

STATISTICS REPORT | 24

A breakdown of
Suspicious Activity Reports

Q2



Gibraltar Financial Intelligence Unit

HM Government of Gibraltar

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Introduction

This report presents the recorded data of Suspicious Activity Reports (SARs) received by the Gibraltar Financial Intelligence Unit (GFIU) for the second quarter of 2024. Reporting of suspicious activity is a cornerstone of the international Anti-Money Laundering and Combatting the Financing of Terrorism (AML/CFT) framework. As the central agency for the receipt of disclosures filed by reporting entities, the GFIU not only receives information as required by Gibraltar’s legislative framework, but also as required by the Financial Action Task Force (FATF) Recommendation 20 and 23.

The information reported to the GFIU will also help us better understand suspected criminal activity, the evolving threats, and modus operandi, enabling us to most effectively work with partners to mitigate the risk to our financial reputation.

METHODOLOGY

The GFIU publishes a series of quarterly reports regarding the SARs received by the GFIU. The main objective of this report is to provide an overview of the trends related to money laundering, terrorist financing and proliferation financing. The statistics are based on data collected by the GFIU from its online reporting portal, THEMIS. Data is dependent on the current reports being processed. For example, the outcome of each SAR may vary when compared to other reports that GFIU publishes as further information may have been requested. However, the differences will be minor.

Note: A Suspicious Activity Report is a report submitted to the GFIU, with information related to money laundering, terrorist financing and proliferation financing. Also known as, a ‘disclosure’, it can refer to any information acquired by the Reporter in the course of business deemed suspicious and of potential interest to Law Enforcement Agencies. Another recognised form of referring to a SAR is ‘STR’ (Suspicious Transaction Report) but GFIU will refer to it as a SAR throughout this document. The term ‘disclosure’ and ‘SAR’ are used interchangeably but both have the same meaning.

Additional resources are available at www.gfiu.gov.gi.

Key Statistics

1,301 SARs were received in Q2 2024. This represents a 12% increase compared to Q2 2023 (1,158) and a 23% increase compared to Q1 2024 (1,059).

555 SARs were received in June 2024. This represents the highest number of monthly SARs since Themis was introduced in 2019.

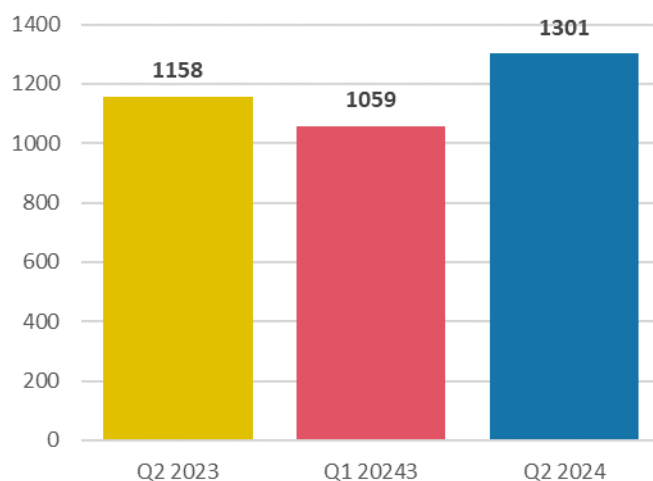
The increase in SARs is attributed to the increase in submissions by the DLT sector. The DLT Sector submitted 38% of the SARs received in Q2 2024.

There was an increase in SARs submitted under the Sanctions Act, primarily from the DLT sector.

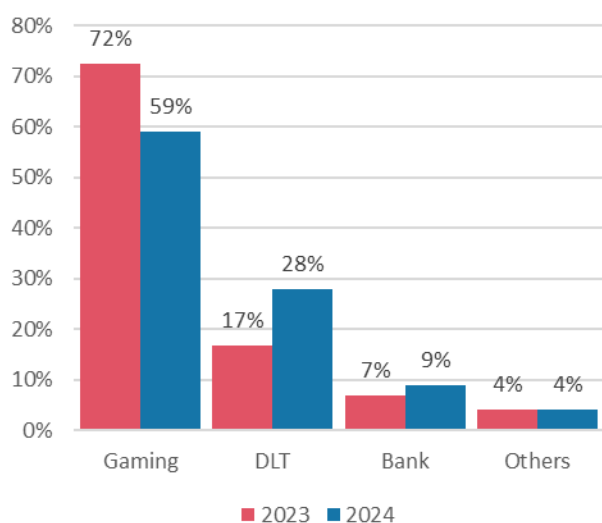
The number of SARs submitted in the first half of 2024 (2,360) was slightly above the number submitted for the same period in 2023 (2,351).

50 reporting entities submitted SARs during Q2 2024.

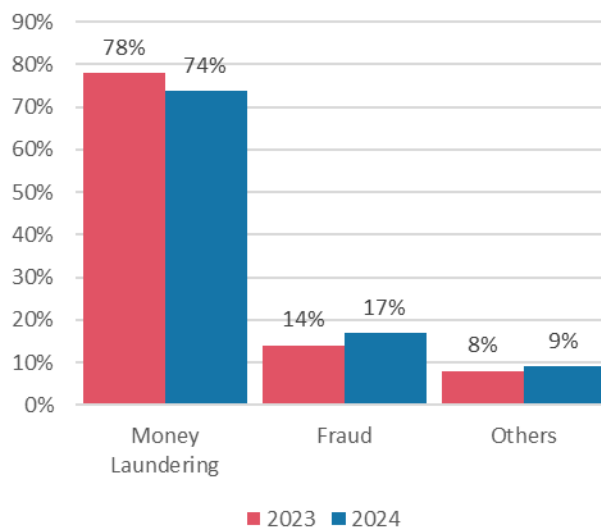
No. of SARs



Reporting Sectors



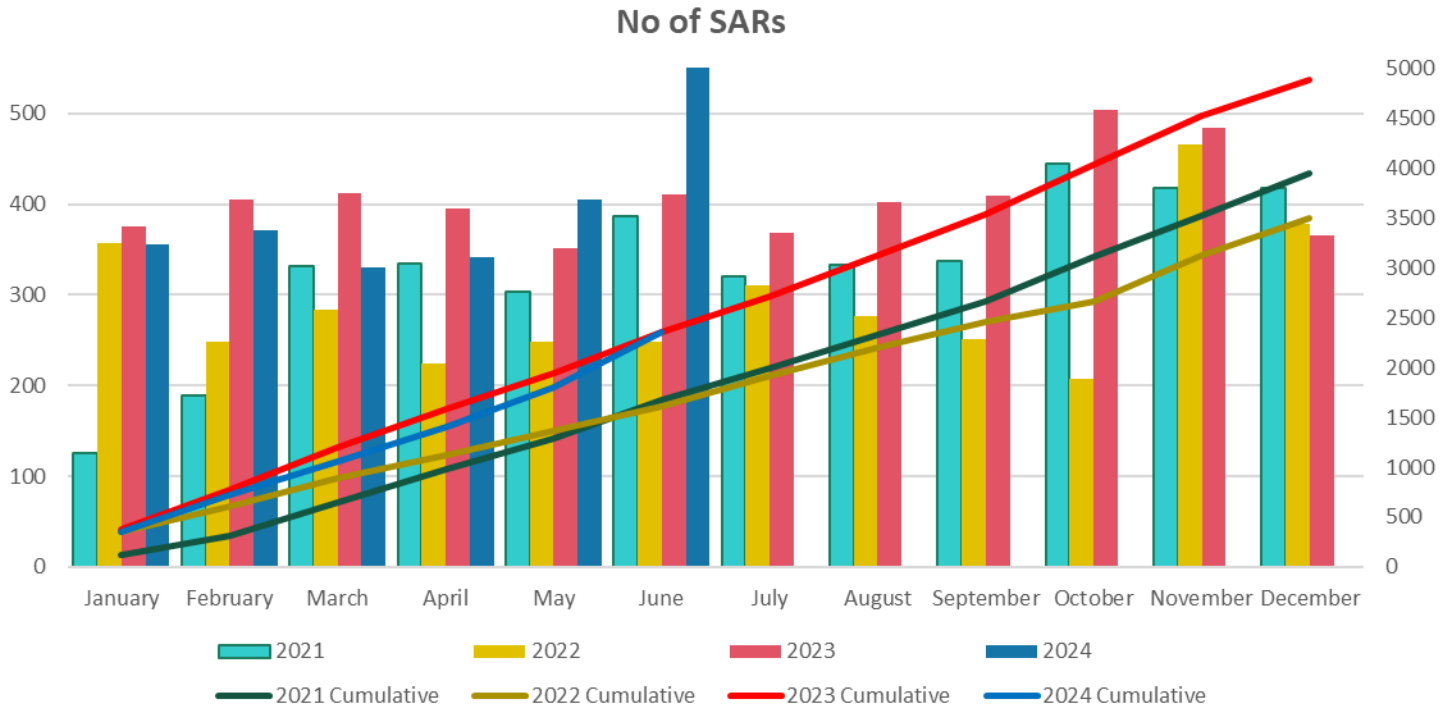
Suspected Criminality



The main reporting sectors for Q2 2024 remain the Gaming, DLT and Banking sectors.

As in previous years, Money Laundering and Fraud remain the principal suspected criminality reported. The principal grounds for suspicion continue to be adverse open source and adverse, inadequate or failure to provide due diligence.

Number of Monthly SARs



Month	2021		2022		2023		2024	
	Number	Cumulative	Number	Cumulative	Number	Cumulative	Number	Cumulative
January	125	125	357	357	375	375	356	356
February	189	314	249	606	405	780	372	728
March	332	646	284	890	413	1193	331	1059
April	334	980	225	1115	395	1588	341	1400
May	303	1283	249	1364	352	1940	405	1805
June	387	1670	248	1612	411	2351	555	2360
July	321	1991	311	1923	369	2720		
August	333	2324	277	2200	402	3122		
September	338	2662	251	2451	410	3532		
October	445	3107	208	2659	504	4036		
November	418	3525	466	3125	485	4521		
December	418	3943	378	3503	366	4887		

Findings by Reporting Sector

Gaming remains the top reporting sector with 53% of SARs submitted in Q2 2024. The DLT sector has seen a significant increase in the reporting of SARs and now represents 38% of SARs submitted in Q2 2024.

1,301 SARs were received in Q2 2024. This represents a 12% increase compared to Q2 2023 (1,158) and a 23% increase compared to Q2 2024 (1,059).

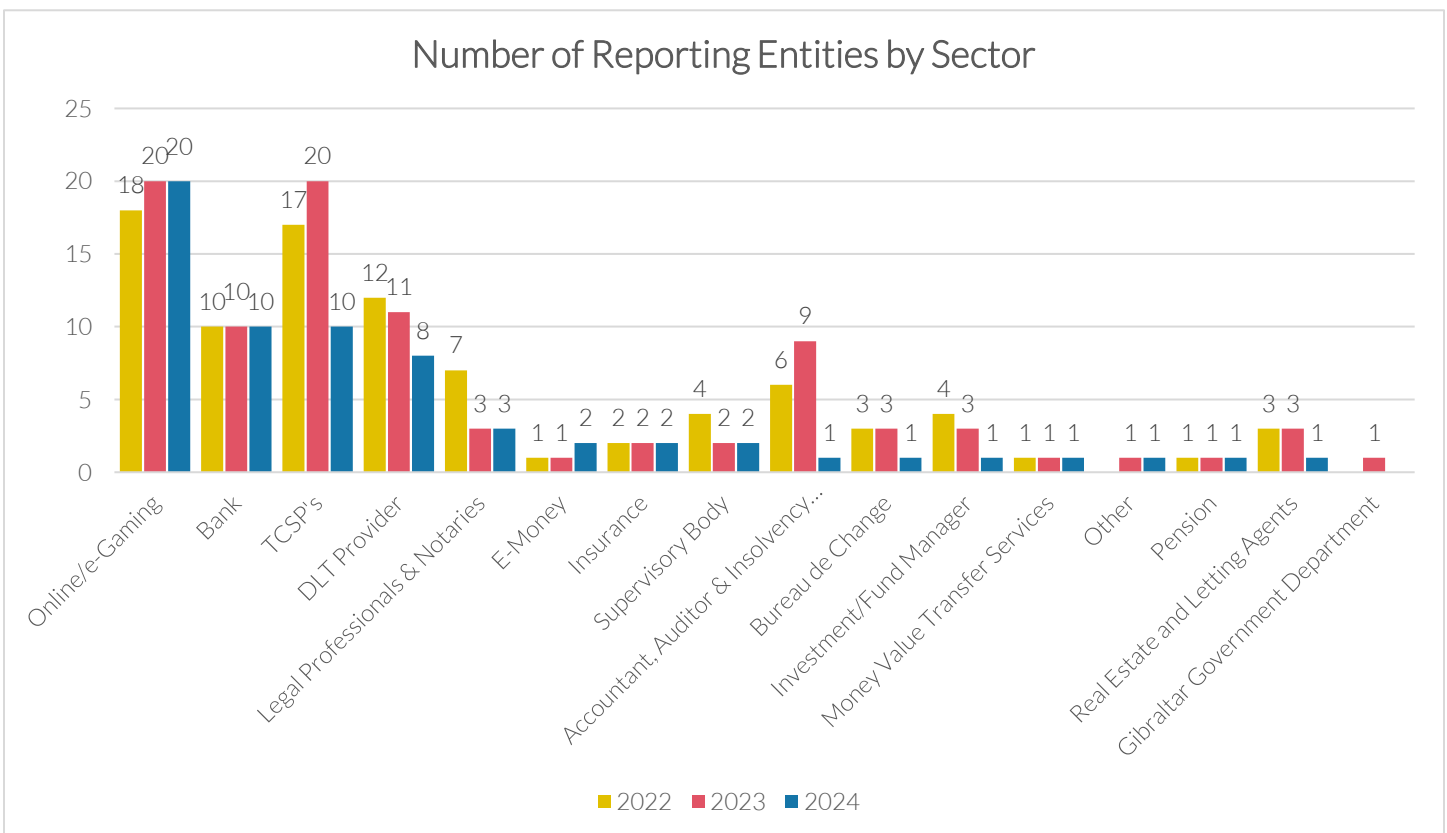
The increase in SARs is attributed to the increase in the number of SARs received from the DLT sector. The decreasing trend of SARs from the Gaming sector has continued in this quarter.

The Gaming sector submitted 52.57% of SAR for Q2 2024. This is the lowest percentage for the sector since Q4 2020 (49.62%). In terms of SARs the 684 SARs submitted is the lowest since Q2 2022 (592).

If the Gaming sector is excluded, 617 SARs were received in Q2 2024. This represents a 139% increase compared to Q2 2023 (258) and a 75% increase compared to Q1 2024 (352).

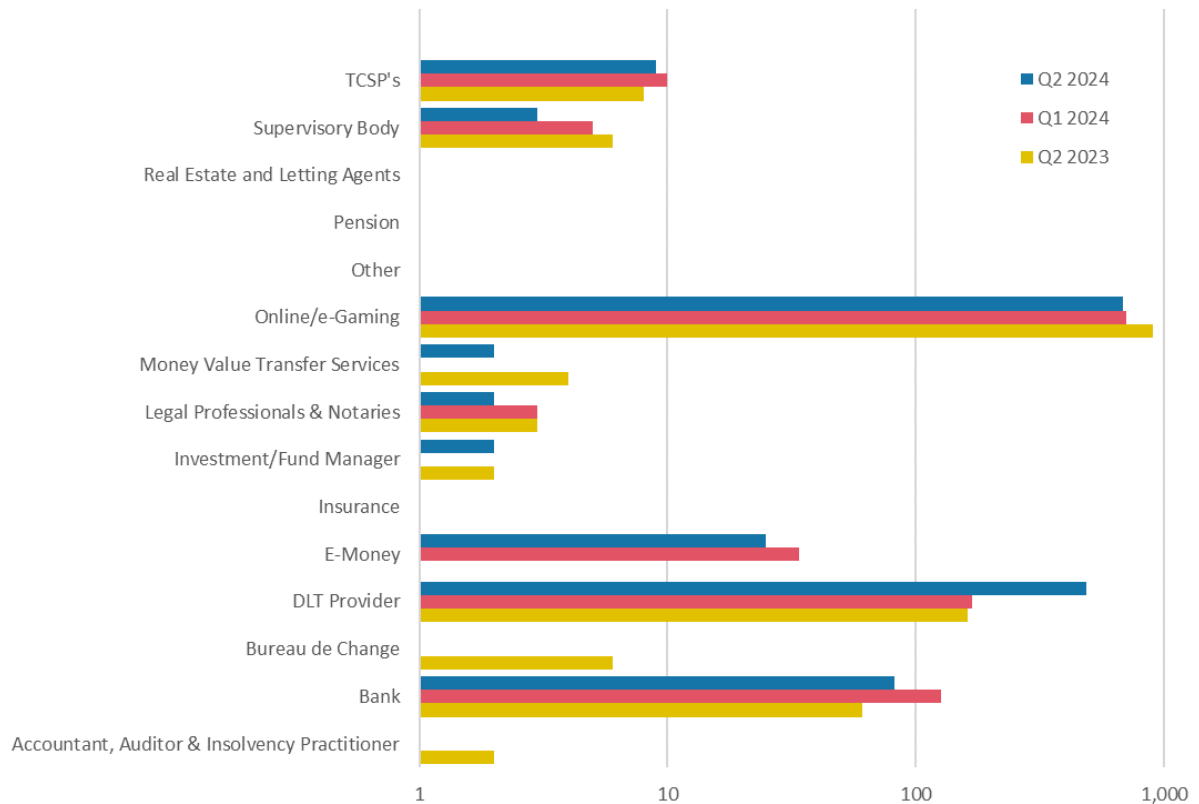
50 reporting entities submitted SARs during Q2 2024. 64 reporting entities have submitted SARs during 2024

The chart below shows the number of reporting entities for each reporting sector which submitted a SAR in 2022, 2023 and 2024.



The chart and table below shows a comparison between Q2 for 2023 and Q1 and Q2 for 2024.

Number of SARs per Sector



Sector	Q2 2023		Q1 2024		Q4 2024	
	SARs	%	SARs	%	SARs	%
Accountant, Auditor & Insolvency Practitioner	2	0.17%	1	0.09%	-	-
Bank	61	5.27%	126	11.90%	82	6.30%
Bureau de Change	6	0.52%	1	0.09%	1	0.08%
DLT Provider	162	13.99%	169	15.96%	488	37.51%
E-Money	1	0.09%	34	3.21%	25	1.92%
Insurance	-	-	1	0.09%	1	0.08%
Investment/Fund Manager	2	0.17%	-	-	2	0.15%
Legal Professionals & Notaries	3	0.26%	3	0.28%	2	0.15%
Money Value Transfer Services	4	0.35%	-	-	2	0.15%
Online/e-Gaming	900	77.72%	707	66.76%	684	52.57%
Other	1	0.09%	1	0.09%	-	-
Pension	1	0.09%	1	0.09%	1	0.08%
Real Estate and Letting Agents	1	0.09%	-	-	1	0.08%
Supervisory Body	6	0.52%	5	0.47%	3	0.23%
TCSP's	8	0.69%	10	0.94%	9	0.69%
Total	1158	100.00%	1059	100.00%	1301	100.00%

Criminality vs Sector

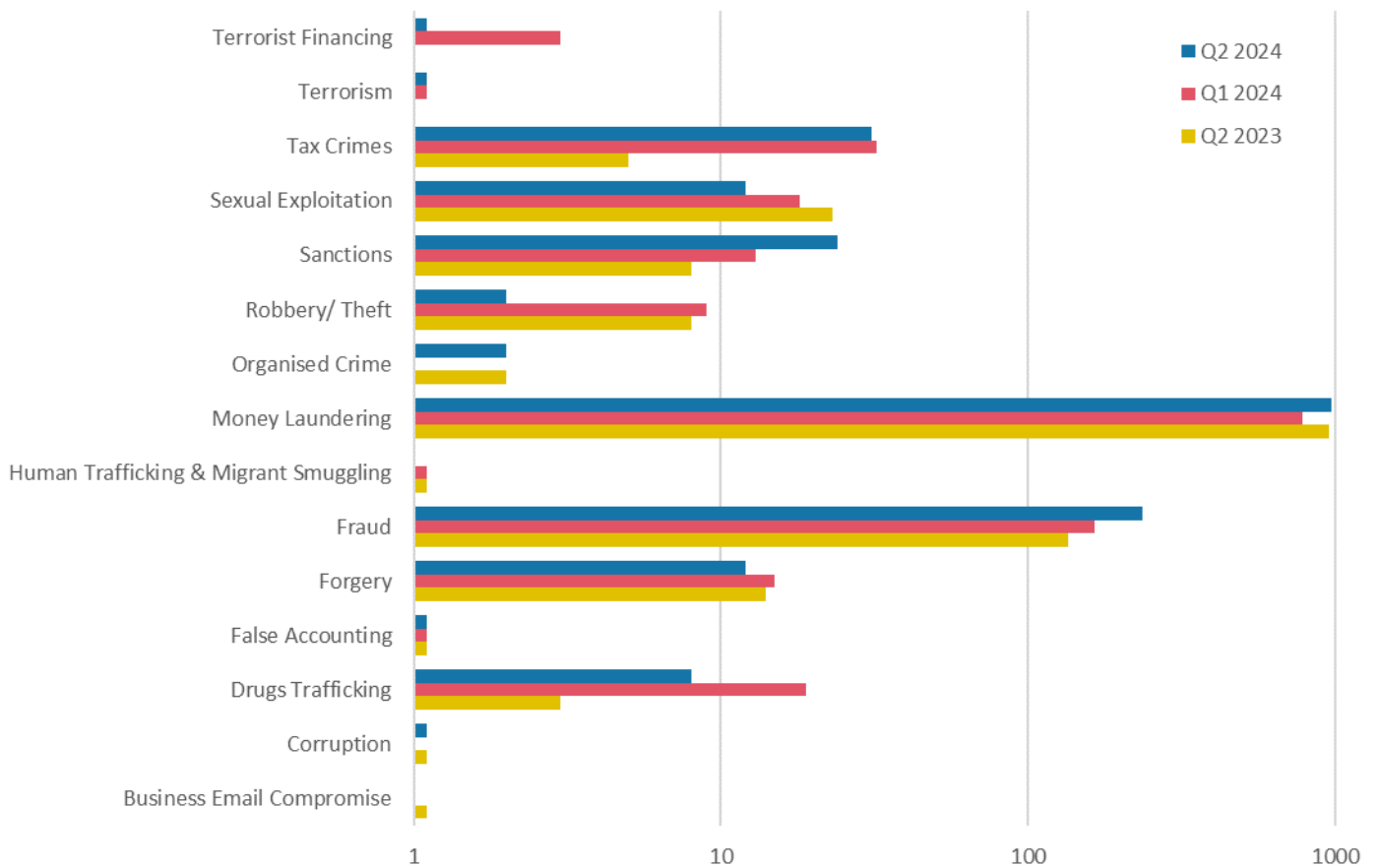
The table below shows the criminality reported by different reporting sectors in Q2 2024.

Suspected Criminality	Bank	Bureau de Change	DLT Provider	E-Money	Insurance	Investment/Fund Manager	Legal Professionals & Notaries	Money Value Transfer Services	Online/e-Gaming	Pension	Real Estate and Letting Agents	Supervisory Body	TCSP's	Total
Corruption	1	-	-	-	-	-	-	-	-	-	-	-	-	1
Drugs Trafficking	-	-	8	-	-	-	-	-	-	-	-	-	-	8
False Accounting	-	-	-	-	-	1	-	-	-	-	-	-	-	1
Forgery	7	-	1	3	-	-	-	-	1	-	-	-	-	12
Fraud	32	-	148	16	-	1	-	-	38	1	-	-	-	236
Money Laundering	35	-	297	3	1	-	2	2	622	-	1	2	5	970
Organised Crime	-	-	1	-	-	-	-	-	-	-	-	1	-	2
Robbery/ Theft	1	-	-	-	-	-	-	-	1	-	-	-	-	2
Sanctions	-	-	20	3	-	-	-	-	-	-	-	-	1	24
Sexual Exploitation	-	1	11	-	-	-	-	-	-	-	-	-	-	12
Tax Crimes	6	-	2	-	-	-	-	-	21	-	-	-	2	31
Terrorism	-	-	-	-	-	-	-	-	1	-	-	-	-	1
Terrorist Financing	-	-	-	-	-	-	-	-	-	-	-	-	1	1
Total	82	1	488	25	1	2	2	2	684	1	1	3	9	1301

Findings by Suspected Criminality

Themis works on a 'principal crime system', which means that in cases which contain more than one type of offence, it will record the principal suspected criminality. As this is a subjective assessment, there may be inconsistencies between MLROs. Significantly, Money Laundering was the most reported suspected criminality in Q2 of 2024, and therefore continues the trend with the previous quarters, and years.

The chart and table below shows a comparison between Q2 2023 and Q1 and Q2 for 2024.



Suspected Criminality	Q2 2023		Q1 2024		Q2 2024	
	SARs	%	SARs	%	SARs	%
Business Email Compromise	1	0.09%	-	-	-	-
Corruption	1	0.09%	-	-	1	0.08%
Drugs Trafficking	3	0.26%	19	1.79%	8	0.61%
False Accounting	1	0.09%	1	0.09%	1	0.08%
Forgery	14	1.21%	15	1.42%	12	0.92%
Fraud	135	11.66%	164	15.49%	236	18.14%
Human Trafficking & Migrant Smuggling	1	0.09%	1	0.09%	-	-
Money Laundering	956	82.56%	783	73.94%	970	74.56%
Organised Crime	2	0.17%	-	-	2	0.15%
Robbery/ Theft	8	0.69%	9	0.85%	2	0.15%
Sanctions	8	0.69%	13	1.23%	24	1.84%
Sexual Exploitation	23	1.99%	18	1.70%	12	0.92%
Tax Crimes	5	0.43%	32	3.02%	31	2.38%
Terrorism	-	-	1	0.09%	1	0.08%
Terrorist Financing	-	-	3	0.28%	1	0.08%
Total	1,158	100%	1,059	100.00%	1,301	100.00%

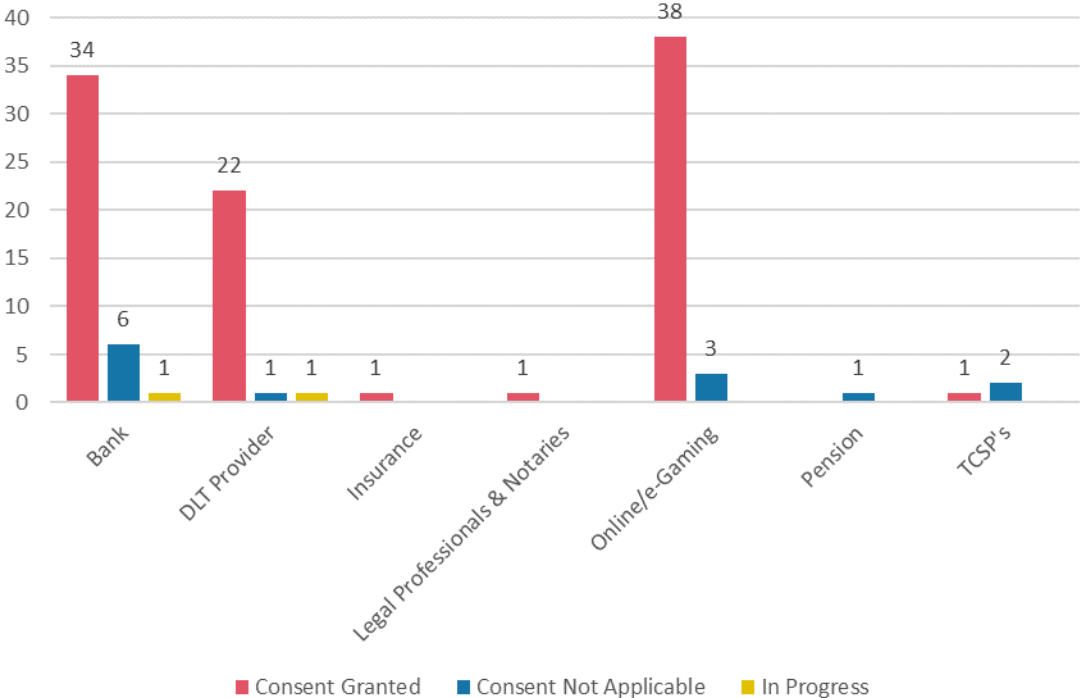
Findings of Consent/ Defence Against Money Laundering (DAML) Requests

Consents/ DAMLs requests received in Q2 2024, include some requests received for SARs submitted prior to Q2 2024.

112 DAML requests were received in Q2 2024. Of these 97 (87%) were granted.

At the date of this report two DAML requests were being analysed and pending a response.

DAML requests were received from seven reporting sectors.

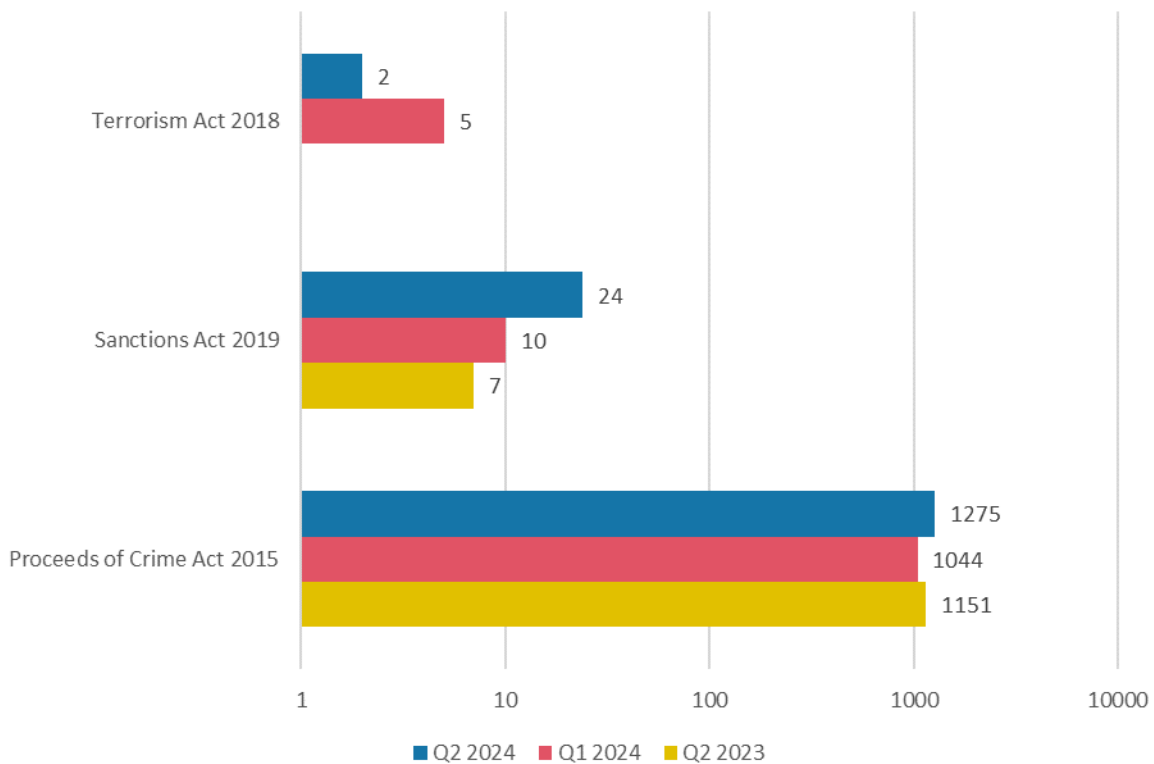


Submission of SARs by Legislation

The main legislation used to submit SARs continues to be the Proceeds of Crime Act 2015 with 98% of SARs submitted under this legislation in Q2 2024.

There has been an increase in reporting under the Sanctions Act, primarily by the DLT sector.

The chart below shows a comparison between Q2 for 2023 and Q1 and Q2 for 2024.



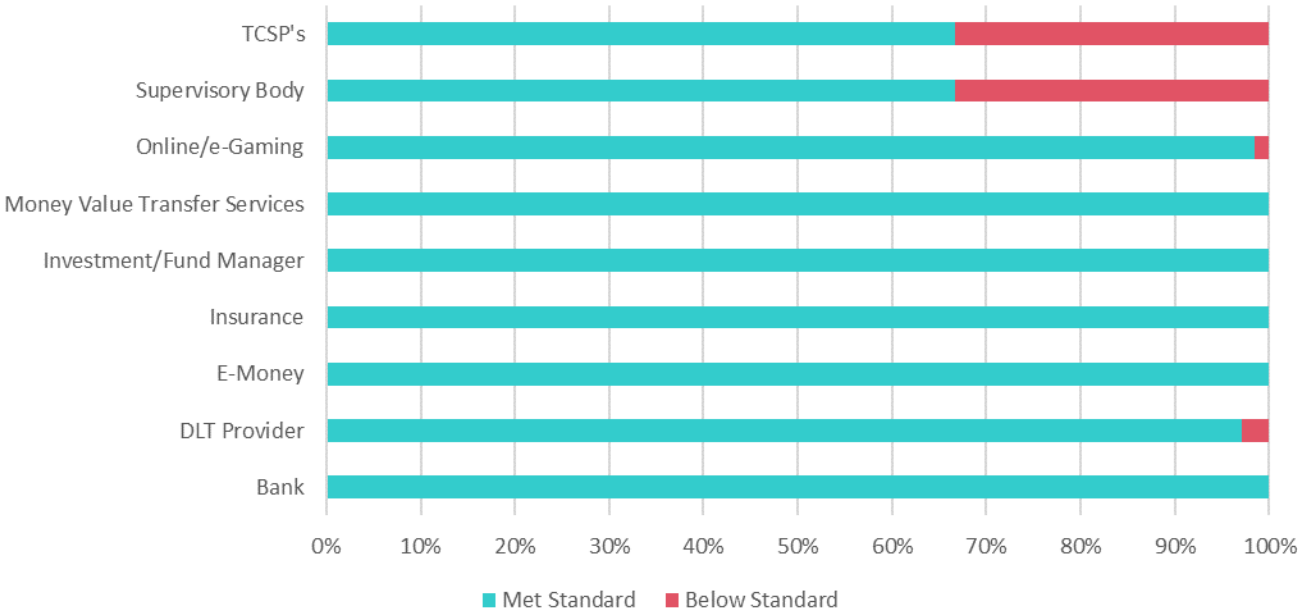
Feedback Provided to the Reporter

Quality feedback provided to the Reporter [Money Laundering Reporting Officer/ Nominated Officer] is comprised of ratings given for the following five criteria.

- Supporting documentation necessary for the GFIU must be submitted with the SAR for the effective analysis of the information disclosed.
- There must be a suspicion of a predicate offence, money laundering or terrorist financing within the information disclosed to GFIU.
- All background information contained in the SAR on the relationship with the reported subject must be described in sufficient detail.
- The content of the information must be clear and complete.
- When Consent/DAML has been requested, the information contained within the request must include the suspicion (within the narrative of the grounds for suspicion), the criminal property and the prohibited act.

97% of the SARs received in Q2 2024, to which feedback has been provided were deemed to have met standards.

The chart below provides the percentage of Q2 2024 SARs to which feedback has been provided, broken down by sector and whether they met standards.





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