A Newton's cradle with five silver spheres hanging from thin wires against a blue background. The leftmost sphere is in motion, having just struck or about to strike the others.

The impact of the new AML/CTF indicators on the insurance industry

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Chairman**

A statue of Lady Justice, the personification of the goddess of justice, is shown from the waist up. She is holding a pair of scales in her raised right hand and a sword in her left hand. The statue is set against a dramatic sky with clouds, transitioning from a warm orange glow at the bottom to a deep blue at the top. A semi-transparent dark grey rectangular box is centered over the image, containing white text.

**“We are committed to
ensure compliance with
legislation and regulatory
requirements”**

Key indicators of the Life Insurance industry



**14 Licensed
Life
Insurance
Company**



**60 Licensed Life
Insurance Broker**

High risk insurance products

A man in a dark suit is walking a tightrope against a dramatic, cloudy sky with a reddish-orange tint. He is holding a black umbrella over his head with his right hand and balancing with his left arm extended outwards. The scene is metaphorical, representing high risk and the need for insurance.

Endowment
insurance

Unit linked
products

A grayscale photograph of a person in a dark suit and white shirt, holding a pen and marking a checklist. The checklist consists of three square boxes, each with a checkmark inside. The person's hand is visible, and the pen is in the process of marking the middle box. The background is a soft, out-of-focus gray.

FORMER AML / CTF INDICATORS

Objective indicators

Subjective indicators

**Combination of objective
and subjective indicators**

Disadvantage of the former objective indicators

“they have to be reported even if the reporting entities do not suspect or have reasonable grounds to suspect that funds are the proceeds of a criminal activity, and /or are related to Money Laundering or Terrorism Financing”.

(CFATF, 2011 Curaçao Evaluation Report)

A person in a dark suit and blue patterned tie is drawing three large, white checkmarks on a glass surface with a black marker. The background is a blurred blue gradient.

New AML / CTF INDICATORS

Four objective indicators

One subjective indicator

Four objective indicators

1

**Transaction
reported to
police or
prosecutor**

2

**Intended
transaction
by
person/entity
on Sanction
list**

3


Changed

**Cash
transaction
of NAf.
20.000 or
more**

4

new

**Wire transfer
(to local or
international
account) of
NAf. 500.000
or more**

A close-up photograph of a hand holding a credit card over a laptop keyboard. The credit card is tilted, showing the signature strip and some card details. The laptop keyboard is visible in the foreground, and the background is blurred.

**One
subjective
indicator**

**Suspicion of
money
laundering
and/or terrorism
financing**

A Newton's cradle with five silver spheres hanging from thin wires against a blue background. The sphere on the far right is in motion, having just struck or about to strike the others.

Impact on the insurance industry

1

Reduction of threshold for reporting cash transaction

2

Introduction of reporting of wire transfers of NAf. 500.000 or more

Reduction of threshold for reporting cash transaction notes

**“cash payment
is no longer
considered the
same as a
cheque
payment”**

**“Former
thresholds: NAf.
100.000
(premium
payment) and
NAf. 50.000
(outpayment)”**

**New threshold:
NAf. 20.000**

A Newton's cradle with five silver spheres hanging from thin wires against a blue background. The spheres are arranged in a horizontal line, with the fifth sphere on the right slightly higher than the others.

Conclusion

**This new
reporting
requirement
needs to be
embedded in
the operations**

How to proceed

**Step
3**

Monitor

Act

**Step
2**

**Step
1**

Invest

Invest



1

Adjust systems to incorporate the new objective indicators

2

Red flags: ongoing recognition and definition

3

Continuous trainings and awareness sessions for staff and brokers

A person in a dark blue suit and patterned tie is drawing white checkmarks on a glass surface with a black marker. The background is a solid blue color.

Act

1

Move forward with the risk based approach

2

AML/CTF Risk assessment

A person in a dark blue suit, white shirt, and blue patterned tie is shown from the chest up. They are holding a black marker and drawing three large, hand-drawn checkmarks on a glass surface. The background is a solid blue color.

Monitor

1

**Transaction Monitoring
continues to be a must!**

A statue of Lady Justice, the personification of justice, is the central figure. She is a woman with curly hair, wearing a classical robe with a bow at the waist. She holds a pair of scales in her left hand and a sword in her right. The background is a dramatic sky with clouds, transitioning from blue at the top to orange and yellow at the bottom, suggesting a sunset or sunrise. The entire image is overlaid with a semi-transparent dark blue rectangle containing white text.

Although worldwide a limited number of incidents are reported to the FIU by the life insurance industry:

“We are committed to ensure compliance with legislation and regulatory requirements”

THANKS



Curaçao & Bonaire Insurance Association