



**MOKAS**  
UNIT FOR COMBATING MONEY LAUNDERING



## **Using new information and communications technologies to strengthen MOKAS Capacities to Detect Money Laundering and Financing of Terrorism**

Financial Intelligence Units (FIUs) play a leading role in anti-money laundering regimes, as they are generally responsible for receiving, processing and analysing reports regarding suspicious transactions submitted by financial institutions or other entities according to the anti-money laundering legislation.

The Unit for Combating Money Laundering (MOKAS –the Republic of Cyprus FIU) was operating until recently on a manual basis i.e. all data from reporting entities were received in hard copies, followed by manual data input and processing and with transactions analysis performed on a case by case basis. Consequently and most importantly, the IT system until recently in place did not offer the capability of a broader automated identification of correlations and patterns between and amongst data, information, suspects etc.

The Unit, recognizing the above and taking into account the ever-growing complexity of the investigations and analysis carried out, decided to propose a switch from manual to automated mode and to invest in a state-of-the-art IT system.

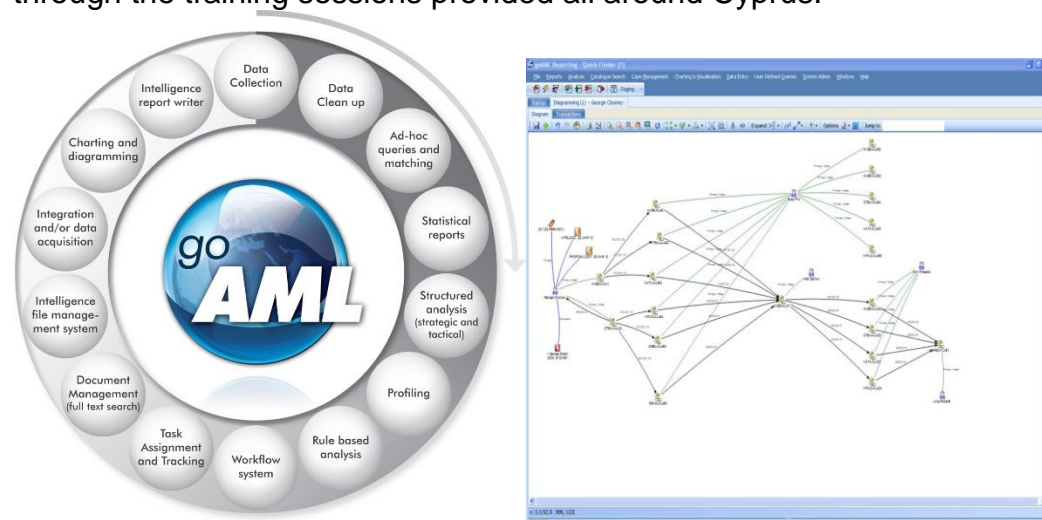
In view of the above and under the effort for continuing development and upgrading of its capacities, MOKAS strategically decided to initiate the Project entitled “Strengthening MOKAS Capacities and Improving Efficiency to Detect Money Laundering and Financing of Terrorism” (AMLIT). The Project, launched on the 1st of March 2013, received a Grant of €936.000, or 85% of the total budget (around €1.1m) from Norway Grants, with the remaining 15% funded from national funds. The main objective of the Project was to automate the receipt, analysis and investigation procedure of MOKAS, by implementing an IT system for supporting its core activities.

As part of the implementation of the Project, the Unit acquired a sophisticated IT solution called “goAML”, which has been specifically designed and developed by the United Nations Office on Drugs and Crime (UNODC) for FIUs. goAML is an intelligence analysis system, designed to meet the data collection, management, analytical, document management, workflow and statistical needs of FIUs, which is why it is also being used by a number of FIUs around the world. The installation of the IT system required an important hardware upgrade, which the Unit has acquired to enable the hosting of the goAML application, as well as adapt the staff’s technological equipment to the updated functions and protocols due to the system transfer.

After almost two years of preparatory work, the new system went live in April 2015. Henceforth, from the 1<sup>st</sup> of April 2015, all the banking and other financial institutions and professionals legally obliged to submit suspicious transactions or activities reports to the Unit, are submitting the Reports electronically, under the highest security standards, through the goAML web application. In order to support the reporting entities and stakeholders to better utilise the advantages of the new system, a series of training activities both inhouse and external have been initiated and is still ongoing.

The Project was completed in April 2016, with the first results being made visible as we are looking forward towards even more effective utilisation of the new system. MOKAS is in a better position to analyse deeper and contribute in combat financial crime in the very demanding environment as regards the fight against money laundering and terrorist financing.

An increase of 25% of the submitted suspicion transaction reports has been already recorded. This is due to the fact that reporting entities are much more familiar with electronic handling of data and found the new way of submission more convenient. In addition the level of awareness has been increased through the training sessions provided all around Cyprus.



Through the results of the Project the international cooperation and exchange of information between MOKAS and other FIUs has improved as MOKAS is able to provide more qualitative data, statistics, trends, indicators and best practices. The enhanced capability of the new system enables MOKAS to identify complex links, networks and continuously updated trends used by possible law offenders either domestically or internationally and hence inform stakeholders within private and public sector.

MOKAS would like to thank the Directorate General for European Programmes, Coordination and Development for their support during the preparation and implementation of the Project, the Ministry of Finance for the financial contribution of 15%, as well as the reporting entities and stakeholders for their understanding and contribution during the customisation of the system.

We would also like to extend out special thanks and gratitude towards Norway Grants and the People of the Kingdom of Norway for their contribution, which made this project possible. This contribution assisted MOKAS not only on the financial part, but also to the enhancement of the bilateral relationship between the FIU of Cyprus and the FIU of Norway.