr>
<td>Philippines</td>
<td>High</td>
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<tr>
<td>Singapore</td>
<td>Medium</td>
</tr>
<tr>
<td>Thailand</td>
<td>High</td>
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<tr>
<td><strong>Overall rating</strong></td>
<td><strong>High</strong></td>
</tr>
</tbody>
</table>
Working Group Members

- Australia
- Brunei
- Indonesia
- Malaysia
- New Zealand
- Philippines
- Thailand
During 2016, over USD41.2 billion in cash was declared crossing the national borders of Australia, Brunei, Indonesia, Malaysia, New Zealand, Philippines, Thailand and Singapore.

Over 558 million passengers in the region.

Less than 0.2% of travellers made a CBM declaration in 2016.

Less than 1500 passengers were detected with undeclared cash.
Passenger vs. Declaration Numbers

- **Philippines**: USD $299 million, 24 million passengers
- **Thailand**: USD $3.5 billion, 56 million passengers
- **Brunei**: USD $1.39 billion, 14 million passengers
- **Malaysia**: USD $1.4 billion, 128 million passengers
- **Singapore**: USD $20 billion, 203 million passengers
- **Indonesia**: USD $6.6 billion, 79 million passengers
- **Australia**: USD $6.7 billion, 42 million passengers
- **New Zealand**: USD $91.5 million, 12 million passengers

Size of circle = Value of declarations
Detection Challenges

Indicators are limited at the border

• High passenger numbers
• High declaration thresholds – often in excess of funds required for TF
• High passenger numbers
• Mixing of legitimate and illegitimate funds in CBM
• Non-compliant passengers
• CBM enforcement varies
• Porous borders
Key Points

- CBM will continue to remain high risk
- Emerging high risk corridors where we need to do more, including:
  1. Enhanced collection and capacity building
  2. More collaboration between FIU’s and Partner agencies
  3. Intelligence led targeting
  4. Community engagement
Thank you

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