

Action Plan for National Risk Assessment of Money Laundering and Terrorist Financing 2021–2023

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1 National strategy for combating money laundering and terrorist financing

1.1 Purpose and content of the action plan

The action plan for the national risk assessment for money laundering and terrorist financing sets out the measures to react to and reduce the risks highlighted in the 2021 national risk assessment for money laundering and terrorist financing. The risk assessment and the action plan reflect the Finnish understanding of the risks of money laundering and terrorist financing and the means to control them.

According to Article 7(1) of the Fourth Anti-Money Laundering Directive¹, a Member State is required to take appropriate measures to identify the risks to which it is exposed from money laundering and terrorist financing and any related issues concerning data protection, and to assess, understand and *to mitigate* them. In addition, the FATF Mutual Evaluation Report 2019 on Finland states that Finland should define an AML action plan to be adopted alongside an updated national risk assessment. According to the Mutual Evaluation Plan, the action plan should include targeted legislative and operational measures aimed at mitigating identified risks.²

According to Prime Minister Sanna Marin's Government Programme, sufficient resources will be secured for the authorities, exchange of information will be improved and supervision will be intensified to combat money laundering and terrorist financing.³ In addition to the observations made in the risk assessment, the action plan is also a response to the Government Programme's entry.

¹ Directive (EU) 2015/849 of the European Parliament and of the Council on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC.

² FATF: Anti-money laundering and counter-terrorist financing measures – Finland, Fourth Round Mutual Evaluation Report 2019, p. 38.

³Also, the action plan for tackling the grey economy and economic crime for the period 2020–2023 includes the project '4.2 The obstacles to sharing information in the national prevention of money laundering and terrorist financing and the need to share information on these offences will be examined'.

The action plan consists of five strategic priorities which define the objectives of the individual measures contained in them. The measures in the action plan have been evaluated with the authorities' organisations, supervisors and obliged entities involved in the prevention of money laundering and terrorist financing.

Risk reduction measures are already being taken at the national level and are targeted at a number of sectors. The action plan identifies measures drawn up on the basis of the National risk assessment for money laundering and terrorist financing 2021, some of which are linked to projects and measures already under way. However, the action plan does not identify all the measures or existing projects that have a direct or indirect risk-mitigating effect.

The measures included in the action plan have been assigned a responsible body in charge of their implementation and a timetable for the implementation. The action plan supports and intensifies the fight against money laundering and terrorist financing, the allocation of resources and the prioritisation of projects and measures by authorities and supervisors. The task of each party is to define and implement the means to achieve the objectives set for the measure.

The action plan to prevent money laundering and terrorist financing will be updated as necessary in conjunction with updates of the national risk assessment on money laundering and terrorist financing. The implementation of the action plan will be monitored by the national cooperation group for preventing money laundering and terrorist financing. The progress of the measures will also be reported to the cooperation group.

1.2 Strategic priorities of the action plan

The strategic priorities of the national action plan 2021 on money laundering and terrorist financing are as follows:

- 1. Raising public awareness of money laundering and terrorist financing**
- 2. Improving the exchange of information, statistics and national legislation**
- 3. Promoting the currency and content of registers available to authorities and obliged entities**
- 4. Implementing measures to reduce the most significant individual risks highlighted by the risk assessment**

5. Developing the digitalisation of the supervision and risk management of the prevention of money laundering and terrorist financing

The common objectives of the priorities are to enhance the prevention of money laundering and terrorist financing and the detection and surveillance of suspicious transactions.

The aim of the focus on raising public awareness is to increase awareness of money laundering and terrorist financing among both obliged entities and citizens. Increasing education and easy access to information are other key objectives of this priority.

The second strategic priority has diverse measures to improve information exchange, statistics and national legislation. The purpose of these measures is, above all, to better identify suspicious business transactions and to develop legislation that is more precise from the perspective of obliged entities and supervisory bodies.

The third strategic priority focuses on improving, in particular, the ability of obliged entities to obtain up-to-date information on beneficial owners, which has a significant impact on customer due diligence.

While measures in the first three focus areas cover all sectors that involve obliged entities, the fourth strategic focus also raises specific risk mitigation measures targeting specific sectors.

The fifth strategic priority aims to improve the supervision and implementation of preventing money laundering and terrorist financing by developing digitalisation projects managed by different authorities.

2 Raising public awareness of money laundering and terrorist financing

2.1 Raising awareness of money laundering and terrorist financing among obliged entities and citizens

Description of the measure:

The aim is to increase obliged entities' awareness of the Anti-Money Laundering Act and its obligations. The aim is to make obliged entities understand better the meaning of the legal obligations and their implementation in their business operations. The measure can be implemented, for example, by organising information and communication campaigns, providing more information material from supervisory bodies and authorities and producing up-to-date phenomenon-related information and case analyses to identify predicate offences, for example.

In order to enhance the prevention of money laundering and terrorist financing, communications must target not only obliged entities but also citizens and legal persons. In particular, the rahanpesu.fi website maintained by national competent authorities and the Finnish Bar Association, which in itself promotes the implementation of the measure, may be used in its implementation. The aim of the rahanpesu.fi website is to provide information on money laundering and terrorist financing and their prevention in one place and to provide a clear picture of the related roles and responsibilities. A key purpose of the website is also to increase obliged entities' awareness of their obligations and to provide information to the public.

Responsible parties:

Financial Supervisory Authority, Regional State Administrative Agency for Southern Finland, Finnish Patent and Registration Office, National Police Board Gambling Administration, Finnish Bar Association, Provincial Government of Åland, Lotteriinspektio-
nen, Ministry of Finance, Ministry of the Interior, Ministry of Justice, Ministry of Economic Affairs and Employment, the Ministry of Foreign Affairs, Financial Intelligence Unit

Schedule:

2021–2023 (continuous)

2.2 Making sanction and freezing lists available to everyone

Description of the measure:

The measure is primarily concerned with the prevention of terrorist financing.

The obligation laid down in EU sanctions regulations to freeze the assets of listed parties and the prohibition to transfer assets to them is an obligation that is binding on all natural and legal persons. EU sanctions regulations implement sanctions imposed by the UN Security Council everywhere in the EU and also provide for sanctions imposed by the EU on its own initiative, i.e. autonomous sanctions (e.g. sanctions against Russia). The sanctions regulations are directly applicable. The national general statute for the implementation of sanction orders is the Act on the Fulfilment of Certain Obligations of Finland as a Member of the United Nations and of the European Union (659/1967).

In addition to the freezing of assets in EU regulations, the Act on the Freezing of Funds with a View to Combating Terrorism (325/2013) allows the freezing of assets of persons and entities that are nationally linked to terrorism. The assets are frozen on the basis of suspected terrorist offences, charges and convictions, for example. The freezing also extends to legal persons close to such persons. In addition, freezing is possible under certain conditions upon the request by another state. Violation of the law's obligations has also been criminalised as a rationing offence.

Although the acts referred to above are not binding on obliged entities, legislation nevertheless imposes a specific “duty of care” on the obliged entities. Obligated entities must, notwithstanding secrecy provisions, provide information on the assets of the parties subject to the asset freeze to the enforcement authority that has been assigned to carry out the freezing (section 2b, subsection 3 of the Sanctions Act; section 14, subsection 3 of the Freezing Act).

Currently, obliged entities' compliance with the law regarding sanctions may to a large extent depend on the easy availability of information on sanctions lists. Reliable identification of the parties targeted by an asset freeze may also be difficult if the persons' names are very common and the identification data available to the party that decided

on the sanctions are incomplete. In addition to the information on existing EU sanctions maintained by the Ministry for Foreign Affairs on its website, the purpose of the measure is to compile information on sanctions-related lists and a list of parties subject to national asset freeze on a single website. The purpose of the measure is to facilitate the activities of obliged entities and the authorities, and also to enhance the prevention of terrorist financing by improving access to information.

Responsible parties:

Ministry for Foreign Affairs, Financial Intelligence Unit, Ministry of the Interior

Schedule:

2021–2022

2.3 Increasing training related to money laundering and terrorist financing and their prevention

Description of the measure:

Insufficient understanding of the risks of money laundering and terrorist financing reduces the capability and chances of detecting and preventing money laundering and terrorist financing. Some indicators of money laundering and terrorist financing may be problematic to obliged entities, which in turn affects their ability to identify suspicious transactions. Supervisory bodies may not have up-to-date information on new services made possible by technology and other phenomena related to money laundering and terrorist financing.

The purpose of this measure is to use training to enhance the ability of both obliged entities and supervisory bodies to detect suspicious transactions and, consequently, money laundering and terrorist financing. For obliged entities, the goal is to implement both guidelines for all obliged entities and sector-specific guidelines. The measure can be implemented through written instructions, training events or by drawing up lists of indicators for the entities.

In the case of supervisory bodies, the goal is to ensure that they receive up-to-date information on the phenomena of money laundering and terrorist financing to enable

them to better guide and train the organisations subject to their supervision in this respect. In the case of supervisory bodies, the measure can be implemented through participation in training courses organised by FATF or by increasing interaction between authorities with a focus on mutual training to increase the exchange of information and enhance understanding regarding relevant phenomena, for example. Training should be coordinated across sectors of government, making use of the expertise available at different authorities. The purpose of the measure is also to examine opportunities for coordinating training for authorities and supervisory bodies.

Responsible parties:

Financial Intelligence Unit, Financial Supervisory Authority, Regional State Administrative Agency for Southern Finland, Finnish Patent and Registration Office, the National Police Board Gambling Administration, the Finnish Bar Association, the Provincial Government of Åland, Lotteriinspektionen, the Ministry of the Interior, the Ministry of Finance, the Ministry for Foreign Affairs, the Ministry of Economic Affairs and Employment

Schedule:

2021–2023 (continuous)

3 Development of information exchange, national legislation and statistics

3.1 Exploring opportunities for improving the efficiency of information exchange

Description of the measure:

In the fight against money laundering and terrorist financing, up-to-date information exchange is essential. Improving exchange of information is observed to have an impact on the effectiveness of actions taken in Finland to prevent money laundering and terrorist financing, as referred to in the Anti-Money Laundering Act. The supervisory bodies defined in the Anti-Money Laundering Act play a key role in combating money laundering and terrorist financing. They supervise obliged entities' compliance with their anti-money laundering obligations. Due to obstacles to the exchange of information between the authorities, irregularities may not be detected or investigated. The same applies to any deficiencies in the exchange of information between the authorities and obliged entities and among obliged entities.

The purpose of the measure is to identify needs and opportunities to enhance the exchange of information among private operators, among public authorities and between the private sector and public authorities. The Ministry of Finance is currently examining potential obstacles to the exchange of information between the above-mentioned actors. The report will include an overview of the current situation in the exchange of information and raises potential practical problems and shortcomings and analyses the causes behind them. The report will also compare the models different states use for the exchange of information. The perceived inefficiency of the information exchange may be due, for example, to an excessively narrow interpretation of the law. It is also possible that the prevention of money laundering and terrorist financing will require enhanced exchange of information through legislative changes. The results of this report can be used in the implementation of this measure and, if needed, to identify and implement measures to improve the efficiency of information exchange.

Responsible parties:

Ministry of Finance, Ministry of the Interior, Ministry of Justice, Ministry for Foreign Affairs, Ministry of Economic Affairs and Employment, Financial Intelligence Unit, Finnish Security Intelligence Service (Supo), Financial Supervisory Authority, Regional State Administrative Agency for Southern Finland, Finnish Patent and Registration Office, National Police Board Gambling Administration, Finnish Bar Association, Provincial Government of Åland, Lotteriinspektionen

Schedule:

2021–2023 (continuous)

3.2 Government decrees to be issued under the Act on Detecting and Preventing Money Laundering and Terrorist Financing

Description of the measure:

The lack of regulation at a lower level than the Anti-Money Laundering Act, especially in relation to enhanced and simplified identification, has been observed to make interpretation more difficult for obliged entities. The absence of such regulation also affects the effectiveness of the actions of public authorities and obliged entities. The purpose of this measure is to draft a government decree under the Act on Preventing Money Laundering and Terrorist Financing in order to facilitate interpretation and to enhance the effectiveness of prevention measures.

The regulation would provide obliged entities with concrete tools to dimension their customer due diligence procedures according to the risk associated with a customer relationship. In other words, in cases deemed to be low-risk, information collected on customers would be proportionate considering the nature and scope of the customer relationship and the related risks of money laundering and financing of terrorism instead of being excessive. Correspondingly, this would allow obliged entities to allocate more resources to cases where, on the basis of the obliged entity's risk assessment, the risk of money laundering and terrorist financing is high.

The second objective of this measure is to draw up, pursuant to the Act on Preventing Money Laundering and Terrorist Financing, a Government decree laying down more detailed provisions on the form and content of reports of suspicious transactions.

Responsible party:

Ministry of the Interior, Ministry of Finance

Schedule:

2022–2023

3.3 Establishing the relationship between data protection regulation and money laundering legislation

Description of the measure:

Questions have been raised on the relationship between customer due diligence, information on misuse and data protection requirements with regard to data protection regulation and the regulation on preventing money laundering and terrorist financing.

Under this measure, the competent ministries will assess these questions in greater detail in order to determine whether this is a legislative issue or an issue of interpretation and application. Legislative issues will be discussed in a working group set up by the Ministry of Finance on reforming the legislation on preventing money laundering and terrorist financing and in connection with future legislative projects. The goal is to clarify the relationship between the regulation on preventing money laundering and terrorist financing and other legislation.

Responsible party:

Ministry of Finance, Ministry of the Interior, Ministry of Justice

Schedule:

2021–2022

3.4 Continuous risk assessment as part of public authorities' activities

Description of the measure:

In national risk assessment work the authorities' joint workshops were found to be an important way to exchange views and experiences among key actors in the fight against money laundering. The workshops were used at various stages of risk assessment work: at the risk-assessment kick-off event to identify initial risks, in the preparation of the NPO-section, in the survey of sector-specific threats and vulnerabilities, in the review of the risks associated with phenomena and in drawing up an action plan. Workshops have proven to be a significant method of data acquisition in risk assessment, in addition to which they bring experts from various actors in money laundering and terrorism financing or related phenomena together to assess the national risk profile.

The purpose of the measure is to establish a procedure whereby the authorities and other bodies jointly assess the current risks from money laundering and terrorist financing each year. The measure may also be used to identify changes in operating environments and, where applicable, risks related to the financing of weapons of mass destruction. Workshop practices can be utilised in implementing the measure. The aim is to enable operational situational awareness from the perspectives of the various actors and to incorporate risk assessment into the annual operations of national public authorities.

Responsible parties:

Ministry of Finance, Ministry of the Interior

Schedule:

2021–2023 (continuous)

3.5 Enhancing the identification of beneficial owners

Description of the measure:

The identification of beneficial owners has proven to be challenging due to the uncertainty surrounding the definition of a beneficial owner in the Anti-Money Laundering Act. The challenges include the definition of beneficiary status in long ownership chains, the extent of companies' obligation to report and the adequacy of the definition in relation to the objectives. Moreover, the different levels of customer due diligence obligations in current legislation are considered to give rise to insufficient identification.

The goal of the measure is to enhance the detection of beneficial owners and thus the prevention and investigation of criminal activities. The purpose is to determine whether there is scope for clearer wording with regard to regulation.

In addition, according to the Government Programme, Finland operates in the EU by extending the notification obligation of beneficial owners to all beneficial owners with a beneficiary share of at least 10 per cent.

Responsible parties:

Ministry of Finance, Ministry of Economic Affairs and Employment, Finnish Patent and Registration Office

Schedule:

2021–2022

3.6 Establishing opportunities for including a training obligation concerning the prevention of money laundering and terrorist financing in the Anti-Money Laundering Act

Description of the measure:

As stated in the strategic priority of 'Raising public awareness of money laundering and terrorist financing', the lack of awareness of money laundering and terrorist financing reduces the ability to detect money laundering and terrorist financing. The goal of this measure is to determine whether a training obligation concerning money laundering and the prevention of terrorist financing could be added to the Anti-Money Laundering Act to enhance combating money laundering and terrorist financing. The training would target obliged entities and be carried out by supervisory bodies and the Financial Intelligence Unit.

Responsible parties:

Ministry of Finance, Ministry of the Interior

Schedule:

2021–2023

3.7 Exploring opportunities for developing statistics to support risk assessment

Description of the measure:

According to chapter 2, section 1 of the Anti-Money Laundering Act, the Ministry of the Interior, the Ministry of Finance and the Ministry of Justice must ensure that statistics are drawn up to support the risk assessment in order to assess the effectiveness of the prevention of money laundering and terrorist financing. The Ministry of the Interior and the Ministry of Finance must publish an annual summary of these statistics.

Deficiencies in the availability and timeliness of statistics were detected in the risk assessment work, and certain contradictions were identified between statistics. Statistics are an important part of risk assessment because quantitative and qualitative data together form the basis for risk assessment. The development of statistics enables the effective updating of risk assessments.

The goal is to identify how existing statistics could be used and improved to be more effective in risk assessment, what additional statistics are needed to support drawing up risk assessments and how new statistics are drawn up. The responsible parties must together ensure that up-to-date and consistent statistics are available in the future for the national assessment of the risks of money laundering and terrorist financing and the effectiveness of their prevention.

Responsible party:

Ministry of the Interior, Ministry of Finance, Ministry of Justice, Financial Intelligence Unit

Schedule:

2021–2023

4 Promoting the up-to-dateness and improvement of the content of the registers available to the authorities and obliged entities

4.1 Ensuring the timeliness of beneficiary information

Description of the measure:

The Anti-Money Laundering Act and the EU anti-money laundering directives require that a company or corporate entity obtains and maintains accurate and up-to-date information on its beneficial owners and reports its data for registration.

Companies submit their information with a beneficiary report to the Finnish Patent and Registration Office, which enters it into the Trade Register. Based on the findings of national risk assessment, the register containing information on beneficiaries is considered to be significant for the prevention of money laundering and terrorist financing. The register must contain sufficient, accurate and up-to-date information on beneficiary owners.

Procedures for improving the up-to-dateness of the information on beneficial owners will be examined as part of the overall reform of the Trade Register Act. In addition, several development measures will be implemented regarding information systems to improve the up-to-dateness, completeness and accuracy of beneficiary data. These measures are described in section 6.3. The purpose of these measures is to increase the transparency of companies' operations.

Responsible parties:

Ministry of Economic Affairs and Employment, Finnish Patent and Registration Office

Schedule:

2021–2023

5 Implementation of the most significant individual risk mitigation measures of the risk assessment

5.1 Payment service providers

5.1.1 Improve the reporting obligation of hawala operators

Description of the measure:

Based on the statistics of the Financial Intelligence Unit, hawala operators have not submitted any money laundering reports. Yet on the basis of risk assessment, the sector is considered to be at the highest risk level (level 4) with regard to both money laundering and terrorist financing.

The goal is to enhance hawala operators' reporting obligation in accordance with the Anti-Money Laundering Act. This may require, for example, the targeting and increasing of the training supervisory bodies offer to the operators. Furthermore, continuous and effective cooperation between the authorities and the operators will support the implementation of the measure.

Responsible parties:

Financial Intelligence Unit, Financial Supervisory Authority

Schedule:

2021–2022 (continuous)

5.1.2 Examining Fintech operators' obligation to report in accordance with the Anti-Money Laundering Act

Description of the measure:

Obligated entities (including other than payment service providers) increasingly use technical service providers for customer due diligence and identification, for example. Obligated entities must identify the risks associated with technical service providers and plan measures to manage and reduce risks, which may be difficult. Service providers should also understand the AML/CFT principles in order to offer services that comply with regulation.

According to the EU's Digital Finance Strategy⁴, interoperable solutions for digital identities should be made available by 2024. The EU calls on the European Banking Authority (EBA) to develop guidance by Q3/2021. Consequently, the need to amend national legislation should also follow the progress of EU regulation.

The purpose of the measure is to determine to what extent Fintech operators to which the Anti-Money Laundering Act is not currently applied should be obliged entities under the Anti-Money Laundering Act. The need for legislative changes will also be examined with regard to the measure.

Responsible parties:

Ministry of Finance, Financial Supervisory Authority, Financial Intelligence Unit

Schedule:

2022–2023

⁴ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on an EU Digital Finance Strategy, Brussels, 24.9.2020 COM(2020) 591 final.

5.2 Virtual currency providers

5.2.1 Examine the need for legislative changes

Description of the measure:

The purpose of the measure is to identify needs and opportunities for amending the legislation on virtual currency providers. The goal is to enhance combating money laundering and terrorist financing in Finland. The legislation is linked to EU regulation on virtual assets.

One change that is needed is to criminalise the provision of virtual currencies without registration. In addition, the Act on Virtual Currency Providers needs to specify the threshold for obligation to register in Finland of entities established abroad and the measures that will result from exceeding the threshold.

Virtual currencies are a relatively rapidly evolving phenomenon, which is why it is good to regularly assess the adequacy of related definitions in the Act and any need for amendments. The next assessment must take place no later than at the time the Regulation of the European Parliament and of the Council on Markets in Crypto-assets (MiCA) is adopted.

The implementation of the FATF Travel rule (standard information on transfers of virtual assets) should also follow the progress of EU regulation.

Responsible party:

Ministry of Finance

Schedule:

2022–2023

5.2.2 Exploring the possibility of preventing the provision of mixer services

Description of the measure:

The purpose of mixer services⁵ is to obscure the origin of money and to prevent the traceability of virtual currencies. The measure explores the possibility of a legislative change to prohibit mixer services under national law.

Responsible party:

Ministry of Finance, Financial Intelligence Unit

Schedule:

2021–2023

5.3 Gambling

5.3.1 Restriction of foreign gambling in connection with the reform of the Lotteries Act

Description of the measure:

The purpose of the measure is to monitor the reform of the Lotteries Act that is based on the Government's policy, in connection with which the goal is to introduce preclusions of payment transactions in order to restrict gambling outside the monopoly. The aim is to reduce the identified risks related to gambling when the gambling takes place via companies/corporate entities outside the monopoly. These restrictions could potentially reduce risks from using foreign gambling companies.

⁵ Mixer services are services whose primary purpose is to obscure the origins of virtual assets and make their tracing as difficult as possible. The basic function of the mixers is to receive and mix virtual currencies held by users and to forward the mixed assets to the virtual currency addresses specified by users.

Responsible party:

Ministry of the Interior

Schedule:

2021–2023

5.4 Attorneys-at-law and other providers of legal services

5.4.1 Examining opportunities for eliminating the distinction between irregular and regular customers from the Anti-Money Laundering Act

Description of the measure:

One-off customer relationships have been identified as a risk for attorneys-at-law and legal service providers. The definition of such an actor or activity is a part of the problem because the Anti-Money Laundering Act does not define a customer or customer relationship. Exploring the potential for a legislative amendment to eliminate the distinction between irregular and regular customers or, alternatively, clarifying the practical meaning of the irregular customer referred to in anti-money laundering legislation and the obligations that should be fulfilled with regard to irregular customers.

Responsible party:

Ministry of Finance

Schedule:

2021–2023

5.5 NPO-sector

5.5.1 Updating the document ‘Terrorist financing and non-profit organisations’ or drawing up a corresponding document, and its distribution to the sector

Description of the measure:

In 2009, the Ministry of the Interior published a document entitled ‘Terrorist financing and non-profit organisations’, which was intended as a guide for various charitable organisations and associations in order to draw their attention to the threat from terrorist financing. The goal of the measure is to update this document or, alternatively, to create a completely new guide for charitable organisations and associations to understand the problem of terrorist financing. The purpose of the measure is therefore to issue official guidance specifically directed at the NPO-sector. It is also appropriate to include indicators of terrorist financing in the guide. The objective of the measure is to increase sector awareness of the risks from terrorist financing and thus reduce the vulnerability resulting from a lack of information.

Responsible parties:

Ministry of the Interior, Ministry of Justice

Schedule:

2021–2023 (continuous)

5.5.2 Examine the need for a working group on the NPO-sector

Description of the measure:

The purpose of this measure is to investigate the need to establish an official working group or coordination group in order to determine how the NPO-sector should be taken into account in the Anti-Money Laundering Act. The purpose of the measure is to develop legislation on the NPO-sector in order to identify and mitigate the risks from

money laundering and terrorist financing. The working group should consider what concrete changes should be made to the Anti-Money Laundering Act, for example, in order to take the risks and high-risk actors of the NPO-sector into account in an appropriate manner.

Supervision of the NPO-sector is currently fragmented. Fragmentation hampers efficient control and identification of risks. The purpose of the implementation of the measure is partly to determine how the NPO-sector could be better coordinated also with regard to supervision and how powers can be improved. Information exchange issues should also be considered by any working group to be set up.

Responsible parties:

Ministry of Finance, Ministry of the Interior, Ministry of Economic Affairs and Employment, Ministry of Justice

Schedule:

2021–2023

5.5.3 Raising awareness of the NPO-sector among public authorities and obliged entities, and of the risks of money laundering and terrorist financing to NPOs

Description of the measure:

Risk assessment has revealed that the identification and assessment of risks to the NPO-sector is very challenging. For many actors, the sector seems difficult to understand, and both obliged entities and authorities must be provided with information on the NPO-sector and its risk concentrations. The goal of the measure is to provide more training on the risks of money laundering and terrorist financing to both NPOs and authorities.

In the case of NPO-sector actors, the specific purpose is to encourage the actors to assess their own activities against potential risks and to raise awareness of different phenomena. The goal of the measure for NPOs is to increase their understanding of the potential risks of money laundering and terrorist financing in the NPO-sector. When

NPOs become better aware of the risks involved in money laundering and terrorist financing and the ways in which they are managed, they will be less likely to become a target of obliged entities' de-risking measures.

Responsible parties:

Ministry of the Interior, Ministry for Foreign Affairs, Financial Intelligence Unit, Finnish Security Intelligence Service (Supo), National Police Board Gambling Administration, Finnish Patent and Registration Office

Schedule:

2021–2023 (continuous)

5.6 Phenomena

5.6.1 Cash

5.6.1.1 Exploring opportunities for a euro-denominated limit for cash payments

Description of the measure:

The use of cash is a significant risk in money laundering and terrorist financing. The goal is to reduce the risk associated with cash. During this measure the debate in the EU on restricting the use of cash will be followed and compared to the situation in the national context.

Responsible parties:

Ministry of Finance, Ministry of the Interior

Schedule:

2021–2023

5.6.2 Covid-19

5.6.2.1 Raising awareness of the changes to the operating environment from the Covid-19 pandemic

Description of the measure:

The Covid-19 pandemic has changed the operating environment and affected the behaviour of criminals. During the pandemic, various forms of fraud, for example, have been identified which may act as predicate offences of money laundering. In addition, the decline in the use of cash due to the pandemic has also affected money laundering methods. Broadly providing information about the changes, phenomena and crimes resulting from the Covid-19 pandemic is a way to prevent money laundering and terrorist financing in a changing operating environment.

The purpose of the measure is to increase the provision of information in different channels and to provide up-to-date information on different phenomena that are linked to the Covid-19 pandemic and, consequently, money laundering and terrorist financing.

Responsible parties:

Financial Intelligence Unit, Ministry of Finance, Ministry of the Interior, National Police Board, Customs

Schedule:

2021 (continuous)

6 Developing the digitalisation of the supervision and implementation of the prevention of money laundering and terrorist financing

The objective of developing the digitalisation of the supervision and implementation of the prevention of money laundering and terrorist financing is to improve the supervision and implementation by launching and developing digitalisation-focused projects managed by various competent authorities. The results of the projects will be used to improve the availability, processing, analysis and use of data in supervision and implementation by the authorities responsible for combating money laundering and terrorist financing. The goal is also to improve the exchange of information and cooperation between different authorities, enhance the risk-based supervision of the prevention of money laundering and terrorist financing and to improve the conditions for using dissuasive sanctions and other supervisory measures.

In order to achieve the goals of the measure, the Ministry of Finance is planning to establish a national project. The purpose of the project is to coordinate projects managed by different authorities at the national level that are focused on the digital development of the prevention of money laundering and terrorist financing, to reinforce authorities' shared intent to prevent money laundering and terrorist financing, and to ensure that their digitalisation projects do not unduly overlap or conflict with each other. Funding will be sought from the European Commission for this so-called umbrella project and the various public authorities' projects within it.

The following public projects will be included under the umbrella project: Development of the bank and payment account control system by means of a compiling application and the addition of account transaction data (Ministry of the Interior/Customs); Supervisor's desktop (Financial Supervisory Authority); Improving the up-to-dateness, completeness and correctness of the register of beneficial owners (Finnish Patent and Registration Office); Digitalisation of the investigation of money laundering (Financial Intelligence Unit); and Development of the digital tools used in the national risk assessment of money laundering and terrorist financing (Ministry of Finance/Ministry of the Interior).

Responsible parties:

The Ministry of Finance is responsible for establishing the project. The projects included in the project are the responsibility of the relevant public authorities.

6.1 A compiling application and the adding of account transaction data to the bank and payment account control system

Description of the measure:

The goal of the measure is to develop a national control system for bank and payment accounts in accordance with valid legislation in order to have a single system in place to enable competent authorities to digitally process and receive information covered by banking secrecy, centralising central government information systems and reducing the need for duplicate information systems.

Responsible party:

Ministry of the Interior, Customs

Schedule:

2021–2024

6.2 Financial Supervisory Authority's Supervisor's desktop

Description of the measure:

A key purpose of the measure is to make the relevant tools and information used in supervision available in a single easy-to-use service for supervisory bodies. This gives a better picture of the supervised entity's activities, and the information can be used even better than before to assess the risks from money laundering and terrorist financing.

Responsible party:

Financial Supervisory Authority

Schedule:

2020–2023

6.3 Artificial intelligence and robotics projects of the Financial Intelligence Unit

Description of the measure:

The number of reports on suspicious transactions and terrorist financing is steadily increasing. It is challenging to process the reports and especially to identify the most significant cases among them. The Financial Intelligence Unit has launched two projects aimed at exploring opportunities for using artificial intelligence and robotics in order to improve the processing of reports concerning suspicious transactions and terrorist financing. The AI project will continue until the end of 2021 and the robotics project until the end of 2022. Following the completion of the development measures, the goal is to carry out the improvements that the AI and robotics projects have indicated a need for at the Financial Intelligence Unit in order to streamline the processing of money laundering reports and improve their analysis.

Responsible party:

Financial Intelligence Unit

Schedule:

2021–2022

6.4 Improving the up-to-dateness, completeness and correctness of the register of beneficial owners

Description of the measure:

In order to ensure that information on beneficial owners is reported, the reporting system will be made a part of the online service for founding a limited liability company. In addition, an automated process will be added to the information system of the Finnish

Patent and Registration Office for the purpose of any reprimand and sanction procedures concerning the failure to report the information. This is linked to the measure referred to in section 4.1 concerning the development of legislation. The goal of these measures is to improve the coverage of the beneficiary register.

Functions serving the needs of the supervisory bodies will be implemented in the information service system, improving the usability of the beneficiary register data. In addition, national beneficiary data will be integrated into the BORIS system that connects the various beneficiary registers in the EU. The details of BORIS have not yet been defined. An electronic transaction and processing system will be created for the filing and processing of supervisory reports. The purpose of these measures is to serve the needs of the supervisory bodies and the obliged entities in accordance with the Anti-Money Laundering Act.

The purpose of the measure is also to enable the Tax Administration and the Finnish Patent and Registration Office to compare the beneficiary register's data with the owner data reported for taxation purposes. The purpose is to verify and develop the quality of companies' beneficiary data. This also requires changes to legislation related to the exchange of information.

Responsible parties:

Finnish Patent and Registration Office, Tax Administration, Ministry of Economic Affairs and Employment, Ministry of Finance

Schedule:

2021–2023

6.5 Digital tools used in national risk assessment of money laundering and terrorist financing

Description of the measure:

The goal of the measure is to ensure that the risk assessment can be updated as efficiently as possible and that the risks and risk levels are comparable with the help of a digital information platform and a risk assessment tool.

Responsible parties:

Ministry of Finance, Ministry of the Interior

Schedule:

2021–2023