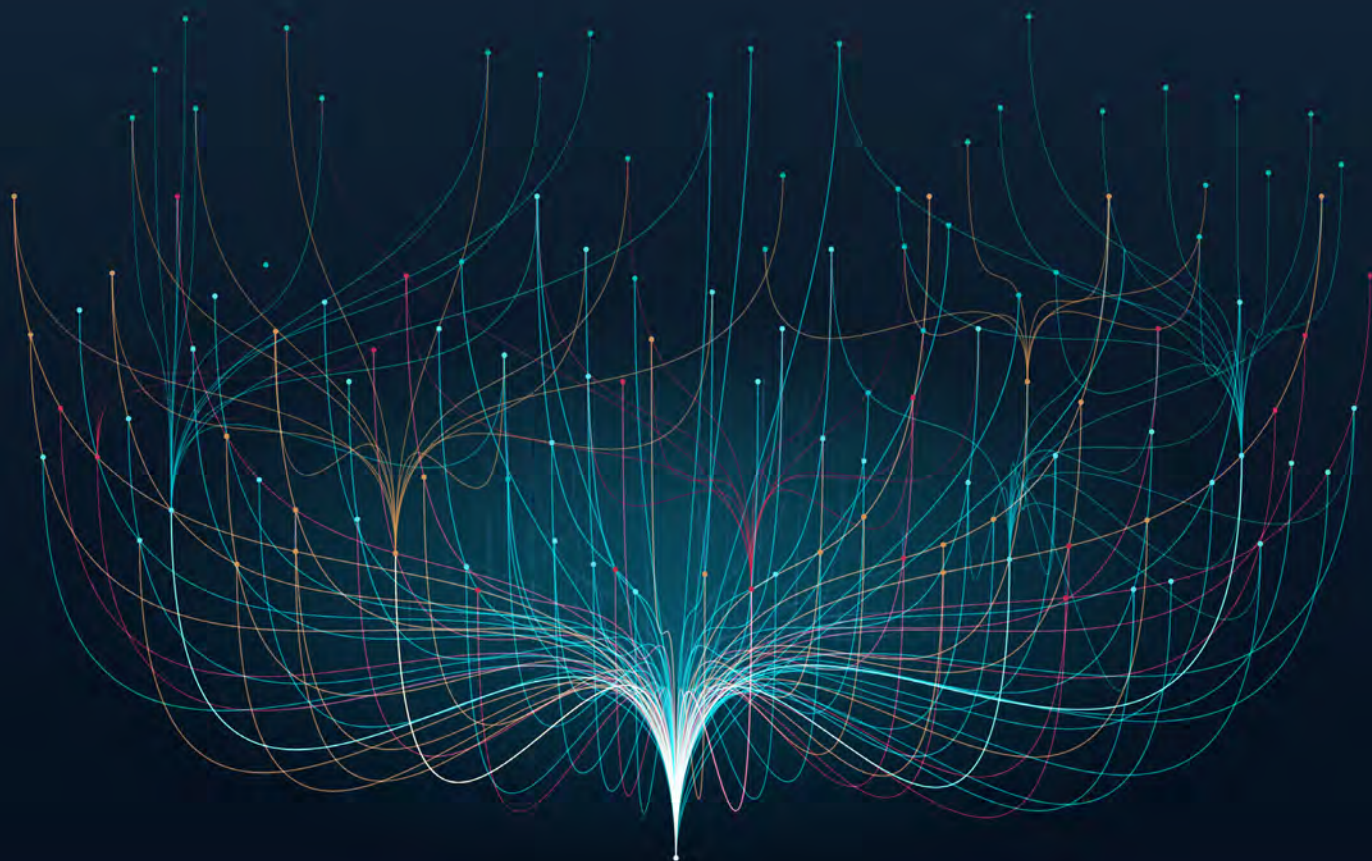# EGMONT GROUP

OF FINANCIAL INTELLIGENCE UNITS

Enhancing the effectiveness of the AML/CFT mechanism through a horizontal analysis of Mutual Evaluation Reports

A Horizontal Analysis of IO.2, IO.6, R.29 & R.40 across the Europe II Region

December 2025

The Europe II Regional Group comprises 23 FIUs from jurisdictions belonging to the Council of Europe Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL) and the Financial Action Task Force (FATF).

This project has been jointly led by the Financial Intelligence Unit of Azerbaijan, focusing on Immediate Outcome 2 (International Cooperation), and the Gibraltar Financial Intelligence Unit, focusing on Immediate Outcome 6 (Use of Financial Intelligence).

Contents

Executive Summary

This horizontal review assesses the effectiveness of Financial Intelligence Units (FIUs) in the Europe II Regional Group, covering 23 jurisdictions. Drawing on mutual evaluations conducted by the Financial Action Task Force (FATF) and the Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), the review examines Immediate Outcome 6 (use of financial intelligence) and relevant aspects of Immediate Outcome 2 (international cooperation). The aim is to identify recurring strengths, weaknesses, and recommended actions that help explain jurisdictions' effectiveness ratings, and to distil horizontal insights that can guide reforms across the region.

A key factor emerging from the review is the extent to which law enforcement agencies (LEAs) make use of FIU disseminations. Jurisdictions with higher ratings often show evidence that financial intelligence is systematically applied in investigations, asset tracing, and prosecutions. By contrast, in jurisdictions with lower ratings, FIU products appear underutilised, which may contribute to missed opportunities to detect and pursue money laundering (ML) and terrorist financing (TF).

Higher-rated jurisdictions tend to be characterised by stronger IT systems, wide-ranging access to financial, administrative, and law enforcement data, and structured inter-agency cooperation. Secure and timely international information exchange, including through the Egmont Group and Memoranda of Understanding (MOUs), also supports effectiveness. Proactive dissemination of intelligence, integration of FIUs into national Anti-Money Laundering and Counter-Terrorist Financing (AML/CFT) strategies, and the ability to trace and freeze assets are further features observed in more effective systems.

At the same time, recurring weaknesses are evident in jurisdictions with moderate or low effectiveness. These include delays in responding to international requests, limited spontaneous disclosures, and gaps in prioritisation mechanisms. Defensive or poor quality suspicious transaction reports (STRs), particularly from non-financial sectors, reduce the FIU's ability to produce actionable intelligence. In some cases, limited resources and weak feedback loops appear to further constrain effectiveness. Parallel financial investigations, particularly those linked to foreign predicate offences, are also infrequent.

Recommended actions across jurisdictions commonly call for strengthening FIU resourcing and analytical capacity, improving the quality and timeliness of STR reporting, and introducing clearer prioritisation and feedback mechanisms. Expanding spontaneous international information sharing and investing in stronger strategic analysis are also identified as areas for improvement. The findings also suggest that strengthening the regular use of FIU disseminations by law enforcement for the initiation of investigations may play a decisive role in advancing effectiveness ratings.

By identifying common typologies of strengths, weaknesses, and recommended actions, this review provides an evidence base for FIUs and policymakers across the Europe II region. The findings may assist jurisdictions in targeting reforms that improve operational outcomes, enhance effectiveness ratings, and strengthen the contribution of FIUs to the global AML/CFT framework.

The horizontal analysis confirms that many of the challenges observed in Europe II jurisdictions are systemic rather than jurisdiction-specific. Recurrent weaknesses include the poor quality of STRs, limited FIU resourcing and analytical capacity, inconsistent use of FIU outputs by law enforcement, and delays in international cooperation. By contrast, higher-performing jurisdictions demonstrate adequate resourcing, structured prioritisation, and proactive dissemination practices.

These findings have clear implications for both Europe II jurisdictions and the Egmont Group. For national authorities, strengthening FIU capacity, improving the use of financial intelligence by competent authorities, and enabling timelier cross-border exchanges are priorities. For the Egmont Group, the results provide a body of evidence to support peer learning, targeted technical assistance, and the development of frameworks that allow FIUs to cooperate effectively across jurisdictions. The review makes clear that technical compliance with FATF standards establishes a framework, but effectiveness is determined by how these standards are implemented and demonstrated in practice.

Background

The Europe II Regional Group, primarily composed of jurisdictions assessed by MONEYVAL, have taken part in the fifth round of Mutual Evaluations of their AML/CFT systems.

These evaluations have employed the FATF Methodology, which comprehensively examines both technical compliance and effectiveness across 11 Immediate Outcomes (IOs). Among these, Immediate Outcome 2 (IO.2) and Immediate Outcome 6 (IO.6) are particularly critical for understanding the operational capacity of FIUs in international cooperation and the use of financial intelligence respectively. The fifth round reflects a paradigm shift towards effectiveness-based assessments, prioritising how AML/CFT systems perform in practice rather than simply adhering to technical and legal frameworks.

This research project is part of a horizontal review under the Europe II framework, aligned with the 2024 Concept Note titled "Enhancing the Effectiveness of the AML/CFT Mechanism through a Horizontal Analysis of Mutual Evaluation Reports."

It draws on typological and focused analyses of IO.2, IO.6, and Recommendations 29 and 40 across multiple Mutual Evaluation Reports (MERs). The project's objective is to isolate recurring operational issues, strengths, and recommendations that influence effectiveness ratings, thereby supporting evidence-based reforms and technical assistance within the region. The findings also contribute to the broader objectives of the Egmont Group by advancing best practices in FIU operations and international AML/CFT cooperation.

Importantly, this paper does not assess jurisdictional performance; rather, it seeks to isolate the factors most commonly cited in MERs as contributing to the effectiveness ratings achieved. By doing so, the findings can inform FIU-level reforms, policy priorities, and targeted technical assistance across the region. The work also contributes to broader Egmont Group objectives by supporting evidence-based improvement in FIU operations, independence, and impact.

Introduction

FIUs have evolved as critical national institutions in the global fight against ML, TF, and related financial crimes. Since their inception, FIUs have become focal points for receiving, analysing, and disseminating financial intelligence, serving as a key central function which bridges the private sector's reporting obligations and law enforcement's operational needs. The 2004 International Monetary Fund (IMF) paper which provides an overview of FIU's, highlights that FIUs play a vital role in the broader AML/CFT architecture by facilitating information flows, enhancing analytical capabilities, and fostering international cooperation. The IMF's 2023 review of its engagement with the FATF Global Network and the Egmont Group reaffirms this view, emphasising that FIUs continue to play an increasingly key role in strengthening national AML/CFT frameworks, ensuring access to critical information, and supporting international cooperation.[2]

The establishment and operational effectiveness of FIUs are fundamental components of the FATF Recommendations, particularly Recommendation 29 (R.29), which sets out clear expectations regarding their independence, resources, and legal mandate.

The IMF paper further stresses that institutional design can vary, but essential elements such as autonomy from political interference, access to diverse data sources, and strong analytical capacity are indispensable for FIU success.

International cooperation mechanisms, such as the Egmont Group and related secure communication platforms like the Egmont Secure Web, enable FIUs to share sensitive intelligence rapidly and securely. Within this context, jurisdictions have increasingly recognised that effective FIUs require not only strong legal frameworks but also operational resources that enable timely analysis and dissemination of financial intelligence to law enforcement and regulatory authorities.

As the AML/CFT landscape continues to evolve, driven by emerging threats, technological innovation, and changing regulatory expectations, FIUs must adapt by enhancing strategic analysis and operational cooperation. This paper situates the FIU's role within this dynamic international environment, assessing its current capabilities and alignment with global standards, while anticipating challenges posed by the commencement of the FATF's 6th round mutual evaluations.

IO.2 measures the effectiveness of a country's international cooperation in preventing, investigating, and prosecuting ML/TF and related offences.

This outcome evaluates the promptness, constructiveness, and comprehensiveness of information, evidence, and intelligence exchanges between jurisdictions, facilitated through both formal and informal channels. It also assesses the capacity to provide and receive mutual legal assistance (MLA) and to participate in joint investigations or operations. Given the inherently transnational nature of financial crime, strong international cooperation is essential to prevent criminals from exploiting jurisdictional gaps and to enable coordinated enforcement actions.

In the context of IO.2, an effective FIU system is characterised by timely and constructive international cooperation. FIUs should be capable of both spontaneously providing and efficiently responding to information requests, in alignment with global standards and national risk priorities. Robust legal and procedural frameworks must facilitate efficient information exchange, including with non-counterparts where legally permissible. Participation in international cooperation mechanisms such as the Egmont Group, using secure platforms like the Egmont Secure Web, enhances intelligence sharing. Additionally, FIUs must demonstrate the ability to respond promptly to foreign requests, supporting cross-border investigations and asset recovery.

For consistency with FATF terminology, references to Suspicious Transaction Reports (STRs) in this document also encompass Suspicious Activity Reports (SARs) and Unusual Transaction Reports (UTRs).

IO.6 focuses on the effectiveness of a country's use of financial intelligence to support investigations, prosecutions, and asset recovery related to ML/TF and predicate offences. This outcome assesses the quality, quantity, and timeliness of STRs as well as the ability of FIUs to analyse, disseminate, and act upon this information. Effective financial intelligence use relies on robust operational collaboration among FIUs, LEAs, prosecutors, and other competent authorities, ensuring intelligence contributes meaningfully to disrupting illicit financial activity and safeguarding the integrity of the financial system.

An effective system under IO.6, as outlined in the FATF Methodology, demonstrates several key features: FIUs must have timely and unrestricted access to relevant financial, administrative, and law enforcement information, enabling them to produce actionable intelligence. The quality of STRs must be sufficient and aligned with the jurisdiction's risk profile to facilitate analysis. FIUs should conduct both operational and strategic analyses, thereby supporting investigations and identifying emerging threats. LEAs and other competent authorities need to regularly use this intelligence to trace criminal proceeds, develop evidence, and achieve successful prosecutions and confiscations. Furthermore, systematic, secure, and results-driven cooperation between the FIU and competent authorities should be underpinned by feedback mechanisms and performance tracking. Adequate human, financial, and technological resources are essential to ensure FIUs can perform effectively and sustainably.

Supporting these outcomes are FATF Recommendations 29 and 40, which provide the legal and operational foundation for FIUs and international cooperation frameworks. R.29 mandates that countries establish an independent, adequately resourced FIU with the legal authority and operational autonomy to receive, analyse, and disseminate financial intelligence effectively. Recommendation 40 (R.40) highlights the importance of timely, constructive, and reciprocal international cooperation, including MLA, extradition, and information exchange, and calls for the removal of legal, procedural, and practical barriers that could impede cross-border collaboration.

The FATF Methodology, particularly in its latest iteration introduced in June 2025, reflects a shift from rule-based compliance toward a results-

[1] https://www.imf.org/external/pubs/ft/fiu/fiu.pdf
[2] https://www.elibrary.imf.org/view/journals/007/2023/053/article-A004-en.xml

focused approach prioritising practical effectiveness, risk-proportionality, and financial inclusion safeguards. Jurisdictions are evaluated on their capacity to demonstrate proactive, proportionate enforcement and inclusive financial policies that collectively meet the global standards required for effective AML/CFT regimes.

This research paper examines the operational realities and challenges associated with IO.2 and IO.6, drawing on a horizontal analysis of MERs. By identifying common features of effective systems and recurring deficiencies, the study aims to inform evidence-based policymaking, capacity building, and targeted reforms to strengthen FIU capabilities and international cooperation mechanisms within the global AML/CFT framework.
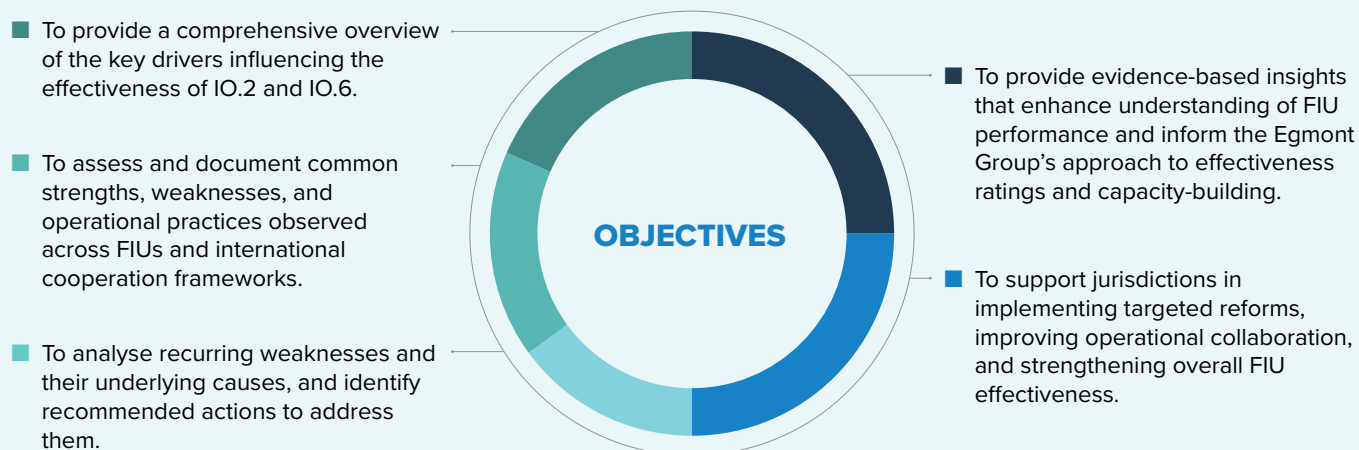
Focus & Scope

This paper focuses on the practical implementation and operational challenges associated with IO.2 and IO.6, as well as supporting R.29 and R.40. By analysing common themes and divergences throughout 23 MERs, the paper identifies the factors most frequently cited by evaluators as critical to achieving effective AML/CFT outcomes. The scope extends to understanding how FIUs function domestically and in transnational contexts, including the legal, procedural, and resource-related dimensions that affect their performance.

The research is horizontal in nature, analysing cross-jurisdictional data to inform policy and operational priorities rather than assessing individual jurisdictions. It examines both strategic and operational aspects of financial intelligence use and international cooperation, encompassing legal frameworks, institutional capacity, inter-agency collaboration, and international partnerships. The analysis also considers evolving challenges such as the need for timely intelligence sharing and the integration of new technologies within FIUs and international networks.

Objectives & Structure

OBJECTIVES

- To provide a comprehensive overview of the key drivers influencing the effectiveness of IO.2 and IO.6.

- To assess and document common strengths, weaknesses, and operational practices observed across FIUs and international cooperation frameworks.

- To analyse recurring weaknesses and their underlying causes, and identify recommended actions to address them.

- To provide evidence-based insights that enhance understanding of FIU performance and inform the Egmont Group's approach to effectiveness ratings and capacity-building.

- To support jurisdictions in implementing targeted reforms, improving operational collaboration, and strengthening overall FIU effectiveness.

The primary objective of this research is to provide a comprehensive overview of the key drivers influencing the effectiveness of IO.2 and IO.6 as reflected in recent MERs. The paper aims to highlight common strengths and weaknesses in FIU operations and international cooperation frameworks, offering actionable insights to policymakers, AML/CFT supervisors, and technical assistance providers. Through this horizontal analysis, it seeks to guide targeted reforms, enhance operational collaboration, and support capacity building initiatives within the Europe II Regional Group and beyond.

The paper is structured as follows:

1. It begins with an overview of the methodological framework underpinning the FATF evaluation process, focusing on IO.2, IO.6, R.29 and R.40.

2. It then presents findings from the typological and focused analyses of MERs, identifying recurring themes related to operational effectiveness and compliance challenges.

3. The final sections discuss implications for policy and practice, and outline recommendations for strengthening FIU capabilities, improving international cooperation, and advancing the overall AML/CFT regime's effectiveness.

Limitations

While this analysis provides valuable insights into the operational realities of FIUs and international cooperation under the fifth round of Mutual Evaluations, it is subject to certain limitations. The data and findings are based exclusively on the fifth round and the results of the analysis might not apply entirely to the current ongoing sixth round of evaluations. The sixth round incorporates updated methodological criteria, including enhanced focus on financial inclusion, simplified due diligence, and risk-based supervision, which may affect the relative importance and interpretation of some findings.

The horizontal approach synthesises cross-jurisdictional data without detailed examination of individual country contexts or performance nuances. As such, the paper does not provide jurisdiction-specific assessments but rather identifies common patterns and systemic factors influencing FIU effectiveness and international cooperation. Furthermore, the analysis relies on publicly available MERs and does not incorporate confidential or operationally sensitive information that could provide deeper insights into FIU practices or inter-agency cooperation.

Despite these limitations, the findings offer a robust evidence base to inform strategic decision-making, technical assistance, and policy reforms aimed at strengthening the AML/CFT framework across the Regional Group and contributing to global AML/CFT objectives.

Methodology

Qualitative content analysis has been carried out on the latest available MERs for jurisdictions in the Europe II region focusing on the Key Findings and Recommended Actions sections listed for IO.6 and IO.2. Analysis has also been carried out on R.29 and R.40.

Analysis was carried out taking into account the nature of the selected text and intended outcomes of the project. In this case, the texts directly highlight the "key strengths and weaknesses that underlie the reasoning behind the ratings achieved" and the "related recommended actions that are intended to resolve such weaknesses". The language in the text is instructional and leaves little room for interpretation.

A conventional qualitative analysis was carried out in which the categories that were created, were derived directly from the text in the document, as the process of analysis was taking place. This type of approach reduces possible incorrect biases from manifesting during the analysis of the text. Analyses for Key Findings and Recommended Actions were carried out separately.

The analyses aimed to organise the text into content categories which are patterns or common concepts that are directly expressed in the text. Themes are then developed from these categories. The themes can encompass multiple combined categories and can be a theoretical theme that describes or explains the categories. The themes are descriptive and highlight the key points that emerge in the text. In this particular case, the themes express the key strengths, weaknesses and the recommended actions. A quantitative

element to the analyses evidences how often the themes have been expressed in the text. These themes have been arranged by the effectiveness ratings achieved by jurisdictions in order to explore horizontal elements. In regards to the analysis on the Key Findings, the themes have also been arranged separately by Strengths and Weaknesses.

The following 23 jurisdictions were included in this analysis: Albania, Andorra, Armenia, Azerbaijan, Bosnia and Herzegovina, Georgia, Gibraltar, Guernsey, Holy See, Isle of Man, Israel, Jersey, Kosovo, Moldova, Monaco, Montenegro, North Macedonia, San Marino, Serbia, Switzerland, Türkiye, Ukraine and United Kingdom.

To prepare the data for analysis, the relevant texts were extracted from the MERs and collated in separate documents. In each document, the information was arranged by jurisdiction and each sentence was numbered for ease of reference. The text was read through and transferred in segments into a spreadsheet for analysis. Segments usually denote new sentences or paragraphs and where possible, segments denote differences in content. In this case, segments were clearly identifiable due to the nature of the selected text, to which sentences and paragraphs clearly denoted the start of new topics. The text of each segment was mildly interpreted/sanitised to improve the cohesion of language and to remove terms belonging to specific jurisdictions, while also retaining the meaning of the original text.

Initial coding was completed on each segment. Sorting the segments by initial coding revealed patterns throughout different segments attributed to all jurisdictions. Codes were refined to focus on the broader intended outcomes and meaning of each segment (Focused Coding), classifying each segment under a newly formed category. When segments belonging to the same jurisdiction were given the same category, the segments were merged. In regards to the analysis on the Key Findings, segments were additionally sorted into strengths and weaknesses. Strengths were merged with other Strengths when belonging to the same jurisdiction and segments of Weaknesses were merged with other Weaknesses. This ensures that each theme applies only once to each jurisdiction. Through constant comparison of segments, categories were further refined and once they were saturated to a point that was deemed satisfactory, themes were created.

To align with the FATF Methodology, recurring findings in the Europe II MERs were mapped to IO.6 and IO.2 sub-criteria, linking issues such as limited financial intelligence use and weak international cooperation to their respective elements.

Theme descriptions were created for each theme within each effectiveness rating. The descriptions are derived directly from the text of those segments, arranged by each effectiveness rating. The descriptions provide detail of those themes, which in this case, are the Strengths, Weaknesses and Recommended Actions.

LIMITATIONS OF METHODOLOGY

It is important to note the following limitations to the analysis carried out:

Distribution of effectiveness ratings of IO.6: It is difficult to explore horizontal elements of IO.6 in the dataset analysed as the majority of Europe II jurisdictions achieved a Moderate level of effectiveness rating (15 jurisdictions). 5 jurisdictions achieved a rating of Substantial level of effectiveness rating with only 2 and 1 jurisdictions achieving a Low level of effectiveness rating and a High level of effectiveness rating respectively. This uneven distribution in the dataset can lead to incorrect interpretations of the results. Greater or less importance can be incorrectly attributed to themes within effectiveness ratings when attempting to create meaningful links between the strengths/weaknesses and effectiveness ratings. Nevertheless, this distribution is the accurate picture of the region's performance and the analysis remains faithful to the evidence and reflects the actual state of play across Europe II jurisdictions.

Interpretive Nature: The analysis was carried out using a method which aims to reduce interpretation and bias to a minimum by creating categories that are derived directly from the text in the document. Interpretation still played a significant role in preparing the data for analysis and choosing the correct categories and themes to represent the meaning of each segment. It is possible that researcher bias or errors created due to the expertise nature of the topic and current expertise level of the analyst has caused the data to skew towards certain categories more than others.

Overall Effectiveness

A MER is the official assessment report that details the results of an in-depth peer review carried out by FATF or one of its regional bodies such as MONEYVAL. It evaluates how well a jurisdiction's AML/CFT systems work in practice. It comprises of a compliance check against FATF international standards and an effectiveness review of the how the system actually performs in real life.

TECHNICAL COMPLIANCE

Technical compliance ratings assess whether a jurisdiction has the necessary legal and institutional framework to meet the 40 FATF Recommendations. For each Recommendation, assessors determine the level of compliance based on the specific criteria set out in the methodology, without considering effectiveness. The four levels are compliant, largely compliant, partially compliant, and non-compliant, with a fifth category, not applicable, used only in exceptional cases. This provides a structured benchmark for understanding the technical soundness of a country's AML/CFT framework.

COMPLIANCE RATINGS	
Compliant (C)	There are no shortcomings.
Largely compliant (LC)	There are only minor shortcomings.
Partially compliant (PC)	There are moderate shortcomings.
Non-compliant (NC)	There are major shortcomings.
Not applicable (NA)	A requirement does not apply, due to the structural, legal or institutional features of a country.

EFFECTIVENESS RATINGS

Effectiveness ratings in the FATF Methodology measure the extent to which a jurisdiction's AML/CFT system is achieving the 11 IOs in practice. These ratings range from high to low, reflecting whether only minor adjustments are needed or whether fundamental improvements are required. The following table provides a reference for readers to better understand the research findings in this project.

EFFECTIVENESS RATINGS	
High level of effectiveness (HE)	The IO is achieved to a very large extent Minor improvements needed.
Substantial level of effectiveness (SE)	The IO is achieved to a large extent. Moderate improvements needed.
Moderate level of effectiveness (ME)	The IO is achieved to some extent. Major improvements needed.
Low level of effectiveness (LE)	The IO is not achieved or achieved to a negligible extent. Fundamental improvements needed.

RATINGS ACHIEVED BY EUROPE II JURISDICTIONS

Jurisdiction	MER Date	IO.2 Rating	IO.6 Rating	R.29 Rating	R.40 Rating
Albania	July 2018	ME	SE	LC	LC
Andorra	September 2017	SE	SE	LC	LC
Armenia	December 2015	SE	ME	C	C
Azerbaijan	December 2023	SE	ME	C	LC
Bosnia and Herzegovina	December 2024	ME	ME	C	PC
Georgia	September 2020	SE	ME	PC	LC
Gibraltar	December 2019	SE	LE	C	LC
Guernsey	December 2024	SE	ME	C	C
Holy See	April 2021	SE	ME	LC	LC
Isle of Man	December 2016	SE	LE	LC	LC
Israel	December 2018	SE	HE	C	LC
Jersey	May 2024	SE	ME	LC	C
Kosovo	June 2018	ME	ME	LC	LC
Moldova	July 2019	SE	ME	C	LC
Monaco	December 2022	ME	ME	LC	LC
Montenegro	December 2023	SE	ME	C	LC
North Macedonia	May 2023	ME	ME	LC	LC
San Marino	April 2021	HE	SE	C	LC
Serbia	April 2016	ME	ME	LC	PC
Switzerland	December 2016	ME	SE	C	PC
Türkiye	December 2019	SE	ME	C	LC
Ukraine	December 2017	ME	SE	C	LC
United Kingdom	December 2018	SE	ME	PC	LC

TABLE 1 - IO.2, IO.6, R.29 AND R.40 RATINGS ACHIEVED BY EUROPE II JURISDICTIONS

CORE ISSUES FOR ASSESSING FIUS UNDER IO.2 AND IO.6

When evaluating IO.2, FIU performance is assessed through its ability to exchange information quickly, securely, and constructively with foreign counterparts, both spontaneously and upon request. Assessors consider whether the FIU participates in the Egmont Group framework, whether MOUs or legal gateways facilitate cooperation, and whether foreign intelligence requests are handled in a comprehensive and timely manner. Evidence includes statistics on requests made and received, examples of successful cross-border intelligence exchanges, the existence of secure communication channels (e.g., Egmont Secure Web), and case studies where FIU-to-FIU cooperation advanced investigations or asset recovery.

For IO.6, assessors examine the extent to which FIUs and competent authorities can collect, access, and analyse financial intelligence in a timely and rigorous way, and whether the resulting outputs support investigations, prosecutions, and asset recovery. Core issues include whether FIUs produce analysis that identifies trends and links between subjects, whether intelligence is disseminated proactively and reactively to the right agencies, and whether information is effectively integrated into wider AML/CFT efforts. Evidence typically includes case examples where FIU intelligence led to successful ML/TF investigations, data on the number and quality of STRs received and analysed, the use of IT systems, and mechanisms for feedback to reporting entities.

Overall, FIU effectiveness under both IO.6 and IO.2 is judged not by the existence of laws, policies or systems alone, but by how financial intelligence is actually used in practice, domestically to generate investigative leads, and internationally to support cross-border action.

CROSS-CUTTING ISSUES

According to the FATF Assessment Methodology, the IOs are interconnected and should not be viewed in isolation, as deficiencies or strengths in one area often influence others. For instance, IO.2 and IO.6 both rely heavily on the ability of FIUs to share, receive, and analyse intelligence effectively, meaning weaknesses in collaboration can impact both outcomes. Similarly, IO.6 is closely linked with Immediate Outcome 4, since the quality and timeliness of STRs directly affect how financial intelligence is generated and used. While this project focuses primarily on IO.2 and IO.6, acknowledging these overlaps is important for understanding how overall effectiveness is affected and measured.

Immediate Outcome 2 – International Cooperation

IO.2 has higher ratings amongst Europe II jurisdictions than IO.6, with no jurisdictions receiving a low level of effectiveness rating. 35% of jurisdictions received a moderate rating, while the majority, 61%, were rated as having a substantial rating. One jurisdiction (4%) achieved a high level of effectiveness rating. Overall, the Immediate Outcome has been largely achieved, with most national systems requiring only minor or moderate improvements.

Chart 1: Distribution of IO.2 ratings achieved by Europe II jurisdictions (Percentages).

Chart 2: Distribution of IO.2 ratings achieved by Europe II jurisdictions.

LOW EFFECTIVENESS

There are no Europe II jurisdictions with a low rating for IO2.

MODERATE EFFECTIVENESS

Jurisdictions with a moderate level of effectiveness received satisfactory feedback from foreign counterparts and have actively engaged in other forms of cooperation. Several issues remain, primarily those which contribute to the number of seizures and confiscations based on incoming MLAs being limited. These include:

- **Delay in responding to foreign requests.** These delays often stem from the time needed for domestic authorities or reporting entities to provide the necessary information, which may be undermined by resource constraints.

- **Reactive, rather than proactive, approach to international cooperation.** This manifests mostly directly in the relatively low volume of spontaneous disclosures made to foreign counterparts. FIUs focus on simpler cases or wait for incoming requests, rather than actively seek information or initiate complex international cooperation. Addressing this requires FIUs to systematically seek assistance from foreign counterparts when necessary, and share spontaneous information when relevant.

- **Lack of explicit legal framework allowing FIUs to exchange information with non-counterparts.** This limits the full scope of international cooperation, particularly where it might cause delays in accessing information for complex cases.

- **Absence of clear prioritisation mechanisms for handling requests.** This can lead to delays and reduction of the overall efficiency of international cooperation. FIUs should implement a clear procedure for prioritising incoming requests and ensuring secure data handling procedures.

- **Absence of formalised feedback structures.** Limits opportunities for FIUs to refine their international cooperation practices. They should implement feedback mechanisms with international counterparts.

SUBSTANTIAL EFFECTIVENESS

Jurisdictions with a substantial level of effectiveness have seen most weaknesses previously identified resolved or become strengths, with some limitations. Many countries with this rating are members of the Egmont Group, an international network of FIUs that facilitates secure information exchange. Through the Egmont Secure Web, these FIUs can confidentially share financial intelligence with counterparts globally. It provides a forum for collaboration more broadly, ensuring that international issues are jointly tackled. This platform, alongside systems for minimising delays and errors, ensures resilience and operational efficiency.

Observed deficiencies continue to be:

- **Lower frequency of spontaneous disclosures by FIUs.** FIUs remain limited in their proactive engagement and should seek to disseminate spontaneous disclosures based on the recommendations of operational and strategic analysis.

- **Inconsistency and length of response times.** Taking several months to respond to a request, while often understandable given resource constraints, can compromise the timelines of investigations and the overall effectiveness of international cooperation. Triage and prioritisation systems should be in place to manage this.

- **Strengthening internal data management and analysis capabilities.** These steps will enhance the FIU's operational autonomy. Investing in key tools and technologies, developing legal prerequisites, and organisational restructuring can all be useful steps to improve these processes.

HIGH EFFECTIVENESS

Only one jurisdiction attained a high level of effectiveness.

- **No legislative or practical impediments.** International cooperation provided and sought is aligned with the jurisdiction's risk profile and there no legal boundaries that hinders its' effectiveness.

- **Proactive use of MOUs.** The jurisdiction has proactively signed numerous MOUs with foreign counterparts enabling the seamless exchange of financial intelligence.

- **Proactive dissemination of information.** Information is often shared spontaneously with international partners, rather than waiting for formal requests. This proactive approach helps in the early detection of ML and TF operations.

- **Structured systems to handle international requests.** The jurisdiction can respond within days to requests, significantly reducing the time lag that can impede investigations.

- **Actively engaged in tracing and freezing criminal assets.** The jurisdiction leverages its established operational systems to trace and freeze criminal assets, particularly in collaboration with high-risk countries where financial crimes are more prevalent.

IO.2 - Most Common Typologies

This section provides an overview of the common weaknesses, strengths, and recommended actions identified across Core Issues 2.1, 2.2, 2.3 and 2.4 under IO.2 of the FATF standards.

Core Issue 2.1

Core Issue 2.1 focuses on the extent to which a country's national AML/CFT policies and activities are informed by risks, and whether there is a comprehensive and coordinated approach across competent authorities. It assesses whether countries identify, assess, and understand their ML/TF risks, develop policies and strategies to mitigate those risks, and allocate resources accordingly. It also considers the extent of domestic coordination and cooperation to ensure risk-based AML/CFT frameworks are effectively implemented.

WEAKNESSES

Weaknesses under Core Issue 2.1 primarily relate to delays in handling foreign requests. In low effectiveness rated jurisdictions, no common typologies were identified. In moderate effectiveness, delays arise from lengthy domestic information gathering processes and the absence of prioritisation mechanisms, reducing international cooperation efficiency. Difficulties in accessing information on complex legal structures or criminal records further slow responses. In substantial and high effectiveness, no common typologies were identified.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
No common typologies identified.	Delays in responding to foreign requests due to time required for domestic information gathering and lack of prioritisation mechanisms, affecting international cooperation efficiency. Delays in responding to requests due to difficulties accessing information on complex legal structures or criminal records.	No common typologies identified.	No common typologies identified.

TABLE 2: COMMON STRENGTHS IDENTIFIED UNDER CORE ISSUE 2.2 BY LEVEL OF EFFECTIVENESS.

STRENGTHS

Strengths under Core Issue 2.1 are limited but highlight efficiency in response practices. In low effectiveness, substantial and high rated jurisdictions, no common typologies were identified. In moderate effectiveness, jurisdictions demonstrate a general 30-day response time for international requests, with expedited handling for urgent cases.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
No common typologies identified.	General 30-day response time for international requests, with expedited handling of urgent requests.	No common typologies identified.	No common typologies identified.

TABLE 3: COMMON STRENGTHS IDENTIFIED UNDER CORE ISSUE 2.1 BY LEVEL OF EFFECTIVENESS.

RECOMMENDED ACTIONS

Recommended actions under Core Issue 2.1 focus on improving timeliness and access to information for international cooperation. In low effectiveness rated jurisdictions, no common typologies were identified. In moderate effectiveness, actions include adding guidelines to ensure incoming MLA requests for Ultimate Beneficial Ownership (UBO) information are processed after verification and coordination with relevant authorities, as well as simplifying access to information on complex legal structures and criminal records to reduce delays in foreign responses. In substantial effectiveness, jurisdictions are encouraged to use new FIU legislation to provide requested information, including beneficial ownership details, at the pre-investigative stage prior to MLA. In high effectiveness, no common typologies were identified.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
No common typologies identified.	Adding a guideline to ensure that an incoming MLA for UBO information is processed after verification, including coordination with relevant authorities and the FIU. Simplifying access to information on complex legal structures and criminal records to reduce delays in responding to foreign requests.	Using the new FIU Law to effectively provide requested information, including beneficial ownership details, in the pre-investigative stage prior to MLA, is important.	No common typologies identified.

TABLE 4: COMMON RECOMMENDED ACTIONS IDENTIFIED UNDER CORE ISSUE 2.1 BY LEVEL OF EFFECTIVENESS.

Core Issue 2.2

Core Issue 2.2 focuses on the extent to which countries provide constructive and timely international cooperation to support AML/CFT objectives. It assesses whether competent authorities, including FIUs, LEAs, and supervisors, can proactively request, provide, and use international assistance to investigate ML, TF, and related predicate offences. It also considers whether cooperation mechanisms effectively prevent crimes, trace criminal proceeds, and support asset recovery, while ensuring that legal and operational frameworks do not create unnecessary barriers or delays.

WEAKNESSES

Weaknesses under Core Issue 2.2 reflect shortcomings in proactive engagement and prioritisation. In low effectiveness rated jurisdictions, no common typologies were identified. In moderate effectiveness, FIUs demonstrate limited proactivity in initiating requests and engaging in complex cooperation efforts. In substantial effectiveness, an inadequate focus on high-risk areas such as corruption-related ML creates critical gaps in international cooperation. In high effectiveness, legal requirements for foreign FIU consent delay domestic investigations, undermining efficiency.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
No common typologies identified.	Limited proactivity in initiating requests and engaging in complex cooperation efforts.	Inadequate focus on high-risk areas like corruption-related ML, leading to critical gaps.	Legal requirements for foreign FIU consent, delaying domestic investigations.

TABLE 5: COMMON WEAKNESSES IDENTIFIED UNDER CORE ISSUE 2.2 BY LEVEL OF EFFECTIVENESS.

STRENGTHS

Strengths under Core Issue 2.2 highlight the contribution of international cooperation to crime prevention and asset recovery. In low effectiveness, substantial effectiveness and high effectiveness rated jurisdictions, no common typologies were identified. In moderate effectiveness, FIUs make use of international cooperation to prevent crimes, freeze assets, and support investigations.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
No common typologies identified.	Use of international cooperation to prevent crimes, freeze assets, and support investigations.	No common typologies identified.	No common typologies identified.

TABLE 6: COMMON STRENGTHS IDENTIFIED UNDER CORE ISSUE 2.2 BY LEVEL OF EFFECTIVENESS.

RECOMMENDED ACTIONS

Recommended actions under Core Issue 2.2 emphasise strengthening FIU proactivity and reducing barriers in international cooperation. In low effectiveness rated jurisdictions, no common typologies were identified. In moderate effectiveness, actions include systematically seeking foreign assistance, sharing information spontaneously, and expanding FIU powers to obtain information without an STR. In substantial effectiveness, recommended actions focus on prioritising high-risk areas such as corruption-related ML, resourcing FIU international teams, and proactively supporting international cooperation, including asset tracing and confiscation. In high effectiveness, actions highlight streamlining legal processes to reduce delays from foreign FIU consent requirements, developing policies for proactive foreign engagement in multi-jurisdictional cases, and strengthening internal resources to reduce reliance on external sources.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
No common typologies identified.	Ensuring that the FIU systematically seeks foreign assistance and shares relevant information spontaneously, and expanding its powers to obtain information from financial intermediaries without an STR.	Prioritise high-risk areas, such as corruption-related ML, to close critical gaps in international cooperation. Implementing recommended actions, increasing FIU international team resources, and proactively seeking and supporting international cooperation is crucial. Taking a proactive approach to formal and informal cooperation with foreign counterparts for investigating ML, tracing assets, and seizing proceeds of crime is a key responsibility for the FIU and LEAs.	Streamline legal processes to reduce delays caused by foreign FIU consent requirements in domestic investigations. Developing written policies to systematically and proactively seek foreign assistance, especially for multi-jurisdictional ML cases. Strengthen internal resources and reduce dependency on external sources to enhance proactive information exchange and improve the detection of ML/TF offences.

TABLE 7: COMMON RECOMMENDED ACTIONS IDENTIFIED UNDER CORE ISSUE 2.2 BY LEVEL OF EFFECTIVENESS.

Core Issue 2.3

Core Issue 2.3 focuses on whether FIUs and other competent authorities have access to appropriate resources, secure channels, and institutional independence to engage effectively in international cooperation. It assesses the extent to which jurisdictions proactively initiate and respond to cross-border information requests, use established platforms such as the Egmont Group and MOUs to exchange information securely, and contribute meaningfully to the detection, investigation, and prosecution of ML, TF, and related predicate offences. It also considers whether reliance on external systems, resource limitations, or suspensions from international networks create barriers to timely and effective cooperation.

WEAKNESSES

Weaknesses under Core Issue 2.3 reflect resource and structural constraints that limit proactive international cooperation. In low effectiveness rated jurisdictions, no common typologies were identified. In moderate effectiveness, jurisdictions face resource shortages that hinder proactive engagement and increase dependence on foreign counterparts. In substantial effectiveness, FIUs show limited initiative in international cooperation, relying heavily on external databases that cause delays, reduce autonomy, and introduce inaccuracies; in some cases, suspensions from networks such as the Egmont Group severely undermine cooperation. In high effectiveness, weaknesses include continued dependence on external sources and constrained resources, which limit proactive information exchange and slow responses to international requests.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
No common typologies identified.	Resource constraints hindering proactive engagement, coupled with dependence on foreign counterparts' responsiveness.	Limited proactivity in initiating international cooperation and heavy reliance on external databases, causing delays, reducing autonomy, and resulting in data inaccuracies and discrepancies. Suspensions from international networks (e.g., Egmont Group) severely impacting cooperation.	Dependence on external sources and limited resources hindering proactive information exchange and ML/TF offence detection, causing delays in international request responses.

TABLE 8: COMMON WEAKNESSES IDENTIFIED UNDER CORE ISSUE 2.3 BY LEVEL OF EFFECTIVENESS.

STRENGTHS

Strengths under Core Issue 2.3 highlight secure and effective channels for international cooperation. In low effectiveness rated jurisdictions, no common typologies were identified. In moderate effectiveness, jurisdictions demonstrate secure information exchange through Egmont Group membership and MOUs, enabling collaboration on cross-border ML/TF threats. In substantial effectiveness, strengths include the use of Egmont Secure Web and internal portals to ensure confidentiality, extensive access to public and private sector databases, international collaboration with bodies such as Interpol and Europol, and strong capability to obtain critical financial information supporting investigations. In high effectiveness, Egmont Group membership facilitates seamless, secure exchanges without reliance on bilateral agreements.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
No common typologies identified.	Secure information exchange through Egmont Group membership and formalised cooperation via MOUs, with effective collaboration on cross-border ML/TF threats.	Egmont Group membership and use of secure platforms (Egmont Secure Web, goAML) facilitate confidential information exchange and global collaboration through participation in international forums. Extensive access to public and private sector databases, along with international collaboration with Interpol, Europol, and others, enhances intelligence gathering. Capability to obtain critical financial information supporting investigations.	Egmont Group membership enabling secure, efficient information exchange without needing bilateral agreements.

TABLE 9: COMMON STRENGTHS IDENTIFIED UNDER CORE ISSUE 2.3 BY LEVEL OF EFFECTIVENESS.

RECOMMENDED ACTIONS

Recommended actions under Core Issue 2.3 emphasise improving the proactivity and independence of FIUs in international cooperation. In low, moderate and high effectiveness rated jurisdictions, no common typologies of recommended actions were identified. In substantial effectiveness, jurisdictions are advised to enhance proactivity in initiating international cooperation by reducing reliance on external databases and strengthening data accuracy and timeliness.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
No common typologies identified.	No common typologies identified.	Enhance proactivity in initiating international cooperation by reducing dependence on external databases and improving data accuracy and timeliness.	No common typologies identified.

TABLE 10: COMMON RECOMMENDED ACTIONS IDENTIFIED UNDER CORE ISSUE 2.3 BY LEVEL OF EFFECTIVENESS.

Core Issue 2.4

Core Issue 2.4 focuses on the extent to which FIUs and competent authorities provide constructive and timely international cooperation in response to requests from foreign counterparts and through proactive or spontaneous information sharing. It assesses whether jurisdictions have adequate legal frameworks, resources, and operational systems to facilitate secure, confidential, and effective exchanges of information. It also considers the timeliness, quality, and proactivity of cooperation, the ability to manage large request volumes, and the degree to which authorities support joint or parallel investigations, asset tracing, and recovery efforts in cross-border ML/TF cases.

WEAKNESSES

Weaknesses under Core Issue 2.4 reflect systemic and operational shortcomings in international cooperation. In low effectiveness rated jurisdictions, no common typologies were identified. In moderate effectiveness, weaknesses include the absence of legal frameworks for non-counterpart information exchange, coupled with classification, security, and feedback gaps, resulting in a reactive approach. In substantial effectiveness, FIUs show low levels of spontaneous disclosures, inconsistent or lengthy response times, and resource constraints. Additional challenges include disruptions from restructuring, legal prerequisites (e.g., MOUs), underuse of advanced tools, and inconsistent law enforcement follow-up on forwarded requests. In high effectiveness, weaknesses include extended delays caused by absent prioritisation mechanisms and limited proactive information sharing, both of which undermine timely and effective transnational crime prevention.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
No common typologies identified.	Absence of legal frameworks for non-counterpart information exchange, along with issues related to information classification, security, and lack of formalised feedback mechanisms, indicating a reactive approach.	Low frequency of spontaneous disclosures, inconsistent and lengthy response times, and staff/resource limitations affecting request management and operational efficiency. Disruptions from organisational restructuring, delays due to MOUs and legal prerequisites, and underutilisation of advanced international cooperation tools, limiting effectiveness in transnational investigations. Domestic law enforcement not consistently following up on forwarded requests.	Extended delays in providing requested information due to lack of prioritisation mechanisms, affecting cooperation timeliness and efficiency. Limited proactive information sharing, weakening transnational crime prevention.

TABLE 11: COMMON WEAKNESSES IDENTIFIED UNDER CORE ISSUE 2.4 BY LEVEL OF EFFECTIVENESS.

STRENGTHS

Strengths under Core Issue 2.4 highlight FIUs' growing efficiency in international cooperation. In low effectiveness rated jurisdictions, no common typologies were identified. In moderate effectiveness, FIUs support investigations through spontaneous dissemination, use of MOUs and secure channels, and asset tracing, with positive feedback from counterparts. In substantial effectiveness, strengths include information exchange with or without MOUs, structured systems to handle high volumes, proactive dissemination, faster response times, and increased resourcing. FIUs also show resilience in complex cases, including PEPs (Politically Exposed Person), and support joint investigations. In high effectiveness, FIUs demonstrate extensive MOUs, urgent request handling within days, diagonal cooperation, and strong asset tracing efforts, particularly with high-risk countries.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
No common typologies identified.	Spontaneous dissemination of information aiding international investigations, supported by MOUs and secure communication measures ensuring confidentiality, with positive feedback from international counterparts on request handling. Active in tracing and freezing assets linked to criminal activities, supporting international recovery efforts.	Information exchange occurs with and without MOUs, with numerous MOUs enhancing cooperation and structured systems managing high volumes of requests efficiently through specialised departments. Proactive financial intelligence dissemination, improved response times (often within days), and increased staff and resources reduce response delays and provide operational support for domestic law enforcement. Resilience and adaptability in complex investigations, including high-profile cases and PEPs, alongside active support for joint investigations and positive feedback from counterparts on cooperation quality and timeliness.	Numerous MOUs signed, with proactive spontaneous information dissemination and structured systems for handling urgent requests, often within days. Diagonal cooperation, assisting foreign FIUs on behalf of national authorities. Handling high volumes of requests and actively tracing and freezing criminal assets in global AML/CFT efforts, particularly with high-risk countries.

TABLE 12: COMMON STRENGTHS IDENTIFIED UNDER CORE ISSUE 2.4 BY LEVEL OF EFFECTIVENESS.

RECOMMENDED ACTIONS

Recommended actions under Core Issue 2.4 emphasise timeliness, proactivity, and stronger frameworks for information exchange. In low effectiveness rated jurisdictions, no common typologies were identified. In moderate effectiveness, actions focus on substantially improving FIU response times, ensuring timely access to LEA information, and developing legal frameworks for non-counterpart exchanges with safeguards for classification, security, and feedback. In substantial effectiveness, recommendations include increasing spontaneous disclosures, systematic intelligence sharing, reducing response times through prioritisation, seeking counterpart feedback, and improving domestic LEA follow-up. In high effectiveness, jurisdictions are encouraged to refine systems further by establishing formal prioritisation criteria for handling foreign requests.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
No common typologies identified.	Substantially improving the FIU's response time to international cooperation requests and ensuring timely provision of information held by LEAs and other state authorities is essential. Developing legal frameworks for non-counterpart information exchange, addressing classification, security, and feedback mechanisms to transition from a reactive to a proactive approach.	Increasing the number of spontaneous disclosures arising from operational and strategic analysis, and systematically sharing relevant intelligence with foreign counterparts, is essential for addressing transnational ML/TF risks. Proactively and spontaneously disclosing financial intelligence to foreign counterparts and reducing average response time by introducing prioritisation procedures should be a focus for the FIU. Continuously sharing spontaneous reports, seeking feedback on their utility, and prioritising resources to improve operational efficiency is recommended. Strengthen coordination with domestic law enforcement to ensure timely and consistent follow-up on forwarded international requests.	Establishing formal prioritisation criteria for foreign requests should be a priority.

TABLE 13: COMMON RECOMMENDED ACTIONS IDENTIFIED UNDER CORE ISSUE 2.4 BY LEVEL OF EFFECTIVENESS.

Immediate Outcome 6 – Financial Intelligence

6 out of 23 (26%) of Europe II jurisdictions received either a "high" or "substantial" rating for IO.6. (65%) jurisdictions received a "moderate" rating, and 2 (9%) received a "low" rating. This clearly indicates that the majority of jurisdictions have only achieved this IO to some extent or to a negligible extent, requiring major or fundamental improvements to their national systems.

Chart 3: Distribution of IO.6 ratings achieved by Europe II jurisdictions (Percentages).

Chart 4: Distribution of IO.6 ratings achieved by Europe II jurisdictions.

LOW EFFECTIVENESS

The practical implementation of the horizontal elements varies widely across different levels of effectiveness. Analysis demonstrates that LE rated jurisdictions implement horizontal elements to a negligible extent.

Key issues include:

- **Low quality of STRs submitted by reporting entities.** Often due to defensive reporting practices which involves the submission of reports to avoid liability, rather than provide actionable information. This overwhelms the system with a high volume of reports which lack suspicion of any criminality. To address this issue, jurisdictions can conduct sector-specific analyses to identify specific challenges and improve reporting quality. This can be supplemented by delivering guidance and training to reporting entities.

- **Limited resources available to FIUs and LEAs.** This constrains their ability to conduct thorough analyses and investigations, producing intelligence products of little value to ongoing cases. FIUs require the adequate allocation of financial, human, and technological resources to help enhance the quality of depth of their analyses.

- **Underutilisation of financial intelligence from FIUs in ML investigations.** LEAs do not prioritise cases based on FIU disseminations, reflecting a lack of emphasis on the importance of financial intelligence in combating ML/TF and related offences. This is often compounded by a lack of proactive approaches in pursuing complex ML cases, particularly those with foreign predicates. Enhancing inter-agency collaboration, conducting regular outreach programmes, and strengthening communication channels between LEAs and FIUs will encourage the integration of financial intelligence into investigations.

- **Significant gap in conducting parallel financial investigations, particularly for foreign predicate offences.** Investigations are limited to supporting domestic prosecutions or confiscation proceedings, which creates gaps in international AML efforts. Reviewing and streamlining processes to integrate parallel financial investigations into broader ML strategies may be necessary. Improving in this area is often dependent on implementing other recommendations (enhancing reporting quality, improving resource allocation, inter-agency cooperation).

MODERATE EFFECTIVENESS

Under a moderate effectiveness rating, horizontal elements have been implemented to some extent. Compared to a low rating, some key weaknesses may remain, but others have been addressed and evolved into strengths.

Key issues include:

- **Continued resource limitations.** Although authorities will use financial intelligence to identify leads, trace criminal proceeds, and support ML/TF investigations, it may not always be used consistently. This is partly due to the continued lack of resources FIUs are able to exploit to produce analysis, reports, and other intelligence products. Linked to this is a need to preserve institutional memory through the production of FIU handbooks and the reduction of staff turnover, retaining expertise and continuity.

- **Continued issues with the consistency, quality and quantity of STRs.** This variation may be sectoral: for instance, Designated Non-Financial Businesses and Professions (DNFBPs) in particular might produce lower quality reports. The absence of standardised guidelines for reporting entities often results in financial intelligence that is insufficient for supporting investigations. Engaging the private sector through training, feedback, and awareness campaigns is a critical component of improved reporting.

- **Legal and systemic gaps.** This might include a high threshold for court orders and/or the absence of specific guidelines, which leads to an overemphasis on predicate offences rather than directly targeting ML/TF and can impede the use of financial intelligence. Legal and procedural reforms may be necessary to empower FIUs and allow them to share data with LEAs seamlessly.

- **Capacity to sign MOUs.** Giving FIUs the ability to sign MOUs will facilitate international cooperation through information exchange agreements. Communication on issues of shared concern is fundamental to ensuring cross-jurisdictional cases are investigated effectively. Lacking this, more fragmented approaches are deficient in communicating critical information and preventing timely analysis.

- **Empowering LEAs.** The efficacy of FIUs depends on LEAs to a large extent. Strengthening their capacity to enhance STR and intelligence product prioritisation processes, border controls, and engage in inter-agency collaboration will substantially improve the detection, prevention and prosecution of ML/TF.

SUBSTANTIAL EFFECTIVENESS

A substantial effectiveness rating suggests that horizontal elements are largely implemented in practice. Weaknesses have evolved into strengths, FIUs produce high-quality intelligence and analysis, regular and productive co-operation and communication between FIUs and LEAs occur.

Some key issues that may persist into this rating include:

- **Inadequate filing of STRs from DNFBPs and other sectors.** This issue might persist due to limited awareness within these sectors, affecting the quality and comprehensiveness of financial intelligence. Outreach and training remain key means of engagement with underreporting sectors.

- **Refining feedback loops between FIUs, reporting entities, and LEAs.** Feedback is a critical part of communication between these three groupings, allowing each to understand what financial intelligence produced is actionable and why. It might also help different entities understand or contextualise difficulties in the process from reporting to prosecution or confiscation, which in turn can allow them to develop actionable recommendations.

- **Quick and easy access to databases and information.** The ability to gather and obtain information from key stakeholders and repositories in a timely manner can have a material impact on the quality and impact of intelligence products. Granting FIUs the legal power to directly access relevant databases will enhance operational capabilities, though this also depends on databases being adequately updated and maintained.

HIGH EFFECTIVENESS

Only one jurisdiction has attained this rating across the Europe II MERs. Financial intelligence is used regularly to identify leads, develop evidence, and trace criminal proceedings related to ML, TF and associated predicate offences. The FIU has a well-developed IT system, trained analysts, and co-ordinates extensively with LEAs. Intelligence products are of a high-quality and meet operational demands, supporting investigations and confiscations. The FIU disseminates financial intelligence both spontaneously and on request, facilitated by access to comprehensive databases.

IMPROVEMENTS THAT MIGHT STILL BE IMPLEMENTED INCLUDE:

- **Developing strategic analysis.** Producing sophisticated and wide-ranging strategic analysis based on STRs and observed patterns in reporting will allow FIUs to effectively identify emerging ML and TF trends, allowing them to seize on opportunities for proactive measures. Without this, opportunities may be missed.

- **Enhancements in information-sharing.** This improvement might involve ensuring access to necessary intelligence for all relevant parties, and ensuring mechanisms allow and facilitate seamless access to intelligence in a timely manner.

IO.6 - Most Common Typologies

This section provides an overview of the common weaknesses, strengths, and recommended actions identified across Core Issues 6.1, 6.2, 6.3 and 6.4 under IO.6 of the FATF standards.

Core Issue 6.1

Core Issue 6.1 focuses on whether the FIU and other competent authorities can access a wide range of relevant financial and non-financial information (which include STRs, cash transaction reports and cross-border declarations) to perform their functions effectively. It also considers whether this information is accurate, up to date, and available in a timely manner to support analysis, investigations, and decision-making.

WEAKNESSES

Core Issue 6.1 weaknesses reflect challenges in FIU access to and use of financial and non-financial information. In low effectiveness rated jurisdictions, many STRs are of poor quality, often filed defensively to avoid liability, while FIUs and LEAs lack sufficient staff and technology for proper analysis and investigations. In moderate effectiveness, resource constraints persist and STRs, particularly from non-financial sectors, remain inconsistent due to absent guidance. In substantial effectiveness, weak awareness and compliance by DNFBPs and other sectors reduce the overall quality of intelligence, while FIUs and LEAs continue to face resource limitations that hinder analysis. In high effectiveness, no common typologies of weaknesses are observed.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
Many STRs are low quality, filed defensively to avoid liability. FIU and LEAs lack sufficient staff and technology for thorough analysis and investigations.	Resource limits (human, financial, technological) restrict FIU and LEA analyses. STRs are inconsistent, especially from non-financial sectors, due to missing guidelines.	Weak awareness and compliance by DNFBPs and other sectors lead to inadequate STRs, reducing intelligence quality. FIU and LEAs remain resource-constrained, limiting effective analysis and investigations.	No common typologies identified.

TABLE 14: COMMON WEAKNESSES IDENTIFIED UNDER CORE ISSUE 6.1 BY LEVEL OF EFFECTIVENESS.

STRENGTHS

Strengths under Core Issue 6.1 emphasise FIU access and use of financial intelligence. In low effectiveness rated jurisdictions, no common strengths were identified. In moderate effectiveness, FIUs maintain STR databases accessible to multiple LEAs, integrating financial, administrative, and law enforcement data. In substantial effectiveness, FIUs access a wide range of databases and registries, supported by legal frameworks and MOUs. In high effectiveness, FIUs regularly use financial intelligence with strong IT systems, trained analysts, and direct access to registries, strengthening investigative capacity and ML/TF casework.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
No common typologies identified.	The FIU maintains STR databases accessible to multiple LEAs, enhancing intelligence by integrating financial, administrative, and law enforcement data..	The FIU accesses a wide range of financial, law enforcement, and administrative data through databases and registries, supported by legal frameworks and MOUs.	The FIU regularly uses financial intelligence with a strong IT system and trained analysts. Investigative capacity is strengthened by the FIU's comprehensive database and direct access to government registries.

TABLE 15: COMMON STRENGTHS IDENTIFIED UNDER CORE ISSUE 6.1 BY LEVEL OF EFFECTIVENESS.

RECOMMENDED ACTIONS

Recommended actions under Core Issue 6.1 aim to improve FIU resourcing and reporting quality. In low effectiveness rated jurisdictions, recommended actions note that jurisdictions should allocate sufficient financial, human, and technological resources and conduct sector-specific analysis. In moderate effectiveness, recommended actions include ensuring adequate staffing and IT capacity, timely access to key databases, and better reporting mechanisms. At the substantial level, recommended actions include reducing staff turnover, preserving institutional memory, prioritising STR handling, and engaging the private sector through training and guidance. In high effectiveness, no common recommended actions were identified, reflecting systems already operating effectively.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
Allocating financial, human, and technological resources to the FIU and conducting sector-specific analysis would improve reporting quality.	Ensuring sufficient human and IT resources is essential for managing workloads, improving efficiency, and accessing land registry, tax, and other databases for timely information. Strengthening reporting mechanisms and updating processes improves STR accuracy, timeliness, and quality. Reducing staff turnover, preserving institutional memory through manuals, strengthening Customs, prioritising STR handling, and engaging the private sector with training and guidelines enhances overall effectiveness. Providing sufficient human and IT resources is essential to manage workloads, improve efficiency, and access land registry, tax, and other databases. Strengthening reporting, reducing staff turnover, preserving institutional memory, and engaging the private sector through training will improve STR Quality and timeliness.	Adequate human and IT resources should be ensured for the FIU and related entities to manage workloads efficiently. Reducing staff turnover and preserving institutional memory via career development and FIU handbooks supports institutional stability. Enhanced FIU and LEA access to land registry, tax, and other databases supports timely information gathering, while stronger reporting mechanisms and system updates improve STR Quality.	No common typologies identified.

TABLE 16: COMMON RECOMMENDED ACTIONS IDENTIFIED UNDER CORE ISSUE 6.1 BY LEVEL OF EFFECTIVENESS.

Core Issue 6.2

Core Issue 6.2 focuses on the extent to which the FIU's financial intelligence and other information is used by competent authorities to successfully investigate and disrupt ML, TF, and associated predicate offences. It assesses whether disseminated intelligence is relevant, timely, and of sufficient quality to add value to investigations, prosecutions, and confiscations, and whether both operational and strategic analyses contribute effectively to identifying risks, trends, and typologies.

WEAKNESSES

Weaknesses under Core Issue 6.2 highlight analytical and systemic limitations. In low effectiveness rated jurisdictions, FIUs produce limited in-depth analysis, resulting in intelligence of minimal value. LEAs give little priority to FIU disseminations and parallel financial investigations, particularly for foreign predicate offences, are rare. In moderate effectiveness, legal gaps (such as high court-order thresholds and absent guidelines) push focus onto predicate offences rather than ML/TF. In substantial effectiveness, limited LEA feedback restricts FIU process improvement. In high effectiveness, no common typologies were identified.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
The FIU's in-depth analysis is limited, resulting in intelligence products with minimal investigative value. Financial intelligence from the FIU has little impact on ML investigations, as LEAs do not consistently prioritise cases arising from FIU disseminations. Parallel financial investigations are uncommon, particularly for foreign predicate offences, and are generally limited to supporting domestic prosecutions or confiscation proceedings.	Legal gaps, such as high thresholds for court orders and absent guidelines, leads to prioritisation on predicate offences instead of ML/TF.	Limited LEA feedback on disseminated intelligence hinders the FIU's ability to refine processes and improve effectiveness.	No common typologies identified.

TABLE 17: COMMON WEAKNESSES IDENTIFIED UNDER CORE ISSUE 6.2 BY LEVEL OF EFFECTIVENESS.

STRENGTHS

Strengths under Core Issue 6.2 reflect the growing quality and use of financial intelligence. In low effectiveness rated jurisdictions, FIUs enhance cooperation with LEAs and supervisors, improving their role in producing intelligence. In moderate effectiveness, FIUs generate high-quality analytical and strategic reports that support investigations and prosecutions. In substantial effectiveness, FIUs make effective use of STRs to produce strong intelligence, with systematic LEA reliance on this information to build evidence and achieve successful prosecutions. In high effectiveness, FIUs consistently produce and disseminate high-quality intelligence that supports ML/TF investigations, asset tracing, and confiscation, leading to convictions and effective case outcomes.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
The FIU has strengthened its cooperation with LEAs and supervisory authorities, which has enhanced its role in producing financial intelligence.	The FIU produces high-quality analytical reports that support investigations and prosecutions, while also using strategic analysis to better understand and address ML/TF risks, though effectiveness varies. Financial intelligence has contributed to high-profile cases resulting in successful prosecutions and convictions.	The FIU produces high-quality intelligence and analysis, making effective use of STRs to initiate and support investigations. The FIU and LEAs systematically use financial intelligence to build evidence for ML and TF cases, with proactive dissemination of reports contributing to successful investigations and prosecutions.	The FIU produces high-quality financial intelligence and analysis that effectively supports LEAs in ML and TF investigations, as well as in asset tracing and confiscation. The FIU regularly disseminates financial intelligence, both spontaneously and upon request, contributing to successful prosecutions and convictions for ML/TF and related predicate offences.

TABLE 18: COMMON STRENGTHS IDENTIFIED UNDER CORE ISSUE 6.2 BY LEVEL OF EFFECTIVENESS.

RECOMMENDED ACTIONS

Recommended actions under Core Issue 6.2 focus on enhancing FIU analytical capacity and the systematic use of financial intelligence. In low effectiveness rated jurisdictions recommended actions note that jurisdictions should develop handbooks and provide ongoing training. In moderate effectiveness, recommended actions include that FIUs should strengthen operational and strategic analysis with better methods, data, and LEA guidance. Ensuring adequate resourcing, mitigating staff turnover, and enhancing private-sector engagement to improve STR quality should also be prioritised. In substantial effectiveness, actions emphasise creating feedback loops with LEAs and reporting entities. In high effectiveness, systems should be introduced to track financial intelligence use, by case count.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
Developing handbooks and providing ongoing training to strengthen FIU capacity.	Enhancing operational and strategic analysis through improved methods, data use, and systematic application of financial intelligence in proceeds-generating crime investigations with LEA guidance and training. Reducing staff turnover and preserving institutional memory through manuals, strengthening Customs, adequately resourcing the FIU, prioritising STRs, and engaging the private sector via training and guidelines.	Strengthen operational and strategic analysis with better methodologies and data, and establish FIU, reported and LEA feedback loops to improve financial intelligence and STR quality	Establish a uniform system to track financial intelligence use by case count rather than request volume.

TABLE 19: COMMON RECOMMENDED ACTIONS IDENTIFIED UNDER CORE ISSUE 6.2 BY LEVEL OF EFFECTIVENESS.

Core Issue 6.3

Core Issue 6.3 focuses on the extent to which the FIU and other competent authorities effectively cooperate and coordinate with one another to ensure the timely exchange and secure use of financial intelligence. It considers whether established mechanisms, formal agreements, and communication channels support joint operations, information sharing, and operational decision-making, and whether both public and private sector engagement contributes to improved analysis, investigation, and disruption of ML, TF, and related predicate offences.

WEAKNESSES

In respect of Core Issue 6.3, common weaknesses vary by effectiveness rating. In low effectiveness rated jurisdictions, defensive reporting is prevalent, producing low-quality STRs that often lack clear ML/ TF suspicions. In moderate and substantial effectiveness, jurisdictions frequently face coordination gaps between the FIU and other authorities, reflecting the need for stronger cooperation and information exchange. In high effectiveness, no common typologies were identified.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
Defensive reporting produces low-quality STRs, with many lacking clear ML/TF suspicion.	Coordination gaps between the FIU and other authorities highlight the need for stronger cooperation and information exchange.	Coordination issues between the FIU and authorities highlight need for stronger cooperation mechanisms.	No common typologies identified.

TABLE 20: COMMON WEAKNESSES IDENTIFIED UNDER CORE ISSUE 6.3 BY LEVEL OF EFFECTIVENESS.

STRENGTHS

Strengths under Core Issue 6.3 highlight the role of cooperation and secure information sharing. In low effectiveness rated jurisdictions, cooperation with LEAs and supervisors improves information flow, while confidentiality is maintained through secure systems. In moderate effectiveness, successful cooperation is seen through joint operations and public private partnerships. In substantial effectiveness, intensive cooperation, regular meetings, and formal coordination mechanisms enhance intelligence sharing. In high effectiveness, ongoing coordination through task forces and fusion centers provides strong operational support.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
Cooperation with LEAs and supervisory authorities improves information flow and investigative support. The FIU ensures confidentiality by storing information on secure servers, accessible only to authorised personnel, in compliance with legislation and internal policies.	Effective cooperation between the FIU and LEAs, including joint operations and information exchanges, is supported by strong public private collaboration models.	Intensive cooperation between the FIU and LEAs, with regular meetings and coordination mechanisms, enhances the sharing and use of financial intelligence.	Ongoing coordination between the FIU and LEAs, via task forces and intelligence fusion centers, supports operational activities.

TABLE 21: COMMON STRENGTHS IDENTIFIED UNDER CORE ISSUE 6.3 BY LEVEL OF EFFECTIVENESS.

RECOMMENDED ACTIONS

Common recommended actions under Core Issue 6.3 vary with effectiveness. In low effectiveness rated jurisdictions, they stress improving inter-agency cooperation. In moderate effectiveness, recommended actions focus on strengthening STR confidentiality, electronic security, and expanding FIU powers for cross-border information sharing. In substantial effectiveness, recommended actions highlight quicker FIU access to information, stronger FIU–LEA coordination, and adequate resourcing, including customs. In high effectiveness, recommended actions emphasise refining information sharing mechanisms and ensuring timely access to intelligence for all parties.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
Enhancing inter-agency cooperation through regular outreach to improve collaboration and information sharing.	Strengthening STR confidentiality and securing electronic information systems. Amending laws to allow FIU information sharing with LEAs without court orders, strengthening MOUs with foreign FIUs, and expanding FIU powers to obtain information from financial intermediaries for foreign counterparts, even in the absence of STRs.	Grant FIU legal powers for quicker access to information, ensure protection of STR sources, and strengthen cooperation between FIUs and LEAs, particularly in cross-border cases. Strengthen Customs Departments for border control, ensure adequate resourcing of the FIU, and establish a documented policy for coordination with sectoral supervisors.	Enhance information sharing mechanisms and ensure timely access to necessary intelligence for all relevant parties to strengthen coordination and cooperation.

TABLE 22: COMMON RECOMMENDED ACTIONS IDENTIFIED UNDER CORE ISSUE 6.3 BY LEVEL OF EFFECTIVENESS

Core Issue 6.4

Core Issue 6.4 focuses on the extent to which LEAs and other competent authorities effectively use financial intelligence and other relevant information to investigate and prosecute ML, TF, and associated predicate offences. It considers whether authorities prioritise cases, apply intelligence to develop evidence and trace proceeds, and use strategic and operational analysis to identify risks, emerging trends, and typologies that strengthen AML/CFT enforcement.

WEAKNESSES

In respect of Core Issue 6.4, common weaknesses have been identified throughout low and substantial effectiveness rated jurisdictions. In low effectiveness, LEAs are not proactive in prioritising complex ML cases, particularly those with foreign predicates, and underuse financial intelligence for evidence and asset tracing. In substantial effectiveness, legal and systemic gaps (such as non-criminalisation of certain predicate offences and lengthy court proceedings) hinder effective AML/CFT enforcement. In moderate and high effectiveness, no common typologies of weaknesses were identified.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
LEAs are not proactive in prioritising complex ML cases, particularly those with foreign predicates, and underuse financial intelligence for evidence development and asset tracing.	No common typologies identified.	Legal and systemic gaps, for instance, non-criminalisation of some predicate offences and lengthy court proceedings, complicate effective AML/CFT enforcement.	No common typologies identified.

TABLE 23: COMMON WEAKNESSES IDENTIFIED UNDER CORE ISSUE 6.4 BY LEVEL OF EFFECTIVENESS

STRENGTHS

Core 6.4 common strengths have been identified throughout all the effectiveness ratings. In low effectiveness rated jurisdictions, the FIU aligns its work with national strategies through multi-agency and political engagement. In moderate effectiveness, authorities use financial intelligence to generate leads, build evidence, and trace proceeds, contributing to successful prosecutions, In substantial effectiveness, jurisdictions show strong commitment through awareness, training, outreach, resourcing, and specialised. FIU products are supported by AML/CFT legislation enabling tax information exchange. In high effectiveness, FIU intelligence is widely used by LEAs and security agencies, with positive feedback driving continuous process and system improvements. The FIUs analysis capabilities also enable the identification of ML/TF trends and typologies.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
The FIU aligns its activities with national strategies and policies through multi-agency and high-level political engagement.	Authorities use financial intelligence to generate leads, build evidence, and trace proceeds, supporting successful high-profile prosecutions.	The FIU produces high-quality intelligence for LEAs to develop ML/TF case evidence, supported by AML/CFT legislation for tax information exchange and prosecutions. Commitment to combating ML/TF through awareness, training, outreach, enhanced resources, specialised units, and continuous HR, IT, and budget improvements.	The FIU's analysis capabilities enable identification of ML/TF trends and typologies. Positive LEA and security agency feedback shows high use and effectiveness of FIU intelligence, supporting ongoing process and system improvements.

TABLE 24: COMMON STRENGTHS IDENTIFIED UNDER CORE ISSUE 6.4 BY LEVEL OF EFFECTIVENESS

RECOMMENDED ACTIONS

Recommended actions under Core 6.4 focus on strengthening ML/TF investigations and the systematic use of financial intelligence. In low effectiveness rated jurisdictions, recommended actions note that jurisdictions should review and streamline processes to improve intelligence generation and investigative outcomes. In moderate effectiveness, actions emphasise enhancing operational and strategic analysis through better methodologies, quantitative data, and ensuring systematic application of financial intelligence in proceeds-generating crime investigations, supported by LEA guidance and training. In substantial effectiveness, recommendations call for stronger FIU and LEA cooperation to better support domestic ML/TF cases. In high effectiveness, recommended actions note that authorities are encouraged to expand requests for financial intelligence to cover all predicate offenses, regardless of case complexity, ensuring consistent and comprehensive application.

Low Effectiveness	Moderate Effectiveness	Substantial Effectiveness	High Effectiveness
Review and streamline processes to enhance ML investigations and improve intelligence generation.	Strengthen operational and strategic analysis through improved methodologies, quantitative data, and systematic use of financial intelligence in proceeds-generating crime investigations, supported by LEA guidelines and training.	Enhance cooperation between LEAs and the FIU to strengthen support for domestic ML/TF investigations.	Request financial intelligence for all predicate offences, irrespective of case complexity.

TABLE 25: COMMON RECOMMENDED ACTIONS IDENTIFIED UNDER CORE ISSUE 6.4 BY LEVEL OF EFFECTIVENESS

IO.6 - Most Common SE Rated Strengths

National Cooperation & Coordination 5/5 — 100%

LEA Use of Financial Intelligence 4/5 — 80%

STR Quality 4/5 — 80%

Quality of Disseminated FIU Financial Intelligence Products 3/5 — 60%

IO.6 - Most Common ME Rated Weaknesses

STR Quality 8/15 (53%)

LEA Use of Financial Intelligence 12/15 80%

Strategic Analysis 8/15 (53%)

IO.6 - Key Recommended Actions

Improve Suspicious Activity Reporting

Enhance Operational Analysis

Enhance Strategic Analysis

Effective LEA Use of Financial Intelligence

IO.6 - Horizontal Elements

The section below lists in detail the identified key areas of concern in regards to IO.6 key findings and recommended actions. It provides a full explanation as to what each area of concern means, with key identified strengths, weaknesses and recommended actions related to each effectiveness rating for each area of concern.

LEA Use of Financial Intelligence

DEFINITION

LEA use of financial intelligence refers to the systematic integration of FIU-disseminated intelligence into law enforcement operations to investigate ML, predicate offences, and TF. This involves accessing and applying financial intelligence to develop evidence, trace criminal proceeds, and support both preliminary and ongoing investigations. The operational impact depends not only on the quality and timeliness of FIU disseminations but also on the ability and willingness of LEAs and prosecutors to act upon them.

EFFECTIVENESS-LEVEL FINDINGS

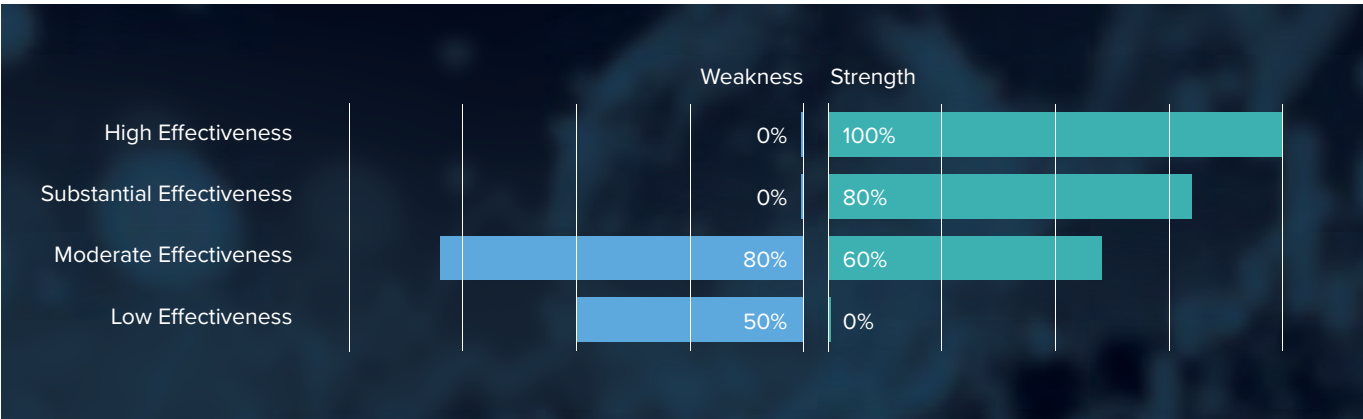|	Weakness	Strength
High Effectiveness	0%	100%
Substantial Effectiveness	0%	80%
Moderate Effectiveness	80%	60%
Low Effectiveness	50%	0%

CHART 5: DISTRIBUTION OF STRENGTHS AND WEAKNESSES IN HORIZONTAL ELEMENT 'LEA USE OF FINANCIAL INTELLIGENCE'.

In weaker systems, FIU products are underutilised, proceeds tracing is limited, and opportunities to initiate ML/TF cases are missed, even when disseminations are of reasonable quality. LEA Use of Financial Intelligence is identified as a weakness in 80% (12/15) of ME and 50% (1/2) of LE rated jurisdictions. In contrast, it is never cited as a weakness in SE or HE rated jurisdictions. It consistently appears as a strength in higher-rated systems, identified in 80% (4/5) of SE and 100% (1/1) of HE rated jurisdictions. Strengths pertaining to this horizontal element were also identified in 60% (9/15) of ME rated jurisdictions.

HORIZONTAL SIGNIFICANCE

LEA use of financial intelligence emerges as a decisive horizontal element in IO.6 evaluations. It is frequently identified as a weakness in ME rated jurisdictions. In contrast, it is consistently identified as a strength in SE rated and HE rated jurisdictions. This suggests it plays a central role in determining whether systems achieve only moderate ratings or progress toward substantial or high effectiveness.

STRENGTHS (SUBSTANTIAL EFFECTIVENESS)

- Authorities regularly use financial intelligence and other relevant information in ML, predicate offence, and TF investigations.

- The use of financial intelligence is at the centre of the jurisdiction's approach to combating crime and terrorism.

- FIU products aid in identifying investigative leads.

- FIU intelligence supports evidence development and asset tracing.

- Positive feedback from LEAs and security agencies confirms high operational value of FIU products.

- A high percentage of FIU products directly contribute to ML and TF investigations.

- FIU intelligence leads to the tracing, seizure, and confiscation of criminal assets.

WEAKNESSES (MODERATE EFFECTIVENESS)

- Limited use of financial intelligence by LEAs in ML investigations.

- FIU analytical products on predicate offences are not fully utilised to support investigations or asset tracing.

- Few FIU disseminations lead to the initiation of investigations, even when the quality of intelligence reports is improved.

- LEAs and prosecution offices do not sufficiently use FIU intelligence to initiate ML cases.

- Disseminated FIU intelligence is underused in the lead up to prosecutions.

RECOMMENDED ACTIONS

- Encourage proactive use of financial intelligence in criminal investigations, including ML, foreign predicate offences, and TF cases.

- Develop and apply guidelines and methodological tools for using FIU intelligence products.

- Provide specialised training on financial intelligence analysis and application.

- Integrate financial intelligence into investigations to ensure timely evidence gathering.

- Align use of FIU products with risks identified in the National Risk Assessment (NRA).

- Promote systematic use of financial intelligence through formal guidance and training, especially in major crime cases.

- Enhance coordination between FIUs, LEAs, and prosecutors to resolve issues that lead to ineffective or unsuccessful use of financial intelligence.

Strategic Analysis

DEFINITION

Strategic analysis refers to the systematic examination of financial intelligence and related data by the FIU to identify ML and TF trends, patterns, and emerging risks. This process involves producing typologies, red flags, and thematic studies to inform LEAs, supervisors, policymakers, and reporting entities. The impact of strategic analysis depends not only on the quality and depth of FIU outputs but also on their alignment with national risk priorities and the capacity of stakeholders to integrate these insights into preventative and operational frameworks.

EFFECTIVENESS-LEVEL FINDINGS

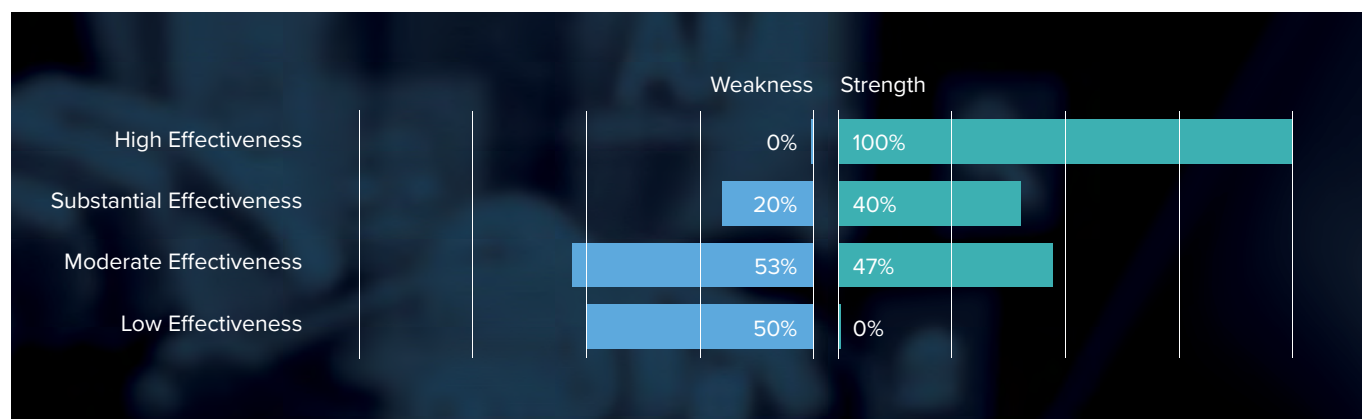|	Weakness	Strength
High Effectiveness	0%	100%
Substantial Effectiveness	20%	40%
Moderate Effectiveness	53%	47%
Low Effectiveness	50%	0%

CHART 6: DISTRIBUTION OF STRENGTHS AND WEAKNESSES IN HORIZONTAL ELEMENT 'STRATEGIC ANALYSIS'.

In weaker systems, FIU strategic analysis is limited in scope, insufficiently aligned with national risk priorities, and lacking in typology development, reducing its value to both LEAs and reporting entities. This theme is identified as a weakness in 53% (8/15) of ME rated jurisdictions and 50% (1/2) of LE rated jurisdictions. In contrast, it is only cited as a weakness in one SE rated jurisdiction (20%) and is absent as a weakness in the HE rated jurisdiction. Strengths pertaining to this horizontal element were also identified in 47% (7/15) of ME rated jurisdictions.

HORIZONTAL SIGNIFICANCE

Strategic analysis emerges as a key horizontal factor influencing IO.6 evaluations. It is more frequently identified as a weakness in ME and LE rated jurisdictions, where limited analytical capacity undermines the risk-based allocation of resources and the development of effective preventative frameworks. This pattern suggests that robust strategic analysis is a critical enabler for jurisdictions to move beyond moderate ratings toward substantial or high effectiveness.

STRENGTHS (SUBSTANTIAL / HIGH EFFECTIVENESS)

- The FIU drafts guidelines and indicators based on analyses of STRs received.

- Strategic analysis produced by the FIU supports the annual update of the reporting criteria, as well as LEAs investigative efforts.

- FIUs have a well-developed IT system to perform strategic analysis and identify ML/TF trends and patterns. This in turn contributes to the FIUs operational functions.

WEAKNESSES (MODERATE EFFECTIVENESS)

- Strategic analytical products for LEAs and reporting entities are insufficient to enhance operational outcomes and preventative systems.

- Current strategic analysis by the financial intelligence unit is limited and lacks adequate typology studies.

- Reporting entities are not sufficiently supported in identifying suspicious activities.

- LEAs are not adequately informed about ML methods and emerging trends.

- Strategic analysis planning lacks a risk-based approach.

- There is poor alignment with the jurisdiction's NRA findings.

- Previously highlighted major issues within the jurisdiction have not been addressed in strategic analyses.

- In higher risk areas, strategic analysis is not adequately developed to identify and disseminate information on ML/TF typologies.

RECOMMENDED ACTIONS

- FIUs should enhance strategic analysis products in line with competent authority priorities.

- Strategic analysis should be developed to support the operational needs of LEAs, Supervisory authorities and other relevant public sector partners.

- Other relevant public sector partners.

- Analysis should identify and reports should highlight trends, typologies and red flags.

- Strategic analysis should consider jurisdictional risks and contexts.

- Findings should be shared with reporting entities to improve detection and prevention.

- FIUs should focus on emerging trends in high-risk areas.

- Strategic analysis should utilise diverse information sources to strengthen accuracy and relevance.

STR Quality

DEFINITION

STR Quality refers to the relevance, accuracy, and usefulness of STRs submitted by reporting entities to the FIU. High-quality STRs contain sufficient, risk-aligned, and meaningful information that enables the FIU to detect, analyse, and disseminate financial intelligence on ML and TF. The impact of STR Quality depends not only on the completeness and timeliness of the reports but also on the extent to which they align with the jurisdiction's risk profile and the ability of FIUs and competent authorities to apply them effectively in operational and supervisory frameworks.
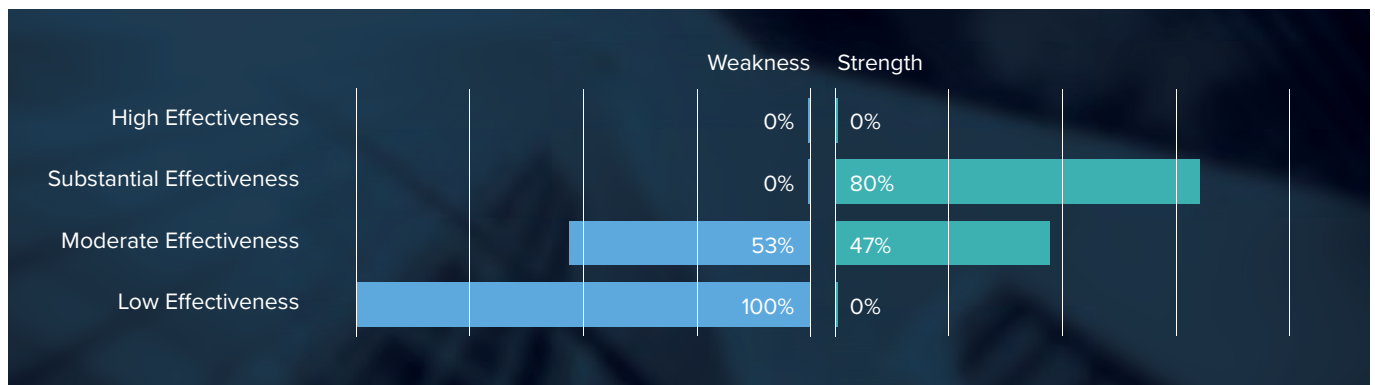
EFFECTIVENESS-LEVEL FINDINGS

CHART 7: DISTRIBUTION OF STRENGTHS AND WEAKNESSES IN HORIZONTAL ELEMENT 'STR QUALITY'.

In weaker systems, the quality of STRs is insufficient to support effective FIU operations, with reports often incomplete, defensive, or misaligned with the jurisdiction's risk profile. This theme is identified as a weakness in 100% (2/2) of LE rated jurisdictions and 53% (8/15) of ME rated jurisdictions. In contrast, it is not identified as a weakness in any SE or HE rated jurisdictions. It is identified as a strength in 47% (7/15) of ME rated jurisdictions and 80% (4/5) of SE rated jurisdictions, though not in the sole High Effectiveness jurisdiction. This suggests that STR Quality is a core deficiency in lower-rated systems and improvements in STR Quality may contribute significantly to jurisdictions advancing toward SE ratings.

HORIZONTAL SIGNIFICANCE

STR Quality emerges as a central horizontal theme in IO.6 evaluations. It is consistently identified as a weakness in LE and ME rated jurisdictions, where deficiencies in report content and alignment undermine the FIU's ability to generate meaningful intelligence. In contrast, it is frequently identified as a strength in SE rated jurisdictions and absent as a weakness in SE and HE rated jurisdictions. This distribution highlights STR Quality as a pivotal determinant in whether jurisdictions remain at ME or progress toward higher ratings.

STRENGTHS (SUBSTANTIAL EFFECTIVENESS)

- Overall quality of STRs is good, with reported activities aligning to the country's risk profile.

- Large quantity of STRs from specific sectors are consistent with the jurisdiction's risk exposure.

- The number of TF related STRs aligns with the jurisdiction's risk profile.

- Reporting entities often consult informally with the FIU before submitting STRs, leading to successful disclosures and investigations.

- Focus on suspicion-based reporting reduces the number of STRs, easing resource strain.

WEAKNESSES (MODERATE EFFECTIVENESS)

- Low quality of STRs from certain sectors remains a concern.

- Fewer STRs are being used to develop disseminations to LEAs.

- It has not been fully demonstrated that STRs align with the jurisdiction's risk profile.

- Ongoing difficulties in STR Quality are evident, particularly in the non-financial sector.

- Poor STR Quality across all reporting sectors continues to be recognised by the jurisdiction.

RECOMMENDED ACTIONS

- Engage with the private sector to strengthen detection of meaningful suspicions.

- Coordinate with competent authorities to enhance STR quantity and quality.

- Provide targeted training, feedback, and awareness programs to diversify STR submissions, including from nonbanks and entities detecting unlicensed money value transfer services.

- Develop clear criteria for CTRs (Cash Transaction Report) to improve suspicious activity reporting.

- Prioritise high-risk sectors with no reported STRs, ensuring coverage gaps are addressed.

- Implement technical improvements and targeted information request mechanisms while safeguarding against tipping-off risks.

- Launch strategic analysis of TF risks to improve STR Quality and timeliness.

- Issue targeted guidelines for high-risk sectors to strengthen reporting practices.

STR Reporting Process

DEFINITION

STR Reporting Process refers to the systems and procedures through which reporting entities submit STRs to the FIU. This involves the prompt, secure, and risk-based transmission of reports that reflect the nature of the relevant sector and its exposure to ML and TF risks. The effectiveness of the reporting process depends not only on the clarity of laws and guidelines but also on the technical means of submission, the timeliness of reporting, and the FIU's ability to provide adequate guidance and training to reporting entities. Weaknesses such as excessive rule-based reporting, insecure transmission methods, and delays in submission can generate large volumes of low-quality reports, placing an undue burden on FIU analysis and undermining the overall value of financial intelligence for competent authorities.

It is important to distinguish between 'STR Quality' and 'STR Reporting Process'. STR Quality refers to the substance and analytical value of the information submitted, while the STR Reporting Process concerns the timeliness, security, and technical systems through which reports are transmitted. Both elements are interdependent but distinct: weaknesses in report content undermine FIU analysis, while flaws in reporting channels reduce the utility of even high-quality submissions.

EFFECTIVENESS-LEVEL FINDINGS

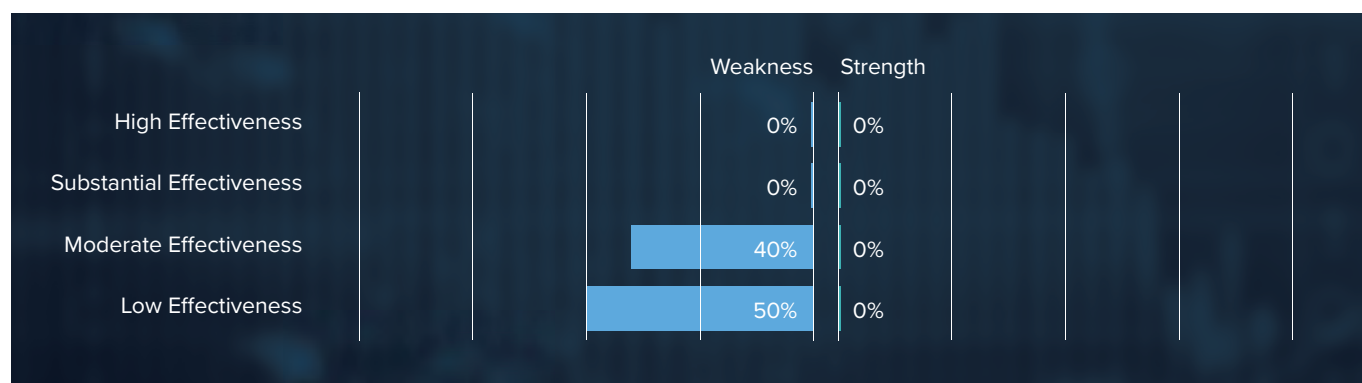|	Weakness	Strength
High Effectiveness	0%	0%
Substantial Effectiveness	0%	0%
Moderate Effectiveness	40%	0%
Low Effectiveness	50%	0%

CHART 8: DISTRIBUTION OF STRENGTHS AND WEAKNESSES IN HORIZONTAL ELEMENT 'STR REPORTING PROCESS'.

In weaker systems, deficiencies in the STR Reporting Process limit the effectiveness of FIU operations, with issues including outdated submission methods, defensive or low-quality reporting, and insufficient engagement by reporting entities. This theme is identified as a weakness in 50% (1/2) of Low Effectiveness jurisdictions and 40% (6/15) of Moderate Effectiveness jurisdictions. In contrast, it is not identified as a weakness in any Substantial or High Effectiveness jurisdictions. The theme is not identified as a strength in any jurisdiction, regardless of rating. This distribution suggests that weaknesses in the STR Reporting Process contribute to jurisdictions remaining at a moderate or low level of effectiveness.

HORIZONTAL SIGNIFICANCE

The STR Reporting Process emerges as a relevant horizontal factor in IO.6 evaluations. It is moderately prevalent as a weakness in ME and LE jurisdictions, where limitations in reporting channels and practices undermine the timeliness, quality, and security of STR submissions. In contrast, it is absent as a weakness in SE and HE jurisdictions, indicating that a functional and reliable reporting process is an underlying condition for jurisdictions to achieve higher levels of effectiveness.

WEAKNESSES (MODERATE EFFECTIVENESS)

- Rule-based regulations have led to a high number of low-quality STRs, complicating the identification of relevant reports.

- STRs are often sent by post or courier, which is not a secure transmission method.

- Technical improvements to the STR Reporting Process are required to enhance the timeliness of FIU operations.

- The private sector's reporting regime is not yet fully effective, raising concerns about the overall exploitation of financial intelligence.

- While some high-quality reports are received, the STR regime requires substantial overhaul to improve the quality of intelligence available to competent authorities.

RECOMMENDED ACTIONS

- Modernise reporting mechanisms by making online STR forms more user-friendly and expanding access to electronic STR filing systems.

- Work closely with supervisory authorities to boost awareness and compliance with STR obligations, particularly among high-risk DNFBPs.

National Cooperation & Coordination

DEFINITION

National Cooperation & Coordination refers to the structured and ongoing collaboration FIUs, LEAs, prosecutorial bodies, supervisory authorities, and other domestic competent authorities to ensure the effective detection, investigation, and prevention of ML and TF. This cooperation involves the timely and secure exchange of financial intelligence, coordinated operational activities, joint task forces, and institutional mechanisms such as MOUs to facilitate communication and information sharing. The effectiveness of national cooperation and coordination depends not only on the existence of formal mechanisms and agreements but also on the actual deployment of these mechanisms in practice, including clear procedures for referrals, notifications, and multi-agency case management. Weaknesses in this area, such as gaps in coordination between FIUs, LEAs, can reduce system efficiency and hinder the full exploitation of financial intelligence.

EFFECTIVENESS-LEVEL FINDINGS

	Weakness	Strength
High Effectiveness	0%	100%
Substantial Effectiveness	20%	1000%
Moderate Effectiveness	7%	47%
Low Effectiveness	0%	100%

CHART 9: DISTRIBUTION OF STRENGTHS AND WEAKNESSES IN HORIZONTAL ELEMENT 'NATIONAL COOPERATION & COORDINATION'.

In weaker systems, mechanisms for cooperation and coordination among competent authorities are either underdeveloped or not fully deployed, which limits the overall efficiency of the AML/CFT framework. The theme appears as a strength in all higher-rated systems, identified in 100% (5/5) of Substantial Effectiveness jurisdictions and 100% (1/1) of High Effectiveness jurisdictions. In Moderate Effectiveness jurisdictions, it is identified in only 47% (7/15) of cases as a strength. This distribution suggests that robust cooperation and coordination among FIUs, LEAs, prosecutors, supervisors, and other domestic authorities are critical enablers of higher performance and effectiveness. Weaknesses pertaining to this horizontal element were also identified in 20% (1/5) of Substantial Effectiveness rated jurisdictions and 7% (1/15) moderate rated jurisdictions. This horizontal element was also identified as a strength in 100% (2/2) low rated jurisdictions.

HORIZONTAL SIGNIFICANCE

National Cooperation & Coordination emerges as a key horizontal factor in IO.6 evaluations. Its absence as a strength in many ME jurisdictions reflects limited institutional collaboration and reduced capacity to exploit financial intelligence fully. In contrast, its consistent identification as a strength in SE and HE jurisdictions indicates it could be one area that is key in achieving the better ratings.

STRENGTHS (SUBSTANTIAL EFFECTIVENESS)

- Strong cooperation and information exchange exist between FIUs, LEAs, prosecutions offices, supervisory bodies and other domestic authorities, supported by MOUs and good practices.

- Intensive communication, including face-to-face meetings, ensures confidentiality and thorough case discussions.

- Institutional mechanisms are in place to ensure timely and confidential exchange of financial intelligence.

Recommendation 29 – Most Common Typologies

Most Europe II jurisdictions performed well on technical compliance with R.29, related to IO6. 91% of Europe II jurisdictions are "Compliant" or "Largely Compliant," 9% are "Partially Compliant," and none are "Non-compliant". These percentages illustrate that only minor deficiencies were identified by the assessment teams.

Chart 10: Distribution of R.29 ratings achieved by Europe II jurisdictions (Percentages).

Chart 11: Distribution of R.29 ratings achieved by Europe II jurisdictions.

PARTIALLY COMPLIANT

2 FIUs within Europe II were rated Partially Compliant with R.29 due to significant deficiencies. The issues identified include insufficient human and technological resources, challenges in analysing STRs, conducting comprehensive strategic analysis, and ensuring operational independence. These issues negatively impact effective operational and strategic analysis.

Despite these weaknesses, several strengths were observed. FIUs benefit from a centralised approach to handling STRs, with extensive access to databases that does support operational analysis. Strong emphasis is placed on confidentiality and security of sensitive data, and FIUs maintain active participation in the Egmont Group, which fosters international cooperation and information sharing.

To address the deficiencies and move towards full compliance, the following recommended actions were identified:

- Resource Allocation: Invest in additional human resources, IT infrastructure, and advanced analytical tools to strengthen both operational and strategic analysis.

- Operational Independence: Enhance FIU autonomy by defining clear roles, securing stable budgetary processes, and reducing reliance on external institutions.

- Legal and Procedural Clarity: Improve mechanisms such as the use of Further Information Orders to ensure efficient information gathering from reporting entities.

Overall, the FIUs rated as Partially Compliant require significant improvements in resources, independence, and analytical capacity to achieve improved ratings of compliance with R.29 demonstrate strong collaboration, confidentiality safeguards, and centralised operational systems, significant improvements in resources, independence, and analytical capacity are required to achieve full compliance with R.29.

Deficiencies	Strengths	Recommended Actions
(c.29.3.b) Widespread issues with insufficient human and IT resources affect both the operational and strategic analysis capabilities of FIUs.	(c.29.2) The FIU adopts a centralised approach to handling STRs and related disclosures.	(c.29.3.a) Clarifying the use of Further Information Orders to ensure the FIU can efficiently request and obtain necessary information from reporting entities for effective analysis.
(c.29.4.b) Human and technological resource constraints limit the FIUs' ability to analyse STRs and conduct strategic analysis.	(c.29.3.b.) Extensive access to databases enhances the operational effectiveness of FIUs.	
(c.29.4.b) The FIU has limited capacity for comprehensive strategic analysis due to insufficient IT infrastructure or inadequate legal mandates.	(c.29.6) There is a strong emphasis on confidentiality and security measures to protect sensitive data.	(c.29.4.a &b) Allocating additional human and IT resources, including upgrading IT infrastructure and advanced analytical tools, to enhance the FIU's operational and strategic analysis capabilities.
(c.29.4.b) The FIU faces a limited ability to conduct strategic analysis due to constraints in legal, resource, or technological factors.		
(c.29.7) The FIU lacks full operational independence, as they are embedded within larger institutions or rely on external bodies.	(c.29.8) The FIU maintains active membership in the Egmont Group, promoting international collaboration and information sharing.	(c.29.7.a &d) Enhancing the FIU's operational independence and establishing a stable budget process to ensure the FIU can define its role and deploy resources without external interference.
(c.29.7.a) The FIU operates within larger government agencies, restricting their autonomy in setting priorities and conducting independent operation		

TABLE 26: R.29 COMMON DEFICIENCIES, STRENGTHS AND RECOMMENDED ACTIONS IDENTIFIED UNDER PARTIALLY COMPLIANT RATED JURISDICTIONS.

LARGELY COMPLIANT

9 jurisdictions within Europe II were rated Largely Compliant with R.29, though notable deficiencies remain. Key challenges include the lack of centralised reporting mechanisms, gaps in account holder and beneficial ownership information, and the absence of mandatory requirements for strategic analysis. While operational analysis is conducted, there is no legal obligation for FIUs to carry out strategic analysis, which limits alignment with national AML/CFT strategies.

Nonetheless, these jurisdictions demonstrate significant strengths. FIUs are clearly responsible for receiving, analysing, and disseminating financial intelligence, including STRs. They benefit from extensive access to financial, administrative, and law enforcement databases, which supports robust operational analysis. Strong confidentiality protocols safeguard sensitive information, and FIUs operate with independent decision-making authority, free from external influence. Membership in the Egmont Group further strengthens international cooperation and secure information exchange.

To move towards full compliance, the following recommended actions were identified:

- Strengthen Strategic Analysis: Introduce advanced analytical tools and methodologies to improve the identification of risks, trends, and emerging threats.

- Enhance Legal Frameworks: Amend laws to give FIUs greater discretion in requesting and disseminating information, including authority over ML predicate offences.

- Improve Data Security: Establish and clarify robust internal and legal provisions for confidentiality, secure channels of communication, and protection against unauthorised access.

- Centralise Reporting: Require all reporting entities to submit STRs directly to the FIU and improve collection of beneficial ownership information.

- Capacity Building: Define qualifications for FIU leadership and adopt innovative IT solutions to strengthen operational capacity.

Overall, Europe II jurisdictions rated as Largely Compliant show strong foundations in operational analysis, independence, and data security. However, to reach full compliance, they must formalise strategic analysis obligations, centralise reporting systems, and strengthen legal and technical frameworks to ensure comprehensive AML/CFT effectiveness.

Deficiencies	Strengths	Recommended Actions
(c.29.2.a) Certain reporting entities do not submit STRs directly to the FIU due to the lack of centralised reporting mechanisms. (c.29.3.b) Gaps in operational registers for account holders and beneficial owners limit the availability of crucial information. (c.29.4.b) The absence of mandatory requirements for strategic analysis affects the alignment with national AML/CFT strategies. (c.29.4.b) While operational analysis is conducted, there is no legal obligation for strategic analysis.	(c.29.1) The FIU is responsible for receiving, analysing, and disseminating financial intelligence, including STRs. (c.29.3.b) The FIU has extensive access to financial, administrative, and law enforcement databases, supporting comprehensive analysis. (c.29.6) Strong protocols for confidentiality and data security are in place, protecting sensitive information and ensuring authorised access only. (c.29.7) The FIU operates independently, ensuring autonomous decision-making without external influence. (c.29.8) Membership in the Egmont Group enhances international cooperation and secure information exchange.	(c.29.4.b) Enhancing the FIU's strategic analysis capabilities by introducing advanced tools and methodologies to improve the identification of trends, risks, and emerging threats. (c.29.5) Amending the legal framework to vest the FIU with discretion on disseminating information upon receiving requests from competent authorities, including authority over ML predicate offences. (c.29.6.a) Establishing legal provisions that mandate the use of secure and protected channels for disseminating information, and specific rules governing the security, confidentiality, and processing of sensitive data within the FIU. (c.29.6.b) Clarifying and developing internal rules to strengthen data confidentiality, ensuring robust safeguards to prevent unauthorised access or disclosure. (c.29.7.a) Specifying FIU Board members' qualifications and responsibilities and allowing flexibility in IT tools to adopt innovative technologies. (c.29.2.a & c.29.3.b) Establish centralised reporting mechanisms to ensure all reporting entities submit STRs directly to the FIU and mandate comprehensive data collection for account holders and beneficial owners

TABLE 27: R.29 COMMON DEFICIENCIES, STRENGTHS AND RECOMMENDED ACTIONS IDENTIFIED UNDER LARGELY COMPLIANT RATED JURISDICTIONS.

COMPLIANT

12 jurisdictions within Europe II were rated Compliant with R.29, reflecting strong performance in all areas of FIU operations. No deficiencies were identified, and therefore no recommended actions were required.

FIUs in these jurisdictions benefit from a robust legal framework that enables effective gathering and analysis of financial intelligence. They have extensive access to diverse databases, including judicial, law enforcement, and administrative sources, which supports comprehensive analysis of STRs Importantly, these FIUs demonstrate strong capacity for both operational and strategic analysis, leveraging advanced analytical tools to identify ML and TF trends.

FIUs place significant emphasis on data protection, ensuring secure handling of sensitive information, and maintain operational independence free from external influence. Their active participation in the Egmont Group further enhances international cooperation and information exchange, reinforcing their ability to combat cross-border financial crime effectively.

Overall, these jurisdictions exhibit best practices in legal, operational, analytical, and international cooperation frameworks, positioning their FIUs as fully aligned with FATF standards.

Deficiencies	Strengths	Recommended Actions
No Deficiencies.	(c.29.3.a) A clear and robust legal framework supports the FIU in effectively gathering and analysing necessary information.	No Recommended Actions.
	(c.29.3.b) The FIU have extensive access to diverse data sources, including judicial, police, and administrative databases, allowing for comprehensive analysis of STRs.	
	(c.29.4) The FIU possess the capability for both operational and strategic analyses, using advanced analytical methods to identify trends in ML and TF.	
	(c.29.6) Strong data protection measures ensure the secure handling of sensitive information and maintain confidentiality.	
	(c.29.7.a) The FIU prioritises operational autonomy, enabling independent decision-making free from external influence, which is vital for effective operations.	
	(c.29.8) Active participation in international information exchange and membership in the Egmont Group fosters collaboration among FIUs across borders	

TABLE 28: R.29 COMMON DEFICIENCIES, STRENGTHS AND RECOMMENDED ACTIONS IDENTIFIED UNDER COMPLIANT RATED JURISDICTIONS.

Recommendation 40 – Most Common Typologies

Most Europe II jurisdictions performed well in terms of technical compliance with R.40. 87% of Europe II jurisdictions are either "Compliant" or "Largely Compliant," 13% are "Partially Compliant," and none are "Non-compliant" with R.40. These percentages indicate that only minor deficiencies were identified by the assessment teams.

Chart 12: Distribution of R.40 ratings achieved by Europe II jurisdictions (Percentages).

Chart 13: Distribution of R.40 ratings achieved by Europe II jurisdictions.
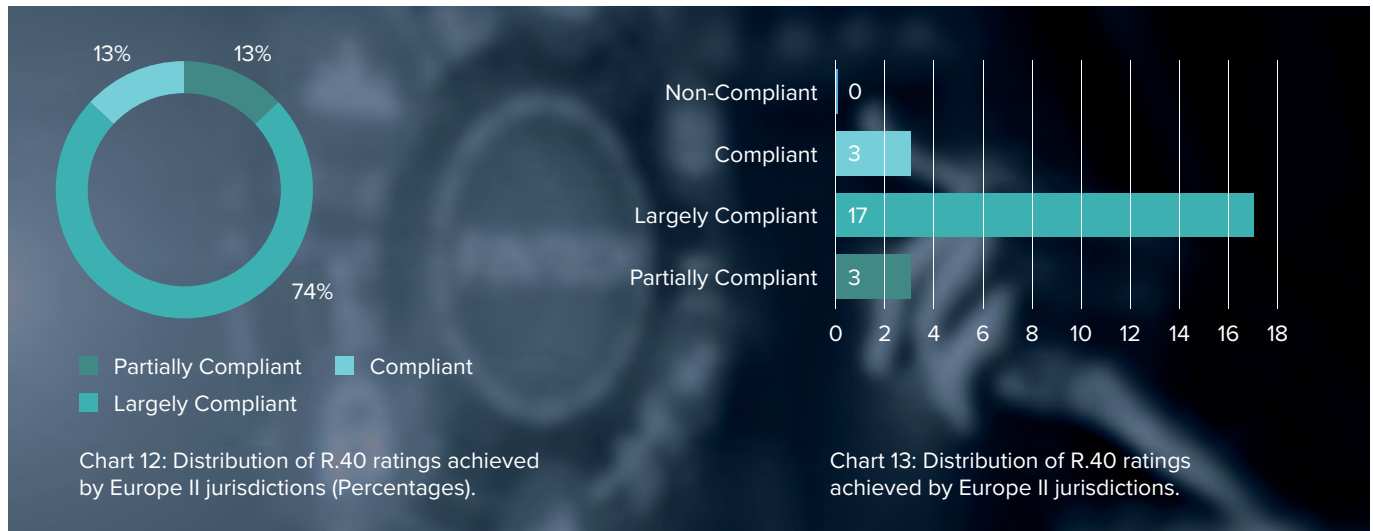
PARTIALLY COMPLIANT

3 jurisdictions within Europe II were rated Partially Compliant with R.40 highlighting weaknesses in international cooperation mechanisms despite having adequate legal frameworks in place. The main deficiencies identified include operational inefficiencies and delays in responding to requests, the absence of formalised feedback mechanisms, and restricted access to financial intermediary information unless linked to STRs. In addition, FIUs are often reliant on other authorities for data collection, which causes delays, uncertainty, and reduced effectiveness of international cooperation.

Despite these deficiencies, jurisdictions possess adequate legal frameworks that enable information exchange and jurisdictions streamline cooperation without requiring MOUs. FIUs also apply the principle of availability, ensuring timely sharing of necessary information with foreign counterparts, aligned with international standards. Moreover, FIUs are empowered to share information both spontaneously and upon request, providing important support in ML and TF investigations.

To improve compliance, the following recommended actions were proposed:

- Expand FIU Authority: Enable FIUs to request information directly from financial intermediaries on behalf of foreign counterparts, even in the absence of an STR.

- Improve Efficiency: Streamline internal processes and allocate additional resources to ensure timely and effective responses to international cooperation requests.

- Reduce Reliance on Other Entities: Develop autonomous information gathering mechanisms within FIUs to minimise dependence on external authorities and avoid delays.

In summary, while Europe II jurisdictions benefit from strong legal bases and principles supporting international cooperation, significant challenges in timeliness, access to information, and operational efficiency limit their ability to provide consistent, proactive, and effective support to foreign FIUs.

Deficiencies	Strengths	Recommended Actions
(c.40.9) Moderate shortcomings in implementation, such as operational inefficiencies and delays in responding to requests, hinder the practical execution of international cooperation mechanisms despite existing legal frameworks. (c.40.10) While feedback is provided in practice, the lack of formalised feedback mechanisms creates inconsistency and uncertainty, affecting transparency and the effectiveness of cooperation. (c.40.11.a) Restricted access to financial intermediary information limits the ability to access data without a prior STR, leading to delays and reducing the effectiveness of cooperation. (c.40.11.b) Reliance on other authorities for information gathering weakens international cooperation by causing delays and uncertainty in accessing necessary data.	(c.40.9) Adequate legal frameworks provide a legal basis for information exchange, supporting international cooperation without requiring MOUs and streamlining collaboration. (c.40.11.a) The principle of availability for cooperation ensures the timely sharing of necessary information in alignment with international standards, providing prompt assistance to foreign FIUs. (c.40.11.b) The FIU are empowered to share information both upon request and spontaneously, facilitating proactive support in cases involving ML and TF.	(c.40.9) Granting the FIU authority to request information from financial intermediaries on behalf of foreign counterparts, even when no STR has been submitted. (c.40.9) Streamlining processes and allocate more resources to ensure timely international cooperation (c.40.11.b) Developing autonomous information gathering capabilities to reduce reliance on other entities and minimise delays.

TABLE 29: R.40 COMMON DEFICIENCIES, STRENGTHS AND RECOMMENDED ACTIONS IDENTIFIED UNDER PARTIALLY COMPLIANT RATED JURISDICTIONS.

LARGELY COMPLIANT

17 jurisdictions within Europe II were rated Largely Compliant with R.40, reflecting strong international cooperation practices but with some areas requiring improvement. Key deficiencies include an over-reliance on MOUs, which can complicate or delay cooperation when absent, and inconsistent feedback mechanisms, which affect transparency and efficiency. Legal constraints restrict the scope of information sharing, particularly in sensitive areas such as constitutional or fundamental rights. Limited sharing on specific offences (e.g., tax crimes, smuggling) and reliance on reciprocity arrangements hinder timely and comprehensive cooperation.

Despite these limitations, jurisdictions demonstrate notable strengths. Legal frameworks enable the sharing of information on ML, TF, and predicate offences, regardless of FIU type. Strong adherence to Egmont Group principles underscores their commitment to secure international cooperation. Feedback mechanisms exist in many FIUs, enhancing transparency and trust, while timely and flexible exchanges (both spontaneous and on request) facilitate swift responses to international financial crime threats.

To enhance compliance, the following recommended actions were identified:

- Expand Legal Provisions: Broaden frameworks to regulate international cooperation, criminalise tax crimes, and ensure mechanisms beyond MOUs.

- Improve Feedback and Transparency: Mandate FIUs to provide consistent and comprehensive feedback to foreign counterparts.

- Broaden Information Sharing: Enhance the scope of shared information while introducing confidentiality safeguards to prevent misuse.

- Strengthen Processes: Establish clear, prioritised procedures for handling and executing cooperation requests in a timely manner.

In summary, Europe II jurisdictions rated as Largely Compliant show a strong legal basis, secure cooperation practices, and effective participation in international networks. However, improvements are needed in legal clarity, feedback consistency, and scope of information sharing to achieve full compliance with R.40.

Deficiencies	Strengths	Recommended Actions
(c.40.9) Over-reliance on MOUs complicates or delays international cooperation when formal agreements, though not always required, are absent.	(c.40.9) Legal frameworks for cooperation enable information sharing on ML/TF and predicate offences, regardless of the type of the FIU involved.	(c.40.7) Expanding legal provisions to regulate international cooperation, including with non-counterparts, criminalising tax crimes, and ensuring flexible mechanisms beyond MOUs.
(c.40.10) Inconsistent or conditional feedback provision, due to the lack of formalised mechanisms, leads to variability in timing and comprehensiveness, impacting the efficiency of cooperation.	(c.40.9) Adherence to Egmont Group principles demonstrates a commitment to secure and efficient cross-border cooperation.	(c.40.8) Ensuring the FIU adopts a flexible approach to assisting foreign counterparts, with legal provisions for feedback.
(c.40.11.a) Legal constraints on information exchange, including constitutional or legal limitations, restrict the scope of information shared, particularly in sensitive matters like fundamental rights.	(c.40.10) Feedback mechanisms promote transparency and trust by providing updates on the use and outcomes of shared information.	(c.40.9 & c.40.11.b) Broadening the FIU's ability to exchange information and introducing confidentiality safeguards to prevent misuse of internationally exchanged information.
(c.40.11.b) The limited scope of information sharing, where some FIUs are unable to share information on specific offences such as tax crimes or smuggling, reduces the effectiveness of international cooperation.	(c.40.11.b) Timely and flexible information sharing facilitates both spontaneous and on request exchanges, ensuring swift international action against financial crimes.	(c.40.10) Establishing clear processes for prioritising and executing international cooperation requests in a timely manner.
(c.40.11.b) Dependence on reciprocity limits or delays information exchange, especially when uncertainty exists regarding reciprocal arrangements.		

TABLE 30: R.40 COMMON DEFICIENCIES, STRENGTHS AND RECOMMENDED ACTIONS IDENTIFIED UNDER LARGELY COMPLIANT RATED JURISDICTIONS.

COMPLIANT

3 jurisdictions within Europe II were rated Compliant with R.40, reflecting full adherence to international standards for FIU cooperation. No deficiencies were identified, and therefore no recommended actions were necessary.

These jurisdictions benefit from strong legal frameworks that enable seamless international cooperation on ML, TF, and predicate offences, regardless of the FIU's legal status. Membership in the Egmont Group further strengthens their ability to exchange financial intelligence securely and efficiently, using standardised mechanisms for both information sharing and feedback.

FIUs in these jurisdictions also demonstrate full transparency and responsiveness, facing no legal barriers to providing feedback upon request. Importantly, they are able to exchange a broad range of financial intelligence data without restrictions, ensuring timely, comprehensive, and effective responses to international cooperation requests.

Overall, jurisdictions rated Compliant exhibit best practices in international cooperation, with robust legal foundations, efficient operational processes, and strong global engagement.

Deficiencies	Strengths	Recommended Actions
No Deficiencies	(c.40.9) Legal frameworks for cooperation enable comprehensive collaboration with foreign FIUs on ML/TF and predicate offences, regardless of legal status, ensuring efficient international cooperation. (c.40.9) Egmont Group membership strengthens secure and efficient international cooperation by adhering to standardised mechanisms for information exchange and feedback. (c.40.10) The FIU faces no legal obstacles in providing feedback upon request, enhancing transparency and the effectiveness of international collaboration. (c.40.11.a) The FIU can exchange a broad range of financial intelligence data without restrictions, ensuring timely and comprehensive responses.	No Recommended Actions.

TABLE 31: R.40 COMMON DEFICIENCIES, STRENGTHS AND RECOMMENDED ACTIONS IDENTIFIED UNDER COMPLIANT RATED JURISDICTIONS.

Conclusion

This report has examined the implementation of R.29, R.40, IO.6 and IO.2 across Europe II jurisdictions. The analysis shows that while most jurisdictions have established the necessary legal and institutional frameworks, significant operational challenges remain. These challenges are largely systemic and reflect issues encountered by FIUs globally, irrespective of individual jurisdictional contexts. The conclusion synthesises the cross-cutting challenges resulting from the horizontal elements and common typologies that have been identified. It sets out strategic implications for both Europe II jurisdictions and the Egmont Group, and presents recommendations to support more effective and sustainable outcomes for FIUs.

CROSS-CUTTING CHALLENGES AND INSIGHTS

The findings of this report indicate that many of the challenges faced by Europe II jurisdictions are largely systemic rather than unique. These are the same issues encountered by many FIUs, regardless of their individual institutional structures or national contexts.

Key recurring challenges include:

- **STR Quality and reporting gaps:** Poorly targeted or incomplete STRs hamper FIU ability to prioritise, analyse, and disseminate usable intelligence

- **FIU resource and capacity constraints:** Insufficient staffing, outdated IT tools, and limited analytical skillsets weaken both operational responsiveness and strategic output

- **Limited use of intelligence by LEAs:** Even when FIU intelligence is disseminated, inconsistent integration into law enforcement investigations reduces real-world impact

- **Weak feedback, monitoring, and incentive loops:** Reporting entities and FIUs often lack structured feedback mechanisms, which impedes continuous improvement

- **MOU or formal request dependence in international cooperation:** Over-reliance on formal frameworks slows interaction, particularly when proactive or spontaneous exchange is needed

In contrast, jurisdictions with stronger performance share a few enabling traits: high levels of inter-agency integration, institutional independence, advanced analytics, prioritisation frameworks, and proactive approaches to information sharing.

A central insight is that adherence to technical compliance is necessary but not sufficient. Legal frameworks lay the foundation, but converting that into sustained, impactful effectiveness depends on institutional capacity, sound governance, inter-agency coordination, and mechanisms that encourage the consistent use of financial intelligence by all competent authorities.

STRATEGIC IMPLICATIONS FOR EUROPE II AND THE EGMONT GROUP

Considerations for Europe II jurisdictions
The evaluation outcomes carry several strategic imperatives for jurisdictions in the region:

- **Elevate FIU autonomy and resourcing:** Political and budgetary prioritisation is essential if FIUs are to fulfil their role as central intelligence nodes.

- **Embed FIU outputs into LEA and prosecutorial workflows:** LEA workflows should include clear operational integration of FIU intelligence products. If mechanisms to establish and maintain frameworks for the integration of intelligence cannot be implemented, uptake of intelligence products by investigating authorities will remain underutilised.

- **Formalise prioritisation frameworks:** Clear case selection, triaging, and follow-up are needed to avoid resource dilution.

- **Modernise international cooperation practices:** Encourage rules that allow spontaneous exchange, reduce MOU bottlenecks, and prioritise timeliness over procedural rigidity.

- **Promote peer learning and technical assistance:** Focus capacity building on operational gaps (analytics, digital tools, cross-border interaction) rather than just legal alignment.

CONSIDERATIONS FOR THE EGMONT GROUP

The findings provide several strategic imperatives for the Egmont Group:

- **Bridge legal–operational gaps:** Prioritise assistance that moves beyond legal frameworks to build the institutional capacity required for effective operations.

- **Strengthen peer-to-peer learning and mentorship:** Facilitate structured exchanges between stronger and weaker FIUs, focusing on strategic analysis, dissemination protocols, and cooperation practices.

- **Promote technical platforms and interoperability:** Support the development and modernisation of secure communication systems, shared typology repositories, and encryption standards, consistent with Egmont Secure Web enhancements.

- **Focus guidance on effectiveness outcomes:** Develop and promote risk-based metrics that move jurisdictions from a compliance-oriented approach toward demonstrable, practical effectiveness.

RECOMMENDATIONS AND WAY FORWARD

To align jurisdictions toward "substantial" or "high" effectiveness ratings, the following actions are recommended:

1. **Strengthen Institutional Backbone**

- Recruit, train, and retain analytical staff

- Upgrade IT platforms with secure case management, analytics and dashboards

- Ensure stable, predictable budgeting independent of external control

2. **Raise STR Relevance and Quality**

- Issue targeted sectoral guidance on red flags

- Provide timely feedback to reporting entities

- Use supervisory powers where possible to enforce reporting quality

3. **Activate Strategic Analysis as Core Output**

- Mandate strategic reporting in national AML/CFT systems

- Use thematic and trend analysis to guide resource allocation

- Publish (or share internally) strategic products to raise system awareness

4. **Institutionalise National Cooperation**

- Create standing coordination bodies (e.g. taskforces) across FIU, LEA, supervisors and prosecutors

- Formalise operational processes that integrate outputs from counterpart agencies

- Codify case referral and feedback protocols

- Conduct joint scenario exercises and case reviews

5. **Advance International Cooperation Mechanisms**

- Expand rules allowing FIUs to request data from financial intermediaries on behalf of foreign counterparts

- Shift from exclusive reliance on MOUs to flexible exchange channels

- Prioritise spontaneous or proactive sharing, with confidentiality safeguards

- Establish clear prioritisation rules to accelerate responses to urgent requests

6. **Implement Continuous Feedback and Monitoring of Operational Functions**

- Set measurable KPIs (e.g. dissemination conversion, investigation referrals, case outcomes)

- Conduct regular internal audits of FIU workflows

- Use peer review or external assessments to test real responsiveness

Final Note

Europe II's mutual evaluation results affirm a familiar tension in the global AML/CFT sphere: technical compliance is a threshold, not an endpoint. Many jurisdictions have now established statutory FIUs, legal structures, and inter-agency mandates. The challenge now is to convert those into timely, actionable, intelligence-driven disruption of illicit finance both domestically and across borders.

By reinforcing FIU autonomy, improving STR targeting, embedding intelligence in LEA systems, and modernising cooperation practices, Europe II jurisdictions can shift from compliance realism to effectiveness leadership. The next evaluation cycle will increasingly test real-world outcomes. These outcomes should result in confiscations, prosecutions, financial disruption, and deterrence. The jurisdictions that act decisively on these recommendations will be best positioned to demonstrate sustained impact, defend financial integrity while cultivating financial inclusion, and contribute meaningfully to the global fight against ML, TF, and proliferation risks.

Annex

A1

MOST COMMON TYPOLOGIES - IO.2 RATINGS (WEAKNESSES)

Ratings	Low	Moderate	Substantial	High
Weaknesses	Not defined	• **(c.2.1)** Delays in responding to foreign requests due to time required for domestic information gathering and lack of prioritisation mechanisms, affecting international cooperation efficiency. • **(c.2.2)** Limited proactivity in initiating requests and engaging in complex cooperation efforts. • **(c.2.3)** Resource constraints hindering proactive engagement, coupled with dependence on foreign counterparts' responsiveness. • **(c.2.4)** Absence of legal frameworks for non-counterpart information exchange, along with issues related to information classification, security, and lack of formalised feedback mechanisms, indicating a reactive approach. • **(c.2.5)** Delays in responding to requests due to difficulties accessing information on complex legal structures or criminal records.	• **(c.2.2)** Inadequate focus on high-risk areas like corruption-related money laundering, leading to critical gaps. • **(c.2.3)** Limited proactivity in initiating international cooperation and heavy reliance on external databases, causing delays, reducing autonomy, and resulting in data inaccuracies and discrepancies. • **(c.2.3)** Suspensions from international networks (e.g., Egmont Group) severely impacting cooperation. • **(c.2.4)** Low frequency of spontaneous disclosures, inconsistent and lengthy response times, and staff/resource limitations affecting request management and operational efficiency. • **(c.2.4)** Disruptions from organisational restructuring, delays due to MOUs and legal prerequisites, and underutilisation of advanced international cooperation tools, limiting effectiveness in transnational investigations. • **(c.2.4)** Domestic law enforcement not consistently following up on forwarded requests.	• **(c.2.2)** Legal requirements for foreign FIU consent, delaying domestic investigations. • **(c.2.3)** Dependence on external sources and limited resources hindering proactive information exchange and ML/TF offence detection, causing delays in international request responses. • **(c.2.4)** Extended delays in providing requested information due to lack of prioritisation mechanisms, affecting cooperation timeliness and efficiency. • **(c.2.4)** Limited proactive information sharing, weakening transnational crime prevention.

MOST COMMON TYPOLOGIES – IO.2 (STRENGTHS)

Ratings	Low	Moderate	Substantial	High
Strengths	Not defined	• **(c.2.1)** General 30-day response time for international requests, with expedited handling of urgent requests. • **(c.2.2)** Use of international cooperation to prevent crimes, freeze assets, and support investigations. • **(c.2.3)** Secure information exchange through Egmont Group membership and formalised cooperation via MOUs, with effective collaboration on cross-border ML/TF threats. • **(c.2.4)** Spontaneous dissemination of information aiding international investigations, supported by MOUs and secure communication measures ensuring confidentiality, with positive feedback from international counterparts on request handling. • **(c.2.5)** Active in tracing and freezing assets linked to criminal activities, supporting international recovery efforts.	• **(c.2.3)** Egmont Group membership and use of secure platforms (Egmont Secure Web, goAML) facilitate confidential information exchange and global collaboration through participation in international forums. • **(c.2.3)** Extensive access to public and private sector databases, along with international collaboration with Interpol, Europol, and others, enhances intelligence gathering. • **(c.2.4)** Information exchange occurs with and without MOUs, with numerous MOUs enhancing cooperation and structured systems managing high volumes of requests efficiently through specialised departments. • **(c.2.4)** Proactive financial intelligence dissemination, improved response times (often within days), and increased staff and resources reduce response delays and provide operational support for domestic law enforcement. • **(c.2.4)** Resilience and adaptability in complex investigations, including high-profile cases and PEPs, alongside active support for joint investigations and positive feedback from counterparts on cooperation quality and timeliness. • **(c.2.5)** Capability to obtain critical financial information supporting investigations.	• **(c.2.3)** Egmont Group membership enabling secure, efficient information exchange without needing bilateral agreements. • **(c.2.4)** Numerous MOUs signed, with proactive spontaneous information dissemination and structured systems for handling urgent requests, often within days. • **(c.2.4)** Diagonal cooperation, assisting foreign FIUs on behalf of national authorities. • **(c.2.5)** Handling high volumes of requests and actively tracing and freezing criminal assets in global AML/CFT efforts, particularly with high-risk countries.

Ratings	Low	Moderate	Substantial	High
Recommended actions	Not defined	• **(c.2.1)** Adding a guideline to ensure that an incoming MLA for UBO information is processed after verification, including coordination with relevant authorities and the FIU. • **(c.2.3)** Ensuring that the FIU systematically seeks foreign assistance and shares relevant information spontaneously, and expanding its powers to obtain information from financial intermediaries without an STR. • **(c.2.4)** Substantially improving the FIU's response time to international cooperation requests and ensuring timely provision of information held by LEAs, other state authorities, or REs is essential. • **(c.2.4)** Developing legal frameworks for non-counterpart information exchange, addressing classification, security, and feedback mechanisms to transition from a reactive to a proactive approach. • **(c.2.5)** Simplifying access to information on complex legal structures and criminal records to reduce delays in responding to foreign requests.	• **(c.2.1)** Using the new FIU Law to effectively provide requested information, including beneficial ownership details, in the pre-investigative stage prior to MLA, is important. • **(c.2.2)** Prioritise high-risk areas, such as corruption-related money laundering, to close critical gaps in international cooperation. • **(c.2.3)** Enhance proactivity in initiating international cooperation by reducing dependence on external databases and improving data accuracy and timeliness. • **(c.2.3)** Implementing recommended actions, increasing FIU international team resources, and proactively seeking and supporting international cooperation is crucial. • **(c.2.3)** Taking a proactive approach to formal and informal cooperation with foreign counterparts for investigating ML, tracing assets, and seizing proceeds of crime is a key responsibility for the FIU and LEAs. • **(c.2.4)** Increasing the number of spontaneous disclosures arising from operational and strategic analysis, and systematically sharing relevant intelligence with foreign counterparts, is essential for addressing transnational ML/TF risks. • **(c.2.4)** Proactively and spontaneously disclosing financial intelligence to foreign counterparts and reducing average response time by introducing prioritisation procedures should be a focus for the FIU. • **(c.2.4)** Continuously sharing spontaneous reports, seeking feedback on their utility, and prioritising resources to improve operational efficiency is recommended. • **(c.2.4)** Strengthen coordination with domestic law enforcement to ensure timely and consistent follow-up on forwarded international requests.	• **(c.2.2)** Streamline legal processes to reduce delays caused by foreign FIU consent requirements in domestic investigations. • **(c.2.3)** Developing written policies to systematically and proactively seek foreign assistance, especially for multi-jurisdictional ML cases. • **(c.2.3)** Strengthen internal resources and reduce dependency on external sources to enhance proactive information exchange and improve the detection of ML/TF offences. • **(c.2.4)** Establishing formal prioritisation criteria for foreign requests should be a priority.

Ratings	Low	Moderate	Substantial	High
Weaknesses	• **(c.6.1)** The low quality of SARs/STRs by reporting entities is due to prevalent defensive reporting to avoid liability rather than provide substantial information. • **(c.6.1)** The FIU and LEAs suffer from limited resources, including human and technological, which hampers their ability to conduct thorough analyses and investigations. • **(c.6.2)** Limited in-depth FIU analysis producing intelligence with minimal investigative value. • **(c.6.2)** The FIU's financial intelligence has minimal impact on ML investigations as LEAs do not prioritise cases from the FIU disseminations, presenting a lack of emphasis on its importance in combating ML and related offences. • **(c.6.2)** Parallel financial investigations are lacking, especially for foreign predicate offences, and often only support domestic prosecutions or confiscation proceedings. • **(c.6.3)** Defensive reporting by certain sectors leads to low-quality SARs/STRs and a high volume of reports lacking concrete ML/TF suspicions. • **(c.6.4)** LEAs lack a proactive approach to prioritise ML cases, especially complex ones with foreign predicates, and underutilise financial intelligence to develop evidence and trace proceeds related to ML, predicate offences, and TF.	• **(c.6.1)** Resource limitations (human, financial, technological) hinder thorough FIU and LEA analyses and investigations. • **(c.6.1)** Inconsistent SAR/STR Quality and quantity, especially from non-financial sectors, due to lack of standardised guidelines. • **(c.6.2)** Legal and systemic gaps, including high thresholds for court orders and lack of specific guidelines, lead to an over-focus on predicate offences rather than directly targeting ML/TF. • (**c.6.3)** Coordination issues between the FIU and other authorities highlight the need for robust mechanisms to ensure stronger cooperation and information exchange.	• **(c.6.1)** Inadequate SAR/ STR filings from DNFBPs and other sectors, due to limited awareness and compliance, affect the quality and comprehensiveness of financial intelligence. • **(c.6.1)** The FIU and LEAs limited by human, financial, and technological resource constraints, affecting analysis and investigations. • **(c.6.2)** Insufficient feedback from LEAs on disseminated financial intelligence hampers the FIU's ability to refine processes and improve effectiveness. • **(c.6.3)** Coordination issues between the FIU and authorities highlight need for stronger cooperation mechanisms. • **(c.6.4)** Legal and systemic gaps, for instance, non-criminalisation of some predicate offences and lengthy court proceedings, complicate effective AML/CFT enforcement.	• **(c.6.2)** Although the FIU has conducted operational analysis, its strategic analysis capacity is less developed for the effective identification of emerging trends and typologies in ML and TF. • **(c.6.2)** Although the number of disseminations has increased, the quality and impact of spontaneous disseminations have decreased, affecting the overall effectiveness of financial intelligence dissemination. • **(c.6.3)** High degree of coordination and cooperation exists, however, areas for further enhancement remain, including improving information sharing mechanisms and ensuring access to necessary intelligence for all relevant parties.

MOST COMMON TYPOLOGIES - IO.6 (STRENGTHS)

Ratings	Low	Moderate	Substantial	High
Strengths	• **(c.6.2)** The FIU's cooperation with LEAs and supervisory authorities has been extended, enhancing its role in generating financial intelligence. • **(c.6.3)** Established cooperation with LEAs and supervisory authorities, improving information flow and investigative support. • **(c.6.3)** The FIU has implemented some protective measures to ensure the confidentiality of exchanged, accessed, or used information, e.g., all FIU information is registered in the government/police secure computer server and accessed only by authorised personnel, ensuring compliance with legislative provisions and internal policies. • **(c.6.4)** The FIU is represented in the AML/CFT Strategic Group, which includes various government authorities and high-level political stakeholders, ensuring alignment of FIU activities with national strategies and policies.	• **(c.6.1)** The FIU maintains SAR/STR databases accessible to multiple LEAs, enhancing the thoroughness of financial intelligence operations with a broad range of financial, administrative, and law enforcement information. • **(c.6.2)** The FIU produces high-quality analytical reports aiding investigations and prosecutions, with varying effectiveness, and utilises strategic analysis to better understand and mitigate ML/TF risks. • **(c.6.2)** Financial intelligence, used in high-profile cases leading to successful prosecutions and convictions, however, lacks consistent use by law enforcement. • **(c.6.3)** Effective cooperation between the FIU and LEAs, including joint operations and information exchanges, is exemplified by strong public/private collaboration models. • **(c.6.4)** Authorities use financial intelligence to identify leads, develop evidence, and trace proceeds, leading to successful high-profile prosecutions.	• **(c.6.1)** The FIU have access to a wide range of financial, law enforcement, and administrative data through databases and registries, facilitated by legal frameworks and MOU. • **(c.6.2)** The FIU produces high-quality intelligence and analysis, effectively using SARs and STRs to initiate and support investigations. • **(c.6.2)** The FIU and LEAs systematically use financial intelligence to develop evidence for ML and TF cases, with proactive dissemination of reports contributing to successful investigations and prosecutions. • **(c.6.3)** Intensive cooperation and communication between the FIU and LEAs, including regular face-to-face meetings and established coordination mechanisms, enhance the sharing and use of financial intelligence. • **(c.6.4)** The FIU produces high-quality intelligence used by LEAs to develop ML and TF case evidence, supported by AML/CFT legislation for tax information exchange and prosecution of the related offences. • **(c.6.4)** Commitment to combating ML/TF through efforts to raise awareness and improve compliance through training, outreach, enhanced resources, specialised units, and continuous budget, HR, and IT improvements.	• **(c.6.1)** The FIU regularly use financial intelligence and other information through a well-developed IT system and trained analysts. • **(c.6.1)** Enhanced investigative capabilities through the FIU's comprehensive database and direct access to government registries. • **(c.6.2)** The FIU produces high-quality financial intelligence and analysis that effectively supports LEAs in ML and TF investigations, asset tracing, and confiscation. • **(c.6.2)** The FIU's regular dissemination of financial intelligence, both spontaneously and upon request, leads to successful prosecutions and convictions for ML/TF and associated predicate offences. • **(c.6.3)** Ongoing coordination and exchange of financial intelligence between the FIU and LEAs, including through inter-agency task forces and intelligence fusion centers, support operations. • **(c.6.4)** The FIU's strategic and operational analysis capabilities allow analysts to identify ML/TF trends and typologies. • **(c.6.4)** Positive feedback from LEAs and security agencies indicates high usage and effectiveness of the FIU's intelligence reports, driving continuous improvement in its processes and systems.

MOST COMMON TYPOLOGIES - IO.6 (RECOMMENDED ACTIONS)

Ratings	Low	Moderate	Substantial	High
Recommended actions	• **(c.6.1)** Prioritising resource allocation (financial, human, technological) for FIU support and conducting sector-specific analysis to improve reporting quality. • **(c.6.2)** Developing handbooks and providing ongoing staff training to strengthen institutional capacity. • **(c.6.3)** Enhancing inter-agency cooperation through regular outreach for effective collaboration and information sharing. • **(c.6.4)** Reviewing and streamlining processes to improve ML investigations and intelligence generation.	• **(c.6.1)** Ensuring adequate human and IT resources for FIU to manage increasing workloads, enhance efficiency, and improve access to cadastral, tax, and other databases for timely information gathering and analysis. • **(c.6.1)** Improving SAR accuracy, timeliness, and quality through better reporting mechanisms and process updates. • **(c.6.2) & (c.6.4)** Strengthening operational and strategic analysis using improved methodologies, quantitative data sources, and promoting the systematic use of financial intelligence in proceeds-generating crime investigations with LEA guidelines and training. • **(c.6.1) & (c.6.2)** Reducing staff turnover and preserving institutional memory through comprehensive manuals while strengthening Customs Departments and resourcing FIU, including prioritisation of STRs and enhanced private sector engagement via training and guidelines. • **(c.6.3)** Tightening confidentiality requirements for STRs and securing electronic information systems. • **(c.6.3) & (c.2.4)** Amending laws to empower FIU information sharing with LEAs without court orders, enhancing MOU capabilities with foreign FIUs, and expanding FIU powers to obtain information from financial intermediaries for foreign counterparts, even without STRs.	• **(c.6.1)** Ensuring adequate human and IT resources for FIU and related entities to manage workloads efficiently, while reducing staff turnover and preserving institutional memory through career development and comprehensive manuals. • **(c.6.1)** Enhancing FIU and LEA access to cadastral, tax, and other databases for timely information gathering, and improving SAR accuracy, timeliness, and quality with better reporting mechanisms and system updates. • **(c.6.2)** Strengthening operational and strategic analysis with improved methodologies and quantitative data, and establishing feedback loops between FIU, reporting entities, and LEAs to improve financial intelligence and SAR quality. • **(c.6.3)** Granting FIU legal powers for quicker information access, protecting STR sources, and improving cooperation between FIUs and LEAs, particularly in cross-border cases. • **(c.6.3)** Strengthening Customs Departments for border control, adequately resourcing the FIU, and considering a documented policy for coordination with sectoral supervisors. • **(c.6.4)** Enhancing LEA and FIU cooperation to support domestic ML/TF investigations.	• **(c.6.2)** Establishing a uniform method for tracking financial intelligence usage by case count, not request volume. • **(c.6.3)** Enhance existing information sharing mechanisms and ensure that all relevant parties have timely access to necessary intelligence to further improve coordination and cooperation. • **(c.6.4)** Requesting financial intelligence for all predicate offences, regardless of case complexity.

Ratings	Non-compliant	Partially compliant	Largely compliant	Compliant
Deficiencies	Not defined	• **(c.29.3.b)** Widespread issues with insufficient human and IT resources affect both the operational and strategic analysis capabilities of FIUs. • **(c.29.4.b)** Human and technological resource constraints limit the FIUs' ability to analyse SARs and conduct strategic analysis. • **(c.29.4.b)** The FIU has limited capacity for comprehensive strategic analysis due to insufficient IT infrastructure or inadequate legal mandates. • **(c.29.4.b)** The FIU faces a limited ability to conduct strategic analysis due to constraints in legal, resource, or technological factors. • **(c.29.7)** The FIU lacks full operational independence, as they are embedded within larger institutions or rely on external bodies. • **(c.29.7.a)** The FIU operates within larger government agencies, restricting their autonomy in setting priorities and conducting independent operation.	• **(c.29.2.a)** Certain reporting entities do not submit STRs directly to the FIU due to the lack of centralised reporting mechanisms. • **(c.29.3.b)** Gaps in operational registers for account holders and beneficial owners limit the availability of crucial information. • **(c.29.4.b)** The absence of mandatory requirements for strategic analysis affects the alignment with national AML/CFT strategies. • **(c.29.4.b)** While operational analysis is conducted, there is no legal obligation for strategic analysis.	• **(c.29.5)** Inefficiencies in the dissemination of STRs or intelligence to law enforcement have been resolved. • **(c.29.5)** Improvements in dissemination efficiency to law enforcement have been made, with previous challenges largely resolved. • **(c.29.7)** Historical deficiencies in areas such as staffing shortages, legal frameworks, dissemination authority, and operational independence have been addressed. • **(c.29.7)** Concerns about political influence have been addressed, ensuring operational independence and autonomy. • **(c.29.7.d)** Resource and staffing constraints, previously noted, have now been mitigated.

Ratings	Non-compliant	Partially compliant	Largely compliant	Compliant
Strengths	Not defined	• **(c.29.2)** The FIU adopts a centralised approach to handling SARs and related disclosures. • **(c.29.3.b.)** Extensive access to databases enhances the operational effectiveness of FIUs. • **(c.29.6)** There is a strong emphasis on confidentiality and security measures to protect sensitive data. • **(c.29.8)** The FIU maintains active membership in the Egmont Group, promoting international collaboration and information sharing.	• **(c.29.1)** The FIU is responsible for receiving, analysing, and disseminating financial intelligence, including STRs. • **(c.29.3.b)** The FIU has extensive access to financial, administrative, and law enforcement databases, supporting comprehensive analysis. • **(c.29.6)** Strong protocols for confidentiality and data security are in place, protecting sensitive information and ensuring authorised access only. • **(c.29.7)** The FIU operates independently, ensuring autonomous decision-making without external influence. • **(c.29.8)** Membership in the Egmont Group enhances international cooperation and secure information exchange.	• **(c.29.3.a)** A clear and robust legal framework supports the FIU in effectively gathering and analysing necessary information. • **(c.29.3.b)** The FIU have extensive access to diverse data sources, including judicial, police, and administrative databases, allowing for comprehensive analysis of STRs. • **(c.29.4)** The FIU possess the capability for both operational and strategic analyses, using advanced analytical methods to identify trends in money laundering and terrorist financing. • **(c.29.6)** Strong data protection measures ensure the secure handling of sensitive information and maintain confidentiality. • **(c.29.7.a)** The FIU prioritises operational autonomy, enabling independent decision-making free from external influence, which is vital for effective operations. • **(c.29.8)** Active participation in international information exchange and membership in the Egmont Group fosters collaboration among FIUs across borders.

MOST COMMON TYPOLOGIES - R.29 (RECOMMENDED ACTIONS)

Ratings	Non-compliant	Partially compliant	Largely compliant	Compliant
Recommended actions	Not defined	• **(c.29.3.a)** Clarifying the use of Further Information Orders to ensure the FIU can efficiently request and obtain necessary information from reporting entities for effective analysis. • **(c.29.4.a &b)** Allocating additional human and IT resources, including upgrading IT infrastructure and advanced analytical tools, to enhance the FIU's operational and strategic analysis capabilities. • **(c.29.7.a &d)** Enhancing the FIU's operational independence and establishing a stable budget process to ensure the FIU can define its role and deploy resources without external interference.	• **(c.29.4.b)** Enhancing the FIU's strategic analysis capabilities by introducing advanced tools and methodologies to improve the identification of trends, risks, and emerging threats. • **(c.29.5)** Amending the legal framework to vest the FIU with discretion on disseminating information upon receiving requests from competent authorities, including authority over ML predicate offences. • **(c.29.6.a)** Establishing legal provisions that mandate the use of secure and protected channels for disseminating information, and specific rules governing the security, confidentiality, and processing of sensitive data within the FIU. • **(c.29.6.b)** Clarifying and developing internal rules to strengthen data confidentiality, ensuring robust safeguards to prevent unauthorised access or disclosure. • **(c.29.7.a)** Specifying FIU Board members' qualifications and responsibilities and allowing flexibility in IT tools to adopt innovative technologies. • **(c.29.2.a & c.29.3.b)** Establish centralised reporting mechanisms to ensure all reporting entities submit STRs directly to the FIU and mandate comprehensive data collection for account holders and beneficial owners.	Not defined

MOST COMMON TYPOLOGIES - R.40 (DEFICIENCIES)

Ratings	Non-compliant	Partially compliant	Largely compliant	Compliant
Deficiencies	Not defined	• **(c.40.9)** Moderate shortcomings in implementation, such as operational inefficiencies and delays in responding to requests, hinder the practical execution of international cooperation mechanisms despite existing legal frameworks. • **(c.40.10)** While feedback is provided in practice, the lack of formalised feedback mechanisms creates inconsistency and uncertainty, affecting transparency and the effectiveness of cooperation. • **(c.40.11.a)** Restricted access to financial intermediary information limits the ability to access data without a prior STR, leading to delays and reducing the effectiveness of cooperation. • **(c.40.11.b)** Reliance on other authorities for information gathering weakens international cooperation by causing delays and uncertainty in accessing necessary data.	• **(c.40.9)** Over-reliance on MOUs complicates or delays international cooperation when formal agreements, though not always required, are absent. • **(c.40.10)** Inconsistent or conditional feedback provision, due to the lack of formalised mechanisms, leads to variability in timing and comprehensiveness, impacting the efficiency of cooperation. • **(c.40.11.a)** Legal constraints on information exchange, including constitutional or legal limitations, restrict the scope of information shared, particularly in sensitive matters like fundamental rights. • **(c.40.11.b)** The limited scope of information sharing, where some FIUs are unable to share information on specific offences such as tax crimes or smuggling, reduces the effectiveness of international cooperation. • **(c.40.11.b)** Dependence on reciprocity limits or delays information exchange, especially when uncertainty exists regarding reciprocal arrangements.	Not defined

MOST COMMON TYPOLOGIES - R.40 (STRENGTHS)

Ratings	Non-compliant	Partially compliant	Largely compliant	Compliant
Strengths	Not defined	• **(c.40.9)** Adequate legal frameworks provide a legal basis for information exchange, supporting international cooperation without requiring MOUs and streamlining collaboration. • **c.40.11.a)** The principle of availability for cooperation ensures the timely sharing of necessary information in alignment with international standards, providing prompt assistance to foreign FIUs. • **(c.40.11.b)** The FIU are empowered to share information both upon request and spontaneously, facilitating proactive support in cases involving money laundering and terrorist financing.	• **(c.40.9)** Legal frameworks for cooperation enable information sharing on ML/TF and predicate offences, regardless of the type of the FIU involved. • **(c.40.9)** Adherence to Egmont Group principles demonstrates a commitment to secure and efficient cross-border cooperation. • **(c.40.10)** Feedback mechanisms promote transparency and trust by providing updates on the use and outcomes of shared information. • **(c.40.11.b)** Timely and flexible information sharing facilitates both spontaneous and on request exchanges, ensuring swift international action against financial crimes.	• **(c.40.9)** Legal frameworks for cooperation enable comprehensive collaboration with foreign FIUs on ML/TF and predicate offences, regardless of legal status, ensuring efficient international cooperation. • **(c.40.9)** Egmont Group membership strengthens secure and efficient international cooperation by adhering to standardised mechanisms for information exchange and feedback. • **(c.40.10)** The FIU faces no legal obstacles in providing feedback upon request, enhancing transparency and the effectiveness of international collaboration. • **(c.40.11.a)** The FIU can exchange a broad range of financial intelligence data without restrictions, ensuring timely and comprehensive responses.

MOST COMMON TYPOLOGIES - R.40 (RECOMMENDED ACTIONS)

Ratings	Non-compliant	Partially compliant	Largely compliant	Compliant
Recommended actions	Not defined	• **(c.40.9)** Granting the FIU authority to request information from financial intermediaries on behalf of foreign counterparts, even when no STR has been submitted. • **(c.40.9)** Streamlining processes and allocate more resources to ensure timely international cooperation. • **(c.40.11.b)** Developing autonomous information gathering capabilities to reduce reliance on other entities and minimise delays.	• **(c.40.7)** Expanding legal provisions to regulate international cooperation, including with non-counterparts, criminalising tax crimes, and ensuring flexible mechanisms beyond MOUs. • **(c.40.8)** Ensuring the FIU adopts a flexible approach to assisting foreign counterparts, with legal provisions for feedback. • **(c.40.9 & c.40.11.b)** Broadening the FIU's ability to exchange information and introducing confidentiality safeguards to prevent misuse of internationally exchanged information. • **(c.40.10)** Establishing clear processes for prioritising and executing international cooperation requests in a timely manner.	Not defined

B1 TOTAL IDENTIFIED WEAKNESSES AND STRENGTHS AND TOTAL NUMBER OF JURISDICTIONS PERTAINING TO EACH THEME.

Themes	Total Weaknesses	Total Strengths	Total Jurisdictions
LEA Use of Financial Intelligence	13	14	21
SAR Quality	10	11	17
Quality of Disseminated FIU Financial Intelligence Products	6	14	17
Strategic Analysis	10	10	15
National Cooperation & Coordination	2	15	15
Resources	10	7	12
LEA Use of the FIU to Obtain Financial Intelligence	7	3	10
Access to Information Sources	5	9	11
SAR Reporting Process	7	0	7
DNFBPs SARs	8	0	8
LEA Feedback	7	0	7
Operational Analysis	6	3	8
Role of FIU	6	1	6
Information Gathering	5	1	5
SAR Prioritisation / Processing	4	1	5
Complex Cases	4	1	5
Confidentiality of Information	2	4	6
Customs Controls	5	0	5
Feedback on SARs	3	2	4
LEA Financial Intelligence Skills and Resources	3	1	4
Use of Financial Intelligence for TF Investigations	4	1	5
SAR Quantity	1	4	5
Up To Date Domestic Databases	4	0	4
Operational Independence	1	4	4
Legislative Framework for Information Access	2	0	2
Specialised Staff	2	1	3
Staffing	3	0	3
Workload Demands	2	0	2
FIU Statistics	2	0	2
FIU Powers to Suspend Suspected Proceeds of Crime	1	1	2
Analyst Manuals	2	0	2
TF Related SARs	1	1	1
Currency Transaction Reports	1	0	1
LEAs Powers of Seizure	1	0	1
Level of Evidence Required to Prosecute ML Cases	1	0	1
Parallel Financial Investigations	1	0	1
Prioritisation of ML Offences	1	0	1
Use of Confiscation	1	0	1
Access to Tax Information	1	0	1
Cash and BNI (Bearer Negotiable Instrument) reports initiating ML Investigations	1	0	1
Use of IT Resources	1	0	1
ML Investigative Team	0	1	1
Public Private Partnership	0	1	1
International Cooperation	0	1	1
Tobacco Smuggling Crime as ML Predicate Offence	0	1	1

THEMES AND NUMBER OF TIMES EACH THEME IS PRESENT BY EFFECTIVENESS RATING.

Themes	HE	SE	ME	LE	Total
LEA Use of Financial Intelligence	1	4	21	1	27
SAR Quality		4	15	2	21
Strategic Analysis	1	3	15	1	20
Quality of Disseminated FIU Financial Intelligence Products	1	3	13	3	20
Resources		4	12	1	17
National Cooperation & Coordination	1	6	8	2	17
Access to Information Sources		1	12	1	14
LEA Use of the FIU to Obtain Financial Intelligence		2	8		10
Operational Analysis		2	7		9
DNFBPs SARs		2	5	1	8
SAR Reporting Process			6	1	7
Role of FIU		1	6		7
LEA Feedback		2	5		7
Information Gathering		1	4	1	6
Confidentiality of Information		2	3	1	6
Operational Independence			5		5
SAR Prioritisation / Processing		1	4		5
Feedback on SARs		1	4		5
Use of Financial Intelligence for TF Investigations			4	1	5
Customs Controls		2	3		5
SAR Quantity		2	3		5
Complex Cases		2	2	1	5
LEA Financial Intelligence Skills and Resources			4		4
Up To Date Domestic Databases		1	3		4
Specialised Staff			3		3
Staffing			3		3
Legislative Framework for Information Access			2		2
Workload Demands			2		2
FIU Powers to Suspend Suspected Proceeds of Crime			2		2
Analyst Manuals			2		2
TF Related SARs			2		2
FIU Statistics	1		1		2
Currency Transaction Reports			1		1
LEAs Powers of Seizure			1		1
Level of Evidence Required to Prosecute ML Cases			1		1
Parallel Financial Investigations			1		1
Prioritisation of ML Offences			1		1
Use of Confiscation			1		1
ML Investigative Team			1		1
Public Private Partnership			1		1
Access to Tax Information		1			1
Cash and BNI reports initiating ML Investigations		1			1
Use of IT Resources		1			1
International Cooperation					1
Tobacco Smuggling Crime as ML Predicate Offence		1			1

NUMBER OF TIMES EACH THEME IS PRESENT AS A 'STRENGTH' BY EFFECTIVENESS RATING

Themes (Strengths)	HE	SE	ME	LE	Total
LEA Use of Financial Intelligence	1	4	9		14
Quality of Disseminated FIU Financial Intelligence Products	1	3	9	1	14
National Cooperation & Coordination	1	5	7	2	15
SAR Quality		4	7		11
Strategic Analysis	1	2	7		10
Access to Information Sources		1	7	1	9
Resources		1	6		7
Operational Independence			4		4
SAR Quantity		2	2		4
Confidentiality of Information		1	2	1	4
LEA Use of the FIU to Obtain Financial Intelligence		1	2		3
Feedback on SARs			2		2
Operational Analysis		2	1		3
FIU Powers to Suspend Suspected Proceeds of Crime			1		1
Information Gathering			1		1
LEA Financial Intelligence Skills and Resources			1		1
ML Investigative Team			1		1
Public Private Partnership			1		1
Role of FIU			1		1
Specialised Staff			1		1
TF Related SARs			1		1
Use of Financial Intelligence for TF Investigations			1		1
Complex Cases		1			1
SAR Prioritisation / Processing		1			1
Tobacco Smuggling Crime as ML Predicate Offence		1			1
International Cooperation	1				1

NUMBER OF TIMES EACH THEME IS PRESENT AS A 'WEAKNESS' BY EFFECTIVENESS RATING.

Themes (Weaknesses)	HE	SE	ME	LE	Total
LEA Use of Financial Intelligence			12	1	13
SAR Quality			8	2	10
Strategic Analysis		1	8	1	10
Resources		3	6	1	10
SAR Reporting Process			6	1	7
LEA Use of the FIU to Obtain Financial Intelligence		1	6		7
Operational Analysis			6		6
DNFBPs SARs		2	5	1	8
LEA Feedback		2	5		7
Role of FIU		1	5		6
Access to Information Sources			5		5
Quality of Disseminated FIU Financial Intelligence Products			4	2	6
SAR Prioritisation / Processing			4		4
Information Gathering		1	3	1	5
Customs Controls		2	3		5
Up To Date Domestic Databases		1	3		4
Use of Financial Intelligence for TF Investigations			3	1	4
LEA Financial Intelligence Skills and Resources			3		3
Staffing			3		3
Complex Cases		1	2	1	4
Feedback on SARs		1	2		3
Legislative Framework for Information Access			2		2
Specialised Staff			2		2
Workload Demands			2		2
Analyst Manuals			2		2
Confidentiality of Information		1	1		2
FIU Statistics	1		1		2
National Cooperation & Coordination		1	1		2
Currency Transaction Reports			1		1
FIU Powers to Suspend Suspected Proceeds of Crime			1		1
LEAs Powers of Seizure			1		1
Level of Evidence Required to Prosecute ML Cases			1		1
Operational Independence			1		1
Parallel Financial Investigations			1		1
Prioritisation of ML Offences			1		1
SAR Quantity			1		1
TF Related SARs			1		1
Use of Confiscation			1		1
Access to Tax Information		1			1
Cash and BNI reports initiating ML Investigations		1			1
Use of IT Resources		1			1

B5 RECOMMENDED ACTIONS: THEMES AND NUMBER OF TIMES EACH THEME IS PRESENT BY EFFECTIVENESS RATING.

Themes	HE	SE	ME	LE	Total
Improve Suspicious Activity Reporting		2	13	2	17
Effective LEA Use of Financial Intelligence			13	1	14
Allocate Adequate Resources to FIU		3	9	1	13
Enhance Strategic Analysis		3	9	1	13
Enhance Operational Analysis			10	1	11
LEA Cooperation/Feedback		2	8		10
Enhance IT Capacity		2	6	1	9
Customs Authorities Cross-Border Control of Transportation of Cash		2	4		6
Access to Domestic Land Registry/Real Estate Register Database		2	3		5
FIU Staff Handbooks/Manuals		1	2	2	5
Specialised Staff			3	1	4
Record Keeping and Tracking of Financial Intelligence	1		3		4
Access to Tax Database		2	2		4
Ensure Operational Independence			3		3
Decrease Dependency on FIU		1	2		3
International Cooperation			2	1	3
Allocate Adequate Resources to Competent Authorities			2		2
Recruit Staff			2		2
Staff Retention Strategy		1	1		2
Timely Access to Information		1	1		2
Access to Anti-Corruption Agency Information			1		1
Access to Domestic Sources of Information			1		1
Access to Law Enforcement Information			1		1
Cooperation with Supervisory Authorities			1		1
Laws to Enable Dissemination of Intelligence			1		1
Maximise range of Financial Intelligence used to Investigate TF Activity			1		1
Public Private Partnerships Resources			1		1
Record Bank Account Information			1		1
Retention of SAR Related Statistics			1		1
Review Court Practice and Policies			1		1
Review Laws That Hinder Criminal Investigations			1		1
Review Legal Provisions of FIU Boards			1		1
Maintain Role of FIU			1		1
Establish Formal Mechanisms to Enhance Operational Information Exchange		1			1
Prosecution Authorities SAR Processing Requirements		1			1
Supervisory Authorities to Report Suspicious Activities		1			1
LEA Request of Financial Intelligence for Predicate Offences	1				1

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