



VIRGIN ISLANDS FINAL PROGRESS REPORT ON THE IMPLEMENTATION OF THE RECOMMENDATIONS FROM THE 2016 NATIONAL RISK ASSESSMENT



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AML/CFT IMPLEMENTATION UNIT
GOVERNMENT OF THE VIRGIN ISLANDS

Table of Contents

INTRODUCTION	2
GRADING SCHEME	4
COMPETENT AUTHORITIES.....	5
GOVERNOR'S OFFICE (GO).....	6
ATTORNEY GENERAL'S CHAMBERS (AGC).....	10
FINANCIAL INVESTIGATION AGENCY (FIA).....	14
FINANCIAL SERVICES COMMISSION (FSC)	18
INTERNATIONAL TAX AUTHORITY (ITA).....	21
LAW ENFORCEMENT AGENCIES	24
BRITISH VIRGIN ISLANDS AIRPORTS AUTHORITY (BVIAA).....	25
BRITISH VIRGIN ISLANDS PORTS AUTHORITY (BVIWA)	28
MAGISTRATE'S COURT (MC).....	31
HIGH (SUPREME) COURT (HC)	33
ROYAL VIRGIN ISLANDS POLICE FORCE (RVIPF)	35
HER MAJESTY'S CUSTOMS (HMC).....	40
IMMIGRATION DEPARTMENT (ID)	43
OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS (ODPP).....	46
CONCLUSION.....	50

INTRODUCTION

In order to comply with Recommendation 1 of the Financial Action Task Force's (FATF) International Standards on Combating Money Laundering and the Financing of Terrorism and Proliferation, which requires countries to identify, assess and understand the money laundering (ML) and terrorist financing (TF) risks and apply a risk-based approach to prevent or mitigate ML and TF, the Virgin Islands (VI) determined that the most efficient way to complete this task was by completing a National Risk Assessment (NRA). The NRA exercise, which commenced in September 2014, was concluded in 2016, after the Cabinet of the VI approved the Virgin Islands National Risk Assessment Report (NRAR) 2016.

The purpose of the NRA was to assess ML/TF/Proliferation Financing (PF) risks to the VI to assist with the targeted application of a risk-based approach to Anti-Money Laundering (AML)/Countering the Financing of Terrorism (CFT). It was concluded that the completion of an NRA would assist the Territory with identifying and assessing its risks with regard to ML/TF, and the results of the NRA would provide a clear picture of which Competent Authorities (CAs), Law Enforcement Agencies (LEAs) and sectors were most vulnerable to ML/TF.

The NRA was geared toward identifying the Territory's ML and TF risks and determining where resources were to be allocated based on the identified risks. It further provided the opportunity to identify required changes to the current AML/CFT regime based on these identified risks. The initial NRA covered the period of 2011 – 2014, inclusive of identified threats and vulnerabilities for a range of agencies and sectors including all of the Territory's CAs and LEAs, which are the focus of this progress report. The responsibility for ensuring the recommendations identified in the NRAR for Financial Institutions (FIs), Designated Non-Financial Businesses and Professions (DNFBPs) and Non-Profit Organizations (NPOs) are being implemented, lies with the relevant regulators, i.e., the Financial Services Commission (FSC) and the Financial Investigation Agency (FIA).

To assist with the implementation of the NRA Recommendations, the AML/CFT Implementation Unit (The Unit) was created within the Ministry of Finance (MoF). The main focus of The Unit is to undertake and ensure effective implementation of the NRA Recommendations. After the completion of the NRAR in 2016, the Territory was faced with the passage of two devastating hurricanes in 2017, which not only damaged the infrastructure of the VI, but hindered the progress of the implementation of the recommendations outlined in the NRAR. This notwithstanding, The Unit continued to work with the relevant agencies to ensure the continued implementation of the NRA Recommendations.

The first progress report on the implementation of the NRA Recommendations was completed by The Unit in 2018. This report outlined the progress of the following agencies with regard to their individual NRA Recommendations:

- Governor's Office
- Attorney General's Chambers
- Financial Investigation Agency
- Financial Services Commission
- Magistrate's Court
- Immigration Department
- Her Majesty's Customs
- Royal Virgin Islands Police Force
- Office of the Director of Public Prosecutions
- BVI Airports Authority
- BVI Ports Authority

This second and final report now includes progress relative to two additional agencies, High (Supreme) Court and the International Tax Authority.

Since 2018, The Unit has worked closely with the relevant agencies to assist with the implementation of the NRA recommendations. Most of the LEAs and CAs have made significant improvements to the NRA Recommendations. The VI has decided to undertake an update of its AML/CFT risks by undertaking separate ML and TF Sectoral Risk Assessments for FIs and DNFBPs. Consequently, this report will form the final official update on the implementation of the recommendations emanating out of the NRAR. The Unit will continue to monitor and measure the effectiveness of each CA and LEA in forestalling ML/TF and mitigating the risks emanating from all related crimes.

GRADING SCHEME

A grading scheme of four levels was used to assess the status of the recommendations for each of the LEAs and CAs within this report. The grading scheme is broken down as follows:

Grade	Description
Complete	The recommendation was completed, and effective implementation occurred.
Largely Complete	The recommendation was completed by the agency; however, effective implementation was not demonstrated OR the recommendation is ongoing.
Partially Complete	The recommendation is currently being worked on by the agency.
No Progress Made	The recommendation has not been actioned by the agency to date.

COMPETENT AUTHORITIES

This Section provides a progress report on the five competent authorities of the VI. It displays a synopsis on the progress of the recommendations and the current status of each recommendation. The Competent Authorities are as follows:

- Governor's Office
- Attorney General's Chambers
- Financial Investigation Agency
- Financial Services Commission
- International Tax Authority

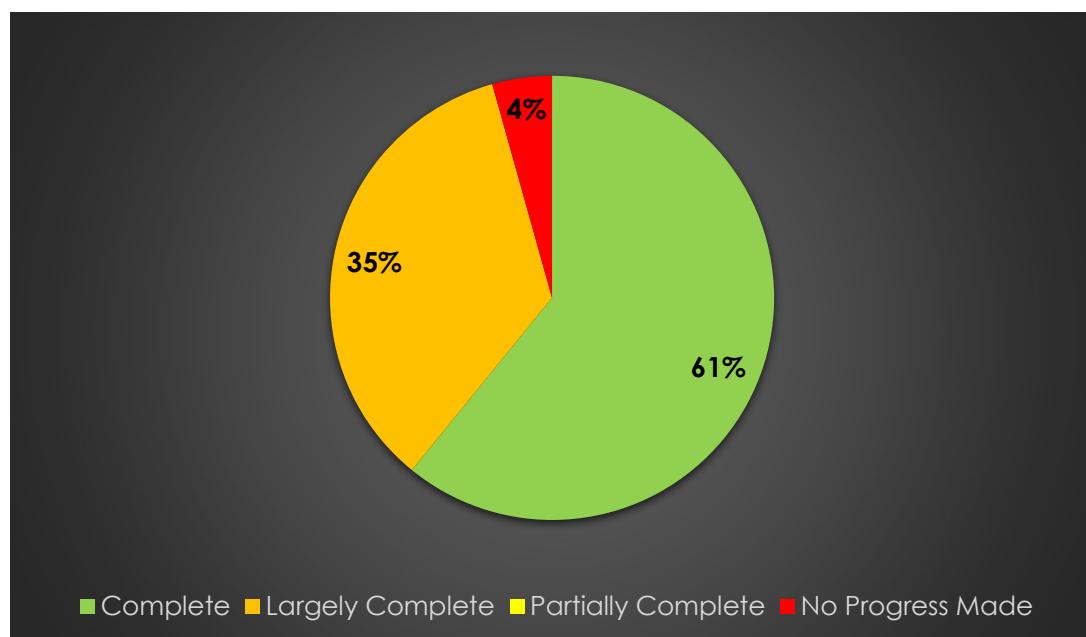
GOVERNOR'S OFFICE (GO)

The following risk areas were identified within the GO in the 2016 NRAR:

High Risk	<ul style="list-style-type: none">• Handling of incoming extradition requests• Handling of outgoing extradition requests
Medium Risk	<ul style="list-style-type: none">• Inter-agency cooperation• Handling of incoming MLA requests from foreign CAs• Records maintenance and accessibility
Low Risk	<ul style="list-style-type: none">• Governance and administration• Handling of complaints filed by foreign CAs• Handling of complaints filed by GO

The GO addressed a number of deficiencies necessary for it to be effective in the fight against ML/TF/PF. The recommendations identified in the NRAR in relation to records management, employee training, Mutual Legal Assistance (MLA) requests and extraditions have been significantly addressed. The GO has established direct communication and liaises on a regular basis with the Financial Investigation Agency (FIA), Office of the Director of Public Prosecutions (ODPP) and the Attorney General's Chambers (AGC), which makes responses to MLAs and extraditions more timely.

It is important that the GO in collaboration with the FSC, AGC and FIA ensures there is proper communication and coordination in terms of extraditions, sanctions and MLA requests.



NRA RECOMMENDATIONS	
General Recommendations	
a) The GO should develop a corrective action plan to mitigate the deficiencies identified. This plan should include measures that ensure continuous management and monitoring of the corrective actions. The implementation of the plan should be monitored by carrying out internal audits on the established policies and procedures.	Complete
b) MLA requests should be tracked separately from extradition requests. This would enable better tracking of each and allow for easy generation of statistics. In addition, domestic	Complete

extradition requests should be separately and properly logged.	
c) The GO should assess the current methods and channels of communication with the AGC with a view to ensuring clear and consistent communication.	Largely Complete
d) The GO and AGC should develop a procedural manual that stipulates their roles and responsibilities in relation to the receipt, processing and dissemination of information for MLAs and extraditions; this should include an assessment of the relevant legislative provisions to ensure consistency and avoid conflict.	Complete
e) The GO, in conjunction with the AGC, should develop and implement a procedure that can provide clear guidance on how to deal with extradition matters; this should include a step-by-step process with realistic timeframes to help guide the process from the receipt of an extradition request to the disposal of the request.	Complete
f) The record keeping system presently in place (as it relates to information pertaining to MLA and extradition) needs to be thoroughly assessed for areas of vulnerability and a proper record management system be put in place.	Largely Complete
g) A procedures manual on record keeping should be developed and implemented to provide clear guidance to staff within the GO.	Complete
h) Staff of the GO should be informed of, and trained on, their roles and responsibilities as they relate to record keeping and the risks associated with poor record keeping. The performance of their roles and responsibilities should form a part of their employee performance appraisal, where applicable.	Largely Complete
i) While the 'clear desk' policy might be good office practice, the GO should implement a document and records control system that is more secure and has, amongst other features, a control mechanism in place to closely track all access granted to, and the location of, each file.	Complete
j) The GO, FIA and the AGC should reconcile any anomalies that exist between their records on extraditions and MLAs. These offices should institute periodic meetings (every quarter for example) to discuss and address any such anomalies and also verify and better streamline their mutual records and thus ensure a continuous efficient and effective system in relation to MLAs and extraditions.	Largely Complete
<p>k) To ensure that consistency prevails, Standard Operating Procedures (SOPs) (embodying policies) should be developed to provide guidance for staff. These procedures should clearly demarcate tasks to be performed by the GO so that the staff are certain with regard to their specific areas of assignment. The development of these procedures will assist in safeguarding against haphazard decision making and ensure clear actions are taken.</p> <p>The SOPs should communicate:</p> <ul style="list-style-type: none"> • Purpose • Scope • Roles and responsibilities • Procedures (steps to be taken) 	Complete

I) The GO should ensure that relevant Sanctions Orders and designations are communicated to the FIA and the Financial Services Commission (FSC) without delay to avoid business relationships with sanctioned or designated persons being continued or entered into on account of failure of timely knowledge of the sanctions or designations.	Complete
m) The GO should issue public guidance outlining the circumstances under which a license must be applied for if conducting business with, for, or on behalf of or in relation to a listed person subject to sanctions.	Largely Complete
n) Training should be provided to the staff of the GO on the extradition processes and procedures, including MLA and AML/CFT matters. This training may be limited to staff that deal with matters of extraditions, MLA and sanctions to strengthen their knowledge and awareness on the subject matters.	Largely Complete
o) The GO should assess the training needs of employees against the requirements of their job positions and the functions of the GO generally and make provision for the employees to receive the relevant training in AML/CFT and, where necessary, on a regular or periodic basis.	Largely Complete
p) The GO should conduct a comprehensive assessment of the present security measures that are in place to identify areas of vulnerabilities. Some questions to consider are: <ul style="list-style-type: none"> • What kind of security systems and controls are currently being utilized? • Does the GO have any security policies and procedures in place? • Are these policies and procedures adequate and enforced? • Do the current security systems and controls, policies and procedures reduce the risk of potential vulnerabilities? 	Complete
q) The GO should issue access control picture identification badges, with the most recent photograph of the badge holder, to all employees.	Complete
r) The GO should assign temporary passes to visitors, who should be required to sign in and out of the GO premises.	Complete
s) The GO should review periodically and, where necessary, upgrade the perimeter intercoms and close circuit monitoring devices.	Complete
t) The GO should, at the very least, have a security guard at the main entrance to the office building with a clear view of the controlled areas.	Complete
u) The GO should develop a corrective action plan to mitigate the deficiencies (risks and vulnerabilities) identified in the NRAR. This plan should also include measures that would enable continuous effective management and monitoring of the measures currently in place to prevent any otherwise avoidable shortcoming. The implementation of the corrective action plan should be monitored carefully by the GO (preferably by a designated functionary within the GO) by carrying out internal audits on a periodic basis.	Complete
v) The Governor should consider the possibility of bringing the MC under the direct purview of the Chief Justice thereby eliminating any perceived conflict with or interference of the	No Progress Made

executive branch of government; this will align with what currently happens in most judicial systems around the Commonwealth and, in particular, most of the OECS countries.

Terrorist and Proliferation Financing Recommendation

- w) The GO should be provided immediate training in TF.

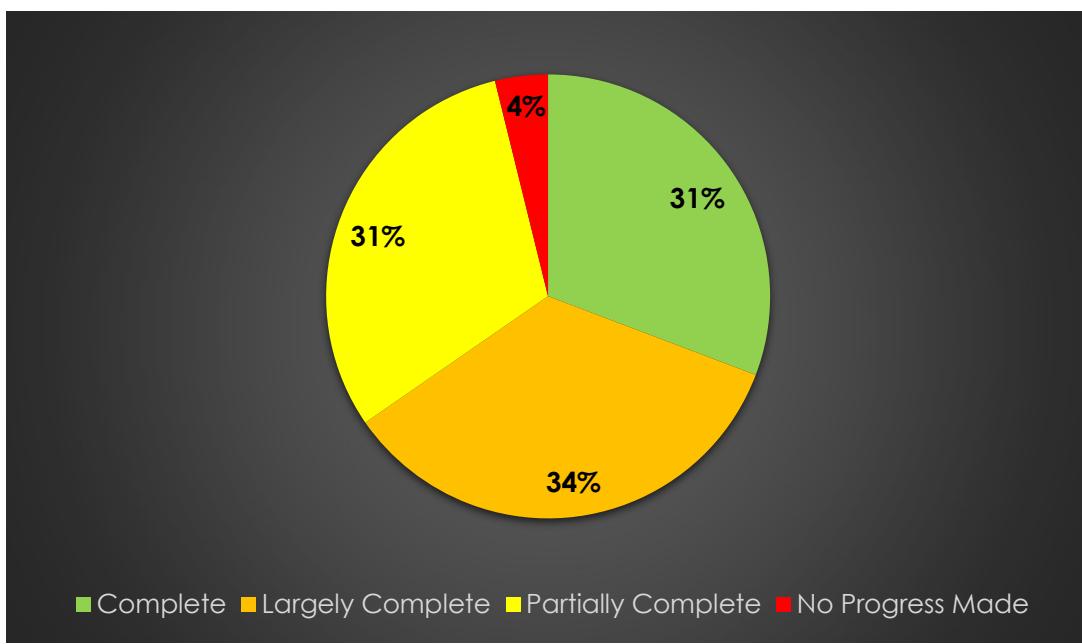
Largely Complete

ATTORNEY GENERAL'S CHAMBERS (AGC)

Medium Risk	<ul style="list-style-type: none"> • Governance and administration • Handling of incoming MLA and international cooperation requests from foreign CAs • Knowledge of whether assistance provided resulted in conviction or was helpful in any other way • Handling of outgoing MLA and international cooperation requests • Declined requests • Complaints handling • Records maintenance and accessibility • Difficulties in processing MLA requests and extradition matters timely.
Low Risk	<ul style="list-style-type: none"> • Inter-agency cooperation • Handling of incoming requests for High Court evidence in High Court related to ML/TF

The AGC has been diligent in completing their recommendations in an efficient manner. They have implemented the post of International Relations Counsel to assist on all matters related to the external affairs of the Virgin Islands. The Solicitor General is now the primary contact for MLAT matters.

The AGC should continue implementation and demonstrating that it is effectively implementing its AML/CFT obligations through, amongst other things, ensuring, as far as it is within their control, that legislation is passed timelier so as to keep up with the advancing world and the changes to different international standards.



NRA RECOMMENDATIONS	
General Recommendations	
a) The record keeping system presently in place (as it relates to information pertaining to MLA and extradition) needs to be thoroughly reviewed with a view to putting in place an appropriate and adequate mechanism capable of ensuring	Complete

	the maintenance of records that are easily accessible and retrievable whenever required.	
b)	A procedures manual on record keeping should be implemented to provide clear guidance to staff.	Largely Complete
c)	The AGC and GO should develop procedures that would stipulate their roles and responsibilities as they pertain to the receipt, processing and dissemination of information for MLA requests and extraditions.	Complete
d)	The AGC should develop and implement procedures that provide clear guidance on how to deal with extradition matters, especially if the process varies per country.	Complete
e)	The AGC should assess the training needs of its key employees against the requirements of their job positions and make provision for them to receive training in AML/CFT matters, as well as training that is specific to extradition, MLA and sanctions matters so as to strengthen their knowledge, skill and awareness on the subjects.	Largely Complete
f)	The AGC should take steps to ensure that subsidiary legislation is drafted and enacted to remove specific designations of countries in the Drug Trafficking Offences Act (DTOA), Proceeds of Criminal Conduct Act (PCCA) and Criminal Justice (International Cooperation Act (CJ(IC)A) to ensure that assistance could be provided to all requesting countries.	Complete
g)	The current methods and channels of communication between the AGC and the GO should be reviewed to put in place appropriate systems that ensure full cooperation and certainty in dealing with or relating to each other.	Largely Complete
h)	As a contingency, the AGC and GO should reconcile anomalies that exist between their records in order to ensure synergy in or in relation to common matters. In this regard, both offices should consider meeting periodically (at least every quarter in the first instance) to resolve these matters and ensure a continuing process of dialogue and comparing of notes to ensure accurate records on common areas of cooperation.	Largely Complete
i)	The AGC should seek to develop informal bilateral relations or discussions with the countries to which they intend to seek an extradition of a fugitive to establish what is required of them in order to ensure that appropriate and correct requests are made to comply with the requirements of those countries. Similarly, they should review extradition requests carefully and thoroughly and, if need be, liaise with the requesting authorities submitting extradition requests to ensure that all required information is supplied to ensure a "smooth" execution of their requests.	Partially Complete
j)	<p>The AGC should conduct a comprehensive review of the present security measures which must, at the minimum, address the following and assess their efficiency and effectiveness:</p> <ul style="list-style-type: none"> • The type and adequacy of the security systems and controls presently engaged; • The security policies and procedures in place and how best the inadequacies or shortcomings relative thereto may be properly addressed; • How current security policies and procedures are enforced; and 	Partially Complete

<ul style="list-style-type: none"> The level of understanding by staff of the AGC regarding the security measures and whether the need arises to put in place further restrictions on access to the building accommodating the AGC. 	
k) The AGC should issue picture identification access control badges to all employees and consider requiring an annual reissuance to ensure security details are kept up to date.	Partially Complete
l) The AGC should assign temporary passes to visitors, who should be required to sign in and out of the AGC building.	Partially Complete
m) Considering that the building accommodating the AGC is shared with the ODPP, both offices should adopt measures whereby visitors are physically accompanied into staff offices and other areas of the building.	Complete
n) The AGC should take immediate steps to either repair or replace the current Arch Metal Detector. They should also develop contingency plans to address any shortcomings in the proper and efficient functioning of the Arch Metal Detector (for example, consideration may be given to the use of a handheld metal detector). In addition, they should establish an emergency evacuation plan that can be activated during bomb and other human related threats and natural disasters such as earthquakes, tsunamis and fires.	Largely Complete
o) The AGC should seek a better and more suitable storage facility not prone to the growth of mildew and mold for its archived files.	Complete
p) Appropriate security systems or procedures should be developed in relation to archived files by "severely" restricting access by persons not connected to and authorized by a designated senior officer of the AGC. Files that are severely affected by mildew or mold and/or which may pose a health hazard to staff should be transferred to and held in an electronic system to be maintained by the AGC and the physical files appropriately disposed of.	Partially Complete
q) While it is understood that it may not be financially feasible for the AGC to have an independent Information Technology (IT) system to run its operations, the AGC should liaise with the Department of Information Technology (DoIT) to improve the current authorization level for remote access to the AGC database by incorporating a password or access code. Whenever there is a need for DoIT to remotely access the AGC's computers (for good reason), the AGC should be required to enter a password or access code that would be a sign of their approval to grant DoIT access to its computers. The password should only be given to select managers within the AGC, which should be reviewed from time to time and, where considered necessary, restricted.	Complete
r) An Orderly should be assigned to the Attorney General (AG) without delay.	No Progress Made
s) The AGC should assign sufficient resources and implement appropriate procedures to ensure that all MLA requests are responded to in a timely manner and to decrease the number of days it takes to respond to a request. In order to facilitate this, the AG should take immediate action, in liaison with the relevant authorities in Government, including the Governor and the Deputy Governor, who should lend maximum support to fill the vacant positions in the AGC.	Largely Complete

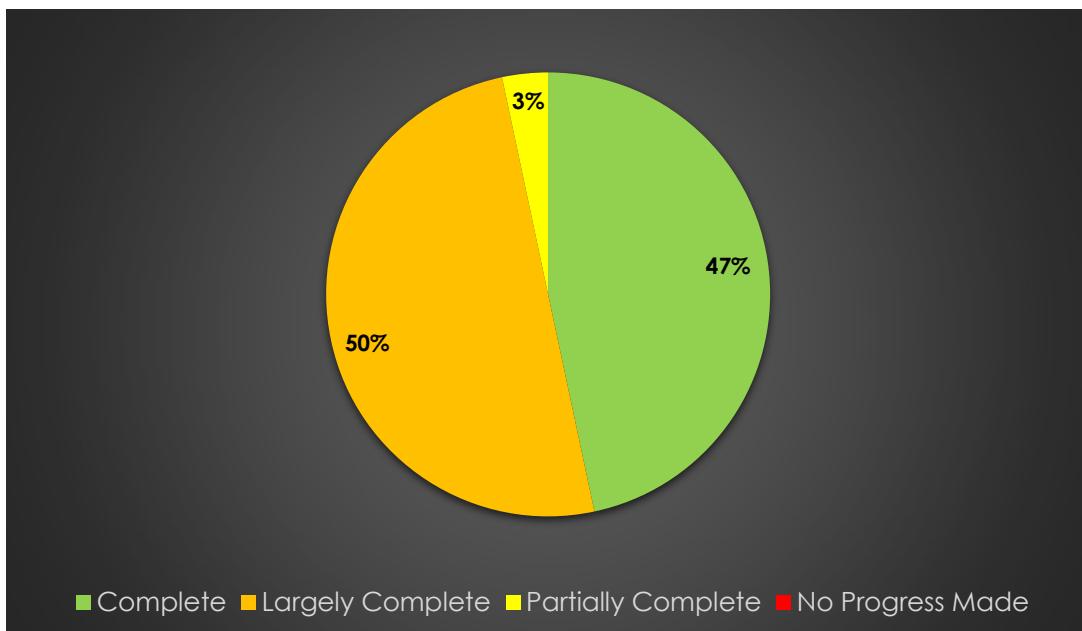
t) The AGC and ODPP should develop close cooperation measures (which should be outlined in writing) with each other in order to ensure the proper, efficient and effective processing of MLA and extradition matters; In addition, the AGC should assist the ODPP in carrying forward appropriate legislative reforms identified and/or recommended by the ODPP with a view to improving or facilitating the successful prosecution of ML/TF cases.	Partially Complete
u) The AGC should develop a corrective action plan to mitigate the deficiencies (risks and vulnerabilities) identified in the NRAR. This plan should also include measures that would enable continuous effective management and monitoring of the measures currently in place to prevent any otherwise avoidable shortcoming. The implementation of the corrective action plan should be monitored carefully by the AGC (preferably by a designated functionary within the AGC) by carrying out internal audits on a periodic basis.	Complete
Freezing, Seizures Confiscation and Forfeiture Recommendations	
v) The AGC, GO and ODPP should each ensure that their records in relation to confiscation, seizure, freezing, forfeiture and restraint are properly maintained and accurately reflect their specific roles, including in relation to common matters.	Partially Complete
w) The AGC should review its internal policies with a view to ensuring greater assistance to foreign CAs with respect to their requests for Court Orders on freezing, confiscations, forfeitures and restraints, including MLA matters generally; where requests for assistance fail to meet the threshold to submit an application to the Court, efforts should be expended in facilitating the requests as far as possible by fully engaging the foreign requesting authorities to provide necessary additional information or to modify their initial requests to meet the required threshold.	Partially Complete
Terrorist and Proliferation Financing Recommendations	
x) The current PF legislation is 6 years old and does not cover some of the elements listed in Recommendation 7 of the FATF Recommendations. It would be prudent, therefore, for the legislation to be reviewed and amendments made, where necessary, to bring it into line with the current FATF requirements on PF.	Largely Complete
y) In reviewing the legislation, consideration should be given to allowing directions to be issued by the FIA where the development, production or facilitation of such development or production of WMDs poses a threat to any country outside the current limitation of the VI and the UK.	Largely Complete
z) The AGC should be provided training in detecting, investigating and prosecuting TF.	Largely Complete

FINANCIAL INVESTIGATION AGENCY (FIA)

High Risk	<ul style="list-style-type: none">Governance and administration
Medium Risk	<ul style="list-style-type: none">Handling of incoming MLA requests from foreign CAsHandling of outgoing MLA requests from local CAsHandling of investigations stemming from MLA requestsComplaints handling in relation to reports by local CAs against the FIADifficulties in processing MLA requestsMonitoring of BVI Business Companies
Low Risk	<ul style="list-style-type: none">Prosecution and convictions resulting from assistance providedHandling of complaints filed by foreign CAsRecords maintenance and accessibility

The FIA has undertaken significant outreach and monitoring of the DNFBP and NPO sectors. With the implementation of a Compliance Manual Checklist and Risk Matrices, the FIA has been diligent in applying a risk-based approach towards the respective sectors. The FIA has worked diligently on increasing its staff complement to undertake the increasing number of tasks, particularly with the analysis of Suspicious Activity Reports (SARs)/Suspicious Transaction Reports (STRs) and inspections. The budget of the FIA is a limiting factor, which needs to be addressed to assist in the completion of its tasks. FIA should take steps to further demonstrate effectiveness as a supervisor by increasing its implementation of risk-based, desk-based and on-site inspection measures.

As an FIU, the FIA also needs to take steps to demonstrate that it timely and adequately analyses SARs/STRs, provide intelligence reports to other LEAs locally and internationally, provides feedback to those filing SARs/STRs and ensuring annual reports containing proper typologies and strategic analyses.



NRA RECOMMENDATIONS	
General Recommendations	
a) The FIA should immediately designate and train a member of staff in carrying out strategic and operational analysis with respect to its functions and duties in keeping with Egmont principles and guidance; the strategic analysis should be published.	Complete
b) The FIA should immediately ensure that there is a distinct separation between the Supervisory Unit and the Financial Investigation Unit, which deals with Suspicious Activity Reports (SARs)/Suspicious Transaction Reports (STRs). The two units should have their own separate office space where access is restricted to staff within the relevant unit; this will ensure that information is fully secured in keeping with the FATF and Egmont requirements.	Complete
c) The FIA should immediately fill the post of Senior Investigating Officer and other vacancies.	Complete
d) The FIA should dedicate more staff to analyzing SARs/STRs to improve the timing of such analysis.	Largely Complete
e) The FIA should undertake a full analysis of SARs/STRs submitted with a view to determining whether, based on the nature and characteristics of business in the Territory, FIs and DNFBPs are appropriately filing SARs/STRs.	Complete
f) The FIA should finalize its risk assessment framework manual for supervised entities – NPOs, DNFBPs and HVG Dealers.	Complete
g) The FIA should develop written guidelines on AML/CFT compliance for the guidance of all entities under its supervision, including the DNFBP and NPO sectors in order to ensure greater understanding and compliance with their obligations.	Largely Complete
h) A full analysis of the roles and functions of the Steering Committee (SC) must be carried out to ascertain whether the structure is optimal for the receipt and analysis of SARs/STRs and, if necessary, to carry out necessary reforms, including advising on reforms to the Financial Investigation Agency Act (FIAA).	Largely Complete
i) As the FIA is responsible for carrying out inspections and investigations, conducting supervisory activities and processing of SARs/STRs, it is essential for the FIA to conduct a self-assessment (considering the FATF Recommendations) that would assist in remedying the deficient areas identified in relation to the organization, and also in ascertaining what is needed to accomplish the various tasks (investigations, inspections, supervisory activities and processing of SARs/STRs).	Complete
j) The FIA should review the effectiveness of its current document control and management procedures and revise them on a regular basis to ensure their currency; this should extend to all other procedure manuals in place.	Largely Complete
k) The FIA should make a full assessment of its resource needs and ensure that it has sufficient resources to efficiently and effectively carry out both its supervisory and investigative functions; this should include maximizing the use of currently available resources.	Largely Complete
l) The FIA should ensure that adequate and timely feedback is provided to entities that file SARs/STRs in accordance with the	Largely Complete

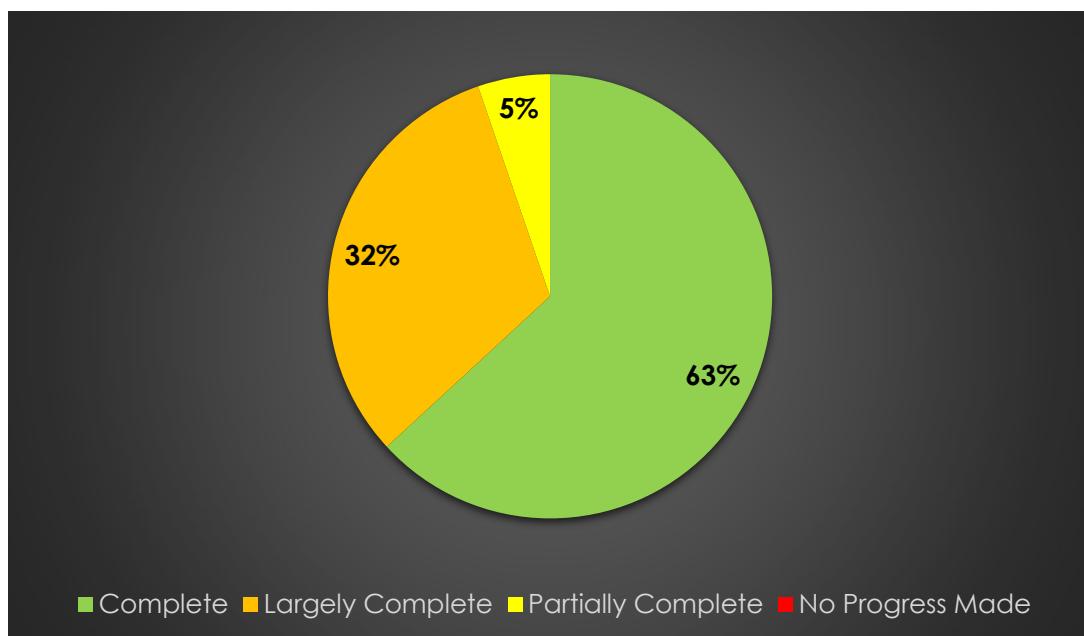
requirements of the Anti-Money Laundering and Terrorist Financing Code of Practice (AMLTFCOP).	
m) The FIA's SOPs manual needs to be updated and reissued as a matter of urgency.	Complete
n) The FIA should implement procedures to capture data on the number of extensions granted when requests are made to entities for information and the reason(s) given for seeking the extension.	Complete
o) The FIA should liaise with the RVIPF to develop proper protocols and procedures in relation to the timely processing of Interpol requests; this should include a review of the MOU with the RVIPF to establish the deficiencies within the MOU and agree on appropriate amendments that will make the MOU a truly helpful workable document; it should also include an agreement on timeliness of processing.	Complete
p) The FIA should liaise with the AGC to develop protocols and procedures in relation to all international cooperation requests to ensure timely processing, including the provision of responses; these protocols and procedures should be reviewed and updated regularly to ensure continued effectiveness, especially in the context of changing standards on international cooperation.	Complete
q) The FIA should risk assess all DNFBPs and NPOs and develop a supervisory plan which includes onsite inspection management meetings, industry meetings, periodic reports for off-site analysis, and guidance for each section on a defined periodic basis, taking into account the risks relative to each and thus ensure the proper allocation of resources.	Largely Complete
r) The FIA should increase its oversight of the DNFBP and NPO sectors (the HVG sector is assessed as posing relatively low risk) by carrying out more onsite inspections; this should include a monitoring process that is conducted on a continual basis but placing more emphasis on areas that pose higher risks.	Largely Complete
s) The FIA should put mechanisms in place to identify those DNFBPs and NPOs that are operating without registration and/or authorization and take measures to ensure that all DNFBPs and NPOs are appropriate registered; in order to facilitate this process, the FIA should develop a Cabinet Paper seeking approval for legislative reform to mandate the compulsory registration with the FIA of all DNFBPs (as is currently the case with NPOs in relation to the NPO Board).	Complete
t) The FIA should continue to provide outreach to all DNFBPs, HVGs and NPOs to familiarize them with the requirements of the AML/CFT legislation and the expectations of the FIA in ensuring compliance therewith.	Largely Complete
u) The SC should assume and perform its functions as mandated by the FIAA. Where it is considered that the SC's functions would be better performed by the Director, serious consideration should be given to reforming the FIAA to properly place those functions in the Director and either limit the responsibilities of the SC or do away with the SC altogether.	Largely Complete
v) If the SC is to be retained and therefore remain functional it should develop its own internal operating procedures which deal with the processes engaged in considering SARs/STRs	Largely Complete

and how decisions are taken and matters advanced to ML/TF investigations.	
w) The SC should meet more regularly and, in any case, not less than once a month in order to more efficiently and effectively carry out its functions.	Largely Complete
x) The FIA's review and approval of AML/CFT manuals should be restricted to the entities that it supervises; the manuals relating to FIs should be reviewed approved by the FSC.	Complete
y) The FIA should maintain statistical data on the number of AML/CFT compliance manuals received for approval pursuant to regulation 3 (3) of the Anti-Money Laundering Regulations (AMLR); this should result in the development of relevant statistics outlining the number and types of institutions for which approvals have been granted.	Partially Complete
z) A working group or committee comprising of the ODPP, the FIA and the RVIPF should be formed to deal with coordination and cooperation between these agencies; the group or committee should be chaired by the DPP and meet on a regular basis to discuss and provide assistance to the workings of each other, including identifying areas of challenge and how the challenges may be effectively managed and overcome; this will help to remove the discrepancies in procedures, in particular, to ensure the proper streamlining of statistical data in relation to criminal cases investigated and prosecuted.	Complete
aa) The Board of the FIA should identify and appoint an independent person versed in AML/CFT issues, including the FATF 40 Recommendations, to oversee and supervise the implementation by the FIA of the above recommendations in order to ensure proper and timely delivery of positive results; the appointed person should carry out internal audits on a periodic basis as a means of testing the FIA's compliance with its obligations and the recommendations within the NRAR. This recommendation is without prejudice to the establishment of an Implementation Unit to ensure compliance with all recommendations continued in the NRAR.	Complete
Terrorist and Proliferation Financing Recommendations	
bb) The current PF legislation is 6 years old and does not cover some of the elements listed in Recommendation 7 of the FATF Recommendations. It would be prudent, therefore, for the legislation to be reviewed and amendments made, where necessary, to bring it into line with the current FATF requirements on PF.	Largely Complete
cc) In reviewing the legislation, consideration should be given to allowing directions to be issued by the FIA where the development, production or facilitation of such development or production of WMDs poses a threat to any country outside the current limitation of the VI and the UK.	Largely Complete
dd) The FIA should be provided immediate training in detecting and investigating TF.	Largely Complete

FINANCIAL SERVICES COMMISSION (FSC)

High Risk	<ul style="list-style-type: none"> • Time frame to complete compliance inspections
Medium Risk	<ul style="list-style-type: none"> • Inter-agency cooperation – handling of outgoing requests • Handling of incoming requests for information from foreign CAs • Handling of outgoing requests for information to foreign CAs • Challenges to requests for information made by foreign CAs • Handling of complaints filed by foreign CAs
Low Risk	<ul style="list-style-type: none"> • Governance and administration • Handling of incoming requests from other local CAs • Handling of complaints filed by FSC • Records maintenance and accessibility • Difficulties processing MLA requests

The FSC has been diligent in completing the recommendations provided within the 2016 NRAR. They have made progress with all of the recommendations and have implemented a series of amendments to legislation, actions and internal controls to aid them. Most recommendations are continuous in nature and the FSC has displayed that they are monitoring these activities, whether on a quarterly or annual basis. The staffing needs of the FSC are continuously being updated by decreasing the number of vacancies, while increasing the training and professional needs of staff. The FSC needs to take concrete steps to demonstrate effectiveness as a supervisor by increasing its onsite inspections, fully implementing its risk-based supervision and completing necessary amendments to the AML/CFT regime.



NRA RECOMMENDATIONS	
General Recommendations	
a) The FSC should enforce vigorously the requirement for licensed entities to adequately maintain and provide upon demand current and valid Customer Due Diligence (CDD) information on all BVI entities and clients.	Complete
b) The FSC should reassess its staffing situation with a view to strengthening its enforcement, regulatory and supervisory	Largely Complete

	units, particularly the staff complement of its Compliance Inspections, Fiduciary Services and Enforcement Unit.	
c)	The FSC should intensify the number and scope of its inspections to cover a wider cross-section of regulated entities, with particular reference to the securities sector.	Largely Complete
d)	The FSC should ensure that compliance inspection reports are written and issued timely so as to be of value to the licensees to which they relate; it should review its compliance inspection manual to ensure appropriate time frames are outlined and strictly adhered to and, in particular, the time between the date of inspection and date of issuance of the final report should be appropriately benchmarked.	Partially Complete
e)	The FSC should immediately complete its risk assessment framework including its manual for risk assessments.	Complete
f)	The FSC should immediately take steps to ensure that all licensees are appropriately risk assessed and rated so as to effectively deploy its resources.	Complete
g)	The FSC should make an assessment of the effectiveness of its enforcement mechanisms, including monetary penalties to determine whether they are able to deter, or have deterred, "bad behavior" or increased compliance, and document such determination on a periodic basis; this should lead to reforms, where considered necessary.	Complete
h)	The FSC should take immediate steps to reduce the time it takes to respond to requests for information from foreign CAs.	Complete
i)	The FSC should establish a special fund into which administrative penalties collected are paid; it should also outline a mechanism for use of the fund and identify areas of support, such as training, investigations or other appropriate purposes, taking into account the matters outlined in Interpretive Note 38 of Recommendation 38.	Complete
j)	The FSC should consider putting in place written measures to encourage feedback from other CAs on assistance provided to them so that it can better review from time to time its international cooperation regime.	Complete
k)	The FSC should take steps to finalize the Crisis Management Group manual.	Complete
l)	The FSC should continue to take measures to ensure that its licensees and other legal persons are not abused or misused for ML/TF or other criminal activity, which would include being in a position to fully assess the risks posed by such licensees and other legal persons and take appropriate measures to deal with such risks.	Complete
m)	The FSC should benchmark itself against the relevant FATF Recommendations Methodology for assessing compliance with those Recommendations.	Complete
n)	The FSC should develop and institute an internal audit function of its adherence to policies and procedures including service standards administered or overseen directly by the Managing Director and provide periodic reports to the Board of Commissioners; this will enhance the FSC's governance structure and adherence to established standards, whether of internal or external origin.	Largely Complete
o)	The FSC should put in writing its assessment of the ML/TF risks of the business it supervises so as to inform its overall allocation	Largely Complete

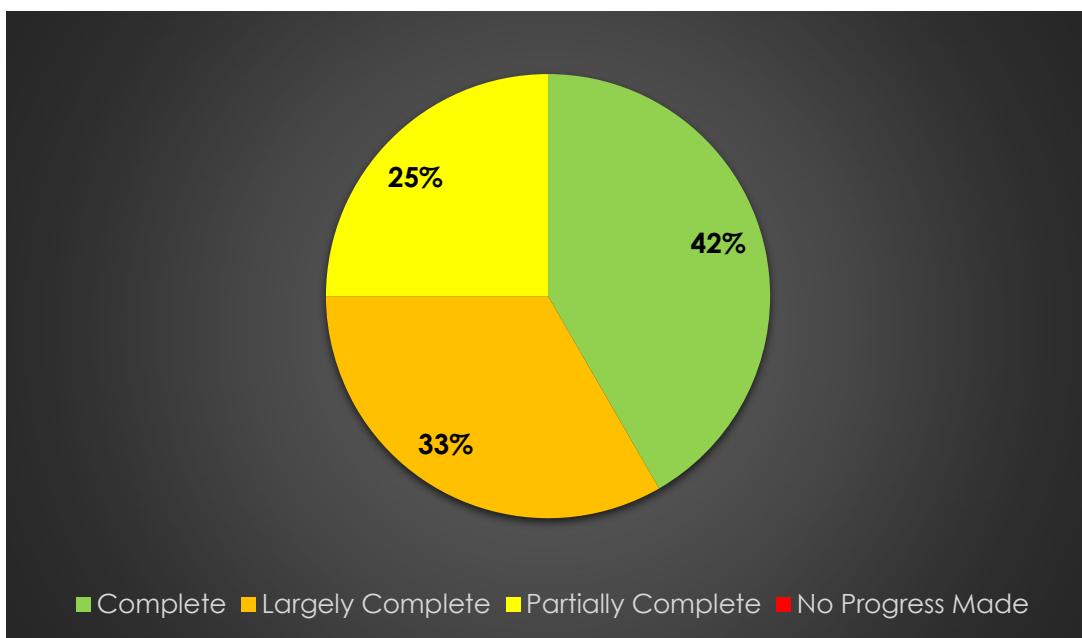
of resources between sectors. This could be done in conjunction with the risk assessment framework.	
p) The FSC should develop a corrective action plan to mitigate the deficiencies (risks and vulnerabilities) identified in the NRAR. This plan should also include measures that would enable continuous effective management and monitoring of the measures currently in place to prevent any otherwise avoidable shortcoming. The implementation of the corrective action plan should be monitored carefully by the FSC (preferably by a designated functionary within the FSC) by carrying out internal audits on a periodic basis.	Complete
Terrorist and Proliferation Financing Recommendations	
q) The current PF legislation is 6 years old and does not cover some of the elements listed in Recommendation 7 of the FATF Recommendations. It would be prudent, therefore, for the legislation to be reviewed and amendments made, where necessary, to bring it into line with the current FATF requirements of PF.	Largely Complete
r) In reviewing the legislation, consideration should be given to allowing directions to be issued by the FIA where the development, production or facilitation of such development or production of WMDs poses a threat to any country outside the current limitation of the VI and the UK.	Largely Complete
s) FSC should be provided immediate training in detecting and investigating TF.	Complete

INTERNATIONAL TAX AUTHORITY (ITA)

High Risk	<ul style="list-style-type: none"> Processing difficulties of MLA requests
Medium Risk	<ul style="list-style-type: none"> Inter-agency cooperation Handling of incoming MLA requests from foreign CAs Assistance provided in MLA requests resulting in prosecutions and convictions Complaints handling
Low Risk	<ul style="list-style-type: none"> Governance and administration Handling of outgoing MLA requests Handling of complaints filed by ITA Records maintenance and accessibility

With the implementation of the International Tax Authority Act, the ITA is now a statutory body. Most recommendations are a work in progress as the ITA is currently settling in and making updates where they are due. However, the ITA has made significant improvement with regard to the recommendations, especially in data security, staffing needs and legislative reform. The confidentiality recommendation remains mandatory for staff. The ITA is now in a better position to implement the recommendations from the NRAR.

The ITA should continue to pursue an update of the ITA Act to accommodate the application of compulsory powers in cases where information is not produced. This should be handled in conjunction with the ODPP. A system for monitoring the accounting records of companies and limited partnerships should be implemented by the ITA, in conjunction with the FSC, to abide by the recommendations of the Global Peer Review Report.



NRA RECOMMENDATIONS	
General Recommendations	
a) The ITA's governing laws should be amended to allow it to have the necessary powers to impose administrative penalties and sanctions on persons that do not comply with notices to provide information.	Largely Complete
b) The current data management system should be assessed by performing a gap analysis to help determine what additional	Complete

tools and features are needed to ensure optimum performance with record keeping and tracking of information (ITA may wish to consider adopting the RFID file tracking system that is currently used by the FSC, or something similar).	
c) The ITA should be properly resourced with more competent staff to help with the processing of the volume of work and thus ensure timely responses to requests for MLA; this should be dealt with as a matter of the utmost urgency.	Largely Complete
d) The ITA should be provided, as a matter of urgency, with the technological resources, including computers and internet access with adequate capacity, to allow for the exchange of information without delay.	Complete
e) The ITA should address all outstanding deficiencies outlined in its 2015 Global Forum Peer Review Report.	Partially Complete
f) The ITA should make arrangements for its staff to be trained periodically on all matters relative to MLA processing, ML/TF (including predicate offences), treaty negotiations (especially in relation to tax matters), and tax offences, that would help them to have a better understanding of how the financial services industry functions on the global rules on standards development and compliance.	Largely Complete
g) An assessment of the current security measures that are in place should be carried out to identify ways to improve them. This would contribute to the overall safety of the staff, especially those who are required to work after hours, as well as ensure the security of documents and data generally stored and maintained in the offices of the ITA.	Complete
h) In view of the fact that the ITA, in the execution of its duties, is bound by confidentiality rules in dealing with requests for assistance and in the context of its information exchange regime generally, it should develop a system whereby its staff renew their oaths of confidentiality; this will ensure that staff keep attuned to their obligations in maintaining the confidentiality of information received from and/or transmitted to foreign CAs.	Complete
i) The ITA should engage in dialogue with reporting entities to identify and relevant information that might be provided to those entities when making requests for information which would allow entities to specifically identify any clients subject to the request, thus preventing the potential of fishing expeditions.	Partially Complete
j) The ITA, RVIPF and ODPP and, where necessary, the FSC should better coordinate their relationships in order to facilitate timely prosecution by the ODPP with a view to appropriately dealing with failures to respond to requests for information.	Partially Complete
k) The ITA should develop a corrective action plan to mitigate the deficiencies (risks and vulnerabilities) identified in the NRAR. This plan should also include measures that would enable continuous effective management and monitoring of the measures currently in place to prevent any otherwise avoidable shortcoming. The implementation of the corrective action plan should be monitored carefully by the ITA (preferably by a designated functionary within the ITA) by carrying out internal audits on a periodic basis.	Complete
Terrorist and Proliferation Financing Recommendation	

I) The ITA should be provided immediate training in TF.

Largely Complete

LAW ENFORCEMENT AGENCIES

This Section provides a progress report on the eight law enforcement agencies of the VI. It displays a synopsis on the progress of the recommendations and the current status of each recommendation. The LEAs are as follows:

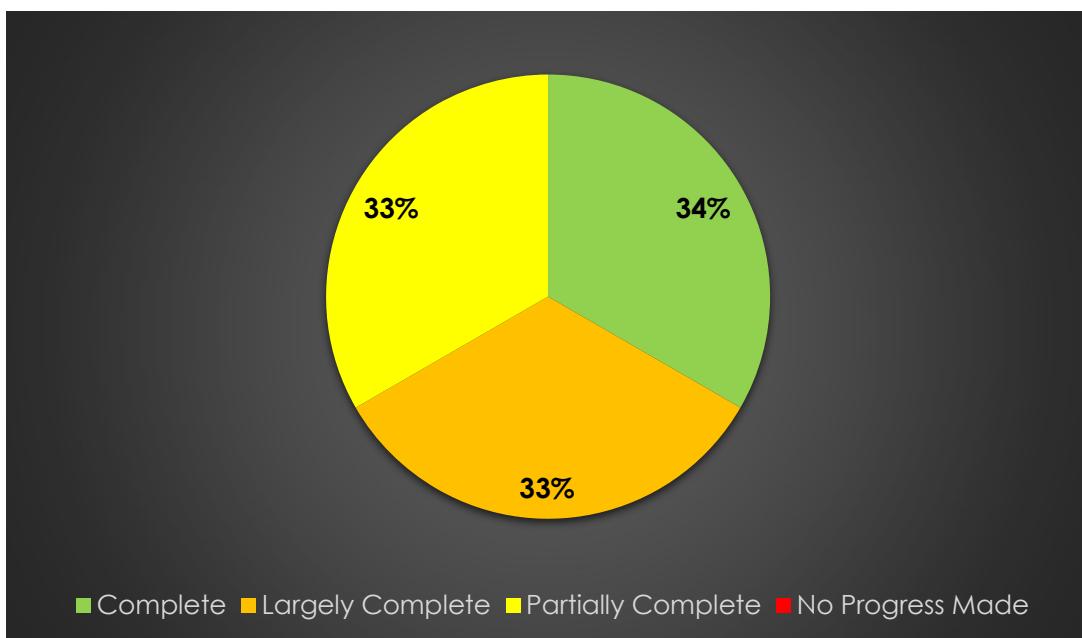
- BVI Airports Authority
- BVI Ports Authority
- Magistrate's Court
- High (Supreme) Court
- Royal Virgin Islands Police Force
- Her Majesty's Customs
- Immigration Department
- Office of the Director of Public Prosecutions

BRITISH VIRGIN ISLANDS AIRPORTS AUTHORITY (BVIAA)

Medium Risk	<ul style="list-style-type: none"> • Governance and administration • Inter-agency cooperation – level of interaction • Staff training in ML/TF • Records maintenance and accessibility • Detection of seizures, smuggling and security breaches
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The BVIAA has implemented a Hazard and Risk Assessment Register which allows them to apply a risk-based approach towards their duties. The BVIAA is currently working on ways to have staff trained via online learning. The Aviation Security Unit has approved Standard Operating Procedures, which are maintained, for contraband, drugs, weapons, explosives and activities relating to ML/TF. The BVIAA has implemented a Bomb Threat Checklist to safely guide staff on the procedures for any threats in which the Airports may face. The security staff of the BVIAA is trained on an annual basis for the detection of items related to ML and TF. Police, Immigration, Customs and Airport Management (PICAM) is now known as the Safety and Security Action Group (SSAG). The SSAG meets on a quarterly basis to discuss matters relating to the proper functioning of the Territory's airports.

To ensure security and safety at all functioning airports, the BVIAA should ensure that there is at least one arresting officer at the airport during operational hours.



NRA RECOMMENDATIONS	
General Recommendations	
a) The BVIAA should carry out periodically a risk assessment of its security measures at all the airports to determine areas that pose the most risk and provide appropriate resources to deal with those risks. Such assessment should pay particular attention to the risk of terrorism including how to deal with in an efficient and effective manner the discovery of unlawful weapons and explosives.	Partially Complete
b) The BVIAA should, as a matter of priority, implement a risk-rating system whereby security breaches or any other matter	Largely Complete

that may affect the execution of its mandate, could be identified, assessed and appropriately risk rated.		
c)	The BVIAA should immediately prepare guidelines setting out qualifications of Authorized Officers and make appropriate recommendations to the responsible Minister to expand its cadre of Authorized Officers to be stationed at all of the airports; this will ensure efficiency in its law enforcement machinery.	Partially Complete
d)	The BVIAA should immediately prepare written policies and procedures to be discussed and agreed with the RVIPF, HMC and ID on the referral of breaches or violations that occur in and around airport premises.	Complete
e)	The written policies and procedures referred to above, should be crystalized in a formal MOU setting out the circumstances under which information should be exchanged and matters referred; this should include a process for providing updates on the progress and outcome of information exchanged and matters referred.	Complete
f)	The joint meetings of PICAM should be convened more regularly, at least once each quarter, and records of meetings and decisions taken should be provided and maintained by the BVIAA; this should help to improve the level of cooperation between its members and minimize threats and otherwise avoidable vulnerabilities to the airports.	Complete
g)	All senior members of staff as well as the security and other enforcement staff at the BVIAA should be provided with training on relevant security and investigative techniques, including those geared towards identifying risks related to ML/TF issues; training should also include the FATF 40 Recommendations and FATF Methodology as relevant in detecting and preventing ML/TF activity through the airports, and the training should be organized regularly and on a periodic basis in order to keep staff attuned to current and emerging trends in security issues which may relate to or affect the operations of the airports.	Largely Complete
h)	The BVIAA should immediately prepare written procedures or guidelines in relation to the detection of the smuggling of contraband, such as drugs, weapons and explosives, including the detection of activities relating to ML/TF.	Largely Complete
i)	The BVIAA should develop a corrective action plan to mitigate the deficiencies (risks and vulnerabilities) identified in the NRAR. This plan should also include measures that would enable continuous effective management and monitoring of the measures currently in place to prevent any otherwise avoidable shortcoming. The implementation of the corrective action plan should be monitored carefully by the BVIAA (preferably by a designated functionary within the BVIAA) by carrying out internal audits on a periodic basis.	Complete
Freezing, Seizures Confiscation and Forfeiture Recommendations		
j)	BVIAA should ensure that proper records are immediately kept of cash seizures and other offences, including all domestic and international cooperation matters.	Largely Complete
k)	BVIAA should develop a system of analyzing statistical data received to evaluate on a regular basis in order to make a proper assessment of threats faced by the HMC and to	Partially Complete

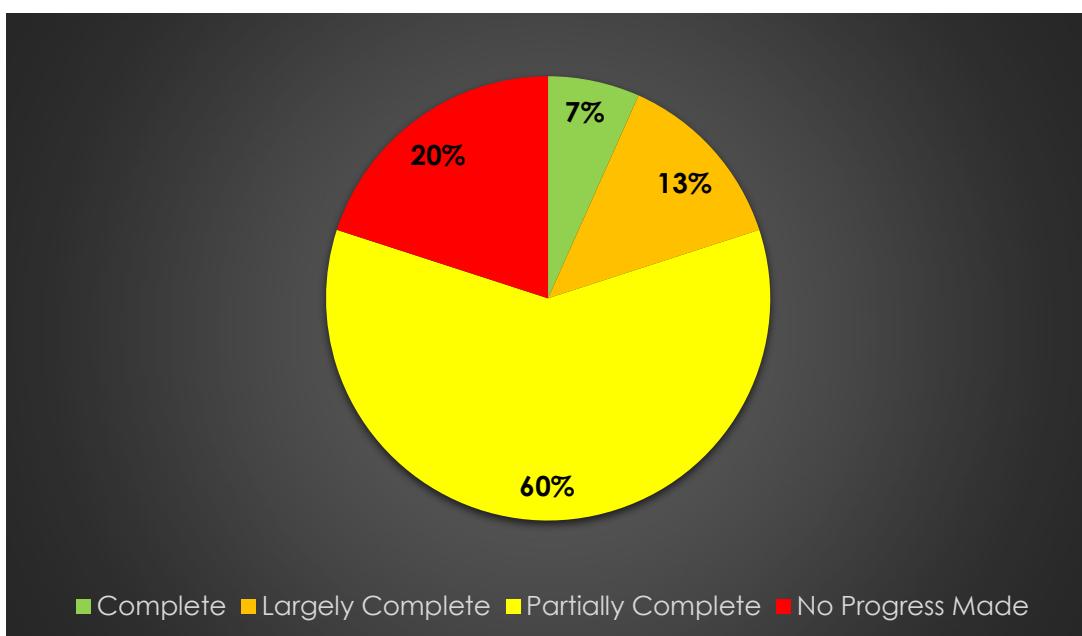
ensure that more resources are allocated to deal with those threats.	
Terrorist and Proliferation Financing Recommendation	
I) The BVIAA should be provided immediate training in TF.	Partially Complete

BRITISH VIRGIN ISLANDS PORTS AUTHORITY (BVIPA)

High Risk	<ul style="list-style-type: none"> • Staff training in AML/CFT • Handling of seizures, smuggling and security breaches
Medium Risk	<ul style="list-style-type: none"> • Governance and administration • InterAgency cooperation and level of interaction with other LEAs • Records maintenance and accessibility

The BVIPA is currently working on putting policies in place such as the BVIPA Communications Policy, AML/CFT Policy, BVIPA Anti-Bribery and Corruption Policy, BVIPA Conflicts of Interest Policy, etc. Security logs are maintained and updated on a daily basis. However, statistics are not currently being analyzed by the BVIPA, which is a risk that needs to be dealt with as a matter of urgency.

To enhance the teamwork amongst the HMC, BVIPA, ID and RVIPF in regard to the migrant smuggling operations, policies and procedures should be developed and abided by. The recording of all incidents on port premises should be documented and reported to the respective persons electronically and recorded with a log, which is monitored to ensure there are solutions and risk mitigation measures for all incidents. The BVIPA should ensure all statistics, which are being recorded, are analyzed to seek out any trends or measuring in which may assist with avoiding any threats or vulnerabilities in the future, and the development of mitigation measures.



NRA RECOMMENDATIONS	
General Recommendations	
a) The BVIPA should immediately prepare written policies and procedures to guide its staff in detecting cases of interference in the work of the BVIPA and creating an effective reporting chain to enable the BVIPA to carry out its mandate efficiently and effectively; the policies and procedures must be geared towards preventing interference by Government, political persons, law enforcement personnel and interest groups.	Largely Complete

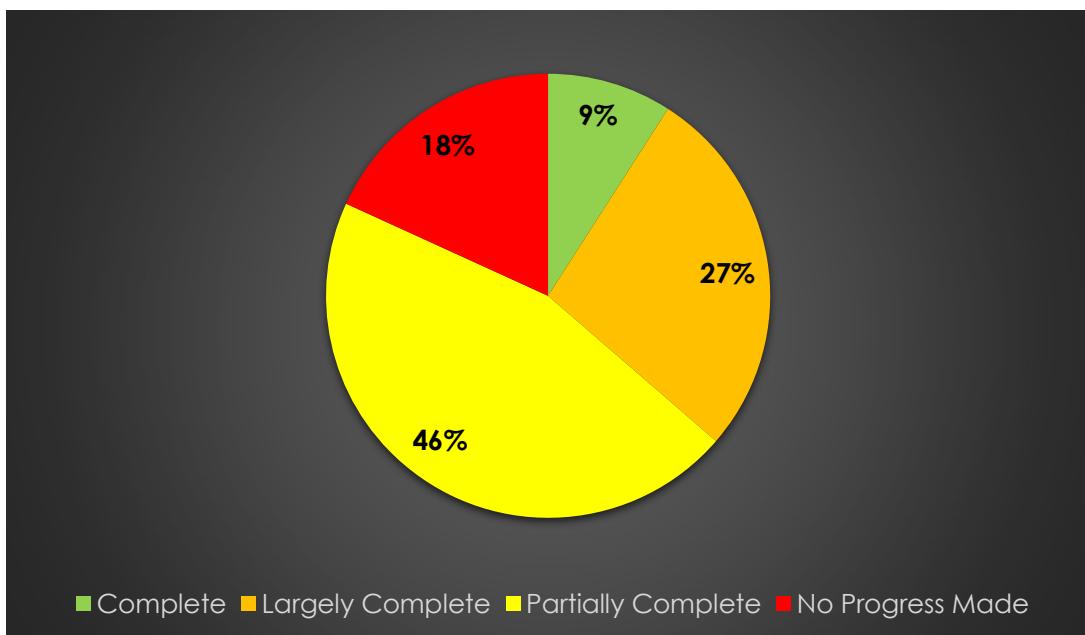
b) The BVIPA should immediately develop policies and procedures for detecting cases of bribery and corruption, including guidelines to address issues of conflicts of interest amongst staff of the BVIPA.	Largely Complete
c) The BVIPA should immediately develop its own written procedures for the detection of smuggled and undeclared goods entering through the ports and such procedures must include appropriate measures to minimize the risks that may be associated with ML/TF activity in and around the port or in relation to persons (both natural and legal) that have business transactions with the BVIPA; this will buttress the efforts of HMC in preventing the smuggling of goods and contraband and detecting undeclared goods.	Partially Complete
d) Immediate steps should be taken to train senior members of the staff of the BVIPA (particularly the Managing Director) on the functions, powers and remit of the BVIPA and how the functions and powers may be performed and exercised optimally; the training should extend to AML/CFT issues.	Partially Complete
e) The BVIPA should make immediate arrangements for its security and other enforcement staff to receive training in crime detection and investigative techniques; the training should extend to ML/TF issues, basic understanding on predicate offences for ML/TF, the FATF 40 Recommendations, FATF Methodology, and UN Convention against Transnational Organized Crime (specifically with respect to the provisions on smuggling).	Partially Complete
f) The BVIPA should establish a long-term training program for its staff, and training on key aspects of the program in relation to the BVIPA's execution of its duties should be conducted on a periodic basis to ensure continuity and relevance of knowledge and skills.	Partially Complete
g) The BVIPA should review its processes and procedures with regard to port security and conduct periodic tests of the efficacy and effectiveness of the security measures in place; this process should entail a risk assessment of its security measures at all the ports under its administration to determine areas that pose the most risk and provide appropriate resources to deal with those risks.	Partially Complete
h) The BVIPA should, as a matter of priority, implement a risk rating system whereby security breaches or any other matter that may affect the execution of its mandate, could be identified, assessed and appropriately risk rated.	Complete
i) The BVIPA should seek to forge a closer working relationship with the RVIPF, HMC and ID (in relation to the smuggling of migrants through the ports) in order to ensure appropriate and timely cooperation; in this regard, the BVIPA should immediately prepare written procedures to be discussed and agreed with the RVIPF, HMC and ID on the referral of breaches or violations that occur in and around port premises.	Partially Complete
j) While the multilateral MOU of the IGC Members may be used in promoting recommendation I above, consideration should be given to whether a separate MOU specific to the detection and prevention of criminal activities in and around port premises might not be appropriate to ensure effectiveness.	Partially Complete

k) The BVIPA should conduct a review of its current systems and develop and implement proper record management systems and procedures, ensuring that relevant data in relation to the BVIPA's activities – case referrals, contraband detected, goods smuggling detected, migrant smuggling detected, interferences reported, security breaches, enforcement actions taken, etc. – is recorded and maintained in a readily accessible and retrievable form.	Partially Complete
Freezing, Seizures Confiscation and Forfeiture Recommendations	
l) BVIPA should ensure that proper records are immediately kept of cash seizures and other offences and breaches, including all domestic and international cooperation matters.	No Progress Made
m) There should be more appropriate systems in place between BVIPA, HMC and RVIPF to ensure that the data maintained in relation to seizures, forfeitures, confiscations, etc. are reconciled and identifiable. So where, for example, RVIPF records reflect a total number for cash seizures, its records should also be able to identify which seizures were as a result of seizures undertaken by BVIPA.	No Progress Made
n) BVIPA should develop a system of analyzing statistical data received to evaluate on a regular basis in order to make a proper assessment of threats faced by BVIPA and to ensure that more resources are allocated to deal with those threats.	No Progress Made
Terrorist and Proliferation Financing Recommendation	
o) The BVIPA should be provided immediate training in TF.	Partially Complete

MAGISTRATE'S COURT (MC)

High Risk	<ul style="list-style-type: none"> • Staff training in AML/CFT
Medium Risk	<ul style="list-style-type: none"> • Governance and administration • Inter-agency cooperation – level of independence • Records maintenance and accessibility • Complaints handling

The MC remains severely understaffed. Efforts have been made to secure additional funding and resources since the NRA exercise; such efforts have yet to yield positive returns. A request for additional staff and equipment to aid the MC with implementing the NRA Recommendations was made during the 2020 budget cycle; however, no resources were provided to the MC to date. Training is lacking within the MC and due to the shortage of staff, there is a backlog with regard to updating the electronic filing system.



NRA RECOMMENDATIONS	
General Recommendations	
a) The MC should immediately undertake an assessment of its human resources needs to effectively address the delays associated with the proper and full utilization of the Judicial Enforcement Management System (JEMS) and the timely preparation and submission of records of appeal; the results of the assessment should be shared with the Deputy Governor's Office (DGO) which should explore avenues for obtaining relevant resources to strengthen the work of the MC, as a matter of urgency.	Complete
b) The DGO should immediately take steps to restore the Police Security for the Magistrates; in addition, it should ensure that there is physical presence at all the MC premises of security personnel during official working hours, including all other periods when the Magistrates are on the MC premises to perform their duties.	Partially Complete
c) The DGO should immediately take steps to determine how the MC may be adequately provided with Court Reporters	Largely Complete

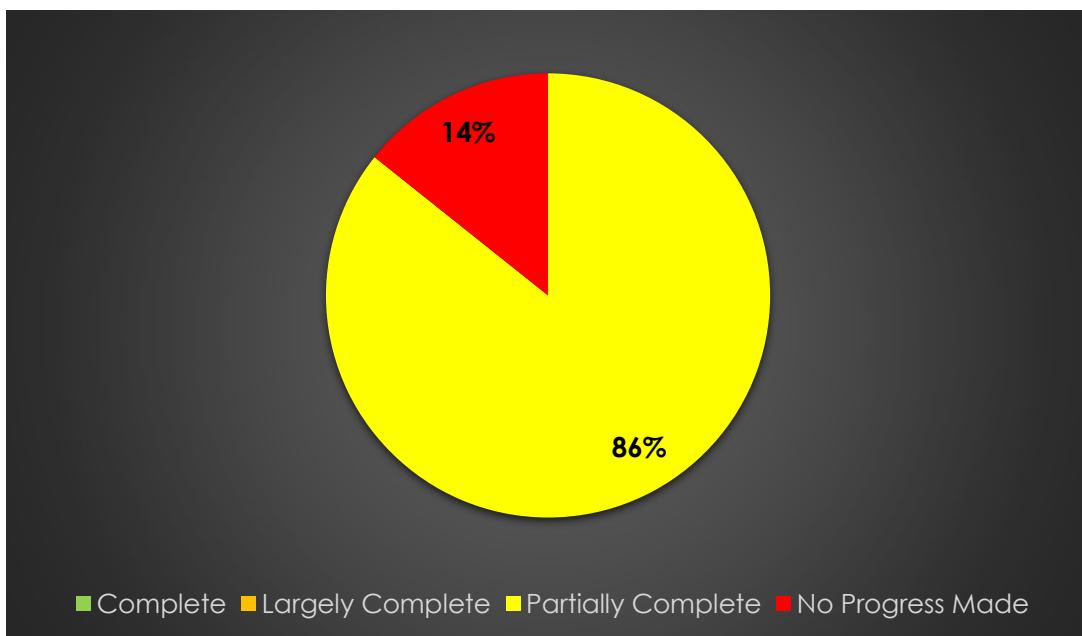
and to ensure that such resources are provided in the shortest time possible.		
d)	The MC should immediately take steps to provide or ensure the provision of a proper records management system whereby records can be easily accessed and readily retrievable; this should include establishing an electronic filing and storage system.	Partially Complete
e)	The records management system referred to in Recommendation D above should be sufficiently efficient to allow for the recording of complaints received and disposed (including how they are disposed), criminal cases prosecuted before the MC, convictions and acquittals, which cases resulted in the imposition of fines and which in the imposition of terms of imprisonment, seizures and confiscations ordered, whether any included a ML/TF prosecution and conviction, and such other information as may be considered relevant for statistical purposes.	Largely Complete
f)	The MC should undertake a periodic review and analysis of the data recorded pursuant to Recommendation D above to establish where risks exist (if any) and determine what steps should be taken or what recommendations to make to ensure the proper and adequate mitigation of those risks; any such reviews and analyses should be properly recorded, easily accessible and readily retrievable.	Largely Complete
g)	The MC should put in place an appropriate structure to ensure the continued functioning of the MC in the absence of the Court Manager; this may be carried out by identifying at least 2 other senior staff, who should be trained and involved from time to time in the work of the Court Manager, so they may develop the necessary experience to function in that office effectively in the absence of the Court Manager.	Partially Complete
h)	The MC should immediately develop written policies and procedures to specifically deal with complaints and issues of bribery and corruption in relation to staff and the MC generally.	Partially Complete
i)	The MC should immediately explore and identify training needs of its staff, both judicial and administrative, and provide training schedules to ensure that all key staff receive adequate and periodic training in AML/CFT matters, FATF 40 Recommendations, FATF Methodology, conflicts of interest, bribery and corruption, and use of JEMS.	Partially Complete
j)	The MC should develop a corrective action plan to mitigate the deficiencies (risks and vulnerabilities) identified in the NRAR. This plan should also include measures that would enable continuous effective management and monitoring of the measures currently in place to prevent any otherwise avoidable shortcoming. The implementation of the corrective action plan should be monitored carefully by the MC (preferably by a designated functionary within the MC) by carrying out internal audits on a periodic basis.	No Progress Made
Terrorist and Proliferation Financing Recommendation		
k)	The MC should be provided with immediate training in TF.	No Progress Made

HIGH (SUPREME) COURT (HC)

Medium Risk	<ul style="list-style-type: none"> • Governance and administration • Staff training in AML/CFT • Records maintenance and accessibility
Low Risk	<ul style="list-style-type: none"> • Inter-agency cooperation – level of cooperation • Complaints handling

The HC has not made any noticeable progress in addressing the NRA Recommendations. Similar issues exist as with the MC in terms of resources and training.

The HC should take appropriate measures to ensure that the statistical data maintained is being comprehensively used to track trends, mitigate risks and assist with the improvements of the office of the Supreme Court. All archived files of the HC should be scanned and filed on a secured server for easily accessibility and the safety of staff. An electronic filing system should be created and managed by the HC. Security measures should be implemented by the HC, inside the courtroom and the entire HC Registry premises. The HC should undertake a mandatory risk assessment, which would assist with identifying any current risks, threats or vulnerabilities that may impair the work of the HC.



NRA RECOMMENDATIONS	
General Recommendations	
a) The HC should develop a training program to enable its staff, including all legal staff, to receive training on AML/CFT matters, FATF 40 Recommendations and FATF Methodology; the training program should embrace training on conflicts of interest and bribery and corruption.	Partially Complete
b) The amount and type of statistical data maintained should be reviewed with a view to ensuring that comprehensive data is collected, collated and analyzed to determine trends that could result in appropriate reforms to better improve the functioning of the HC in the delivery of its assignments; this should include data on the predicate offences prosecuted, those that relate to ML/TF; the number of convictions and	Partially Complete

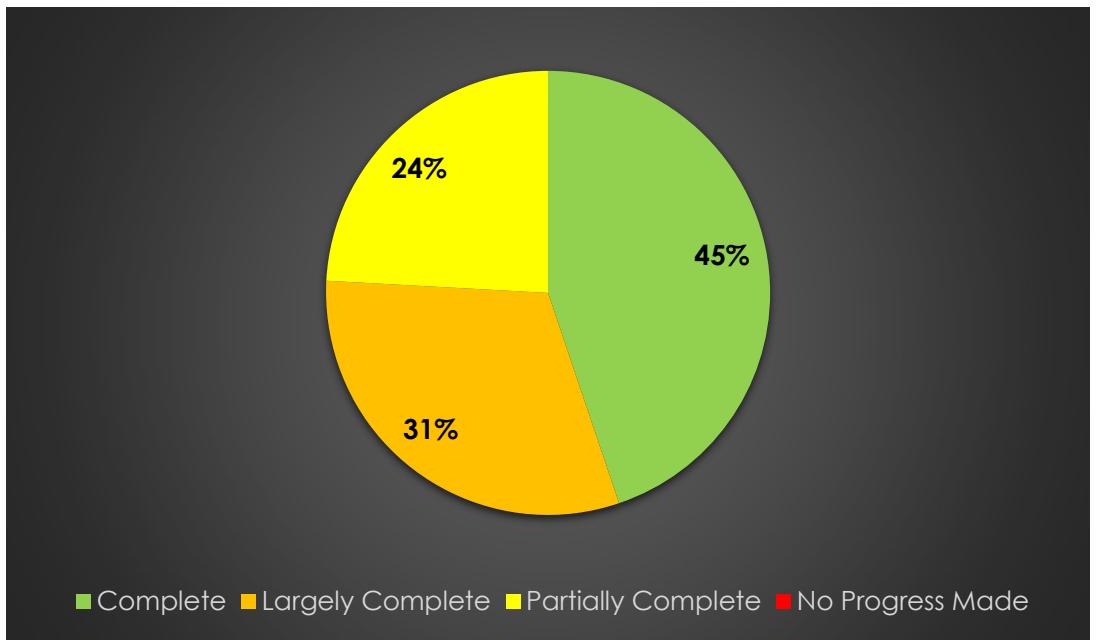
acquittals and the number of requests for service of foreign process and how many of those relate to ML/TF.	
c) Steps should be taken to ensure that files are properly stored and are easily retrievable accordingly, and electronic filing system and electronic storage of files should be undertaken.	Partially Complete
d) Adequate security measures should be implemented inside the courtroom and the entire HC Registry premises.	Partially Complete
e) Considering the low level of cooperation received from the HC Registry during the NRA exercise, the Government should undertake or commission a special review of the HC and HC Registry to establish whether any other risks exist which, if left unaddressed, could potentially impair the work of the institutions, especially as it relates to the VI's international obligations relative to ML/TF and facilitating cooperation to effectively combat criminal activity.	Partially Complete
f) The HC should develop a corrective action plan to mitigate the deficiencies (risks and vulnerabilities) identified in the NRAR. This plan should also include measures that would enable continuous effective management and monitoring of the measures currently in place to prevent any otherwise avoidable shortcoming. The implementation of the corrective action plan should be monitored carefully by the HC (preferably by a designated functionary within the HC) by carrying out internal audits on a periodic basis.	Partially Complete
Terrorist and Proliferation Financing Recommendation	
g) The HC should be provided immediate training in TF.	No Action Made

ROYAL VIRGIN ISLANDS POLICE FORCE (RVIPF)

High Risk	<ul style="list-style-type: none">• Staff training, resources and expertise• Records maintenance, including data collection and analysis• Handling of incoming MLA requests, including extradition matters• Handling of outgoing MLA requests, including extradition matters• Providing feedback on requests that have been declined• Difficulties experienced in processing MLA requests• Monitoring of BVIBC activities
Medium Risk	<ul style="list-style-type: none">• Governance and administration• Inter-agency cooperation in relation to the processing of MLA requests• Investigations related to ML/TF
Low Risk	<ul style="list-style-type: none">• Inter-agency cooperation – level of interaction

The RVIPF has implemented most of their recommendations to some degree and are in the process of completing the remainder. Officers are being added to the RVIPF to assist with the needs of the RVIPF. The RVIPF has enhanced their border security regime with the addition of a boat, additional officers, development of a marine auxiliary/volunteer force to and expand the marine capacity. The IT architecture was enhanced by the updating of the Overseas Territories Criminal Intelligence System (OTRCIS) database, the RVIPF email system, video surveillance, body worn cameras, Automated Fingerprint Identification System (AFIS) and the Integrated Ballistic Identification System (IBIS). Training programs have been developed for the Basic Financial Investigations Course and the Cash Seizure, Terrorist Financing and Proceeds of Crime. The RVIPF participates virtually in courses offered by the FSC and other agencies. The staff complement of the FCU has increased. A complete review of the FCU will be conducted by the City of London Police. To assist with the policies and procedures of investigations, an Investigative Manual is currently drafted. On an annual basis, a comprehensive report is completed by the RVIPF, which is laid before the House of Assembly.

The RVIPF should ensure all staff is currently trained based on their respective duties. Further, focus must be placed on ensuring that investigations are done to ensure the proceeds are taken out of crime through increase confiscation, seizures and forfeitures. Focus should also be placed on fully resourcing the FCU and other related Units responsible for directly connecting investigations of financial and other crimes related to ML/TF/PF.



NRA RECOMMENDATIONS	
General Recommendations	
a) Immediately develop a training program for all levels of the RVIPF. Identify training opportunities for its officers on an ongoing basis (especially those on the investigative side) and conduct regular and periodic training; such training should include investigative techniques taking into account modern technology as a tool in combatting crime, including ML/TF.	Largely Complete
b) Immediately develop processes and procedures to maximize its available resources so that they can be properly leveraged by committing more of those resources to identified areas of high risk; in so doing, the RVIPF should at all times adopt a risk-based approach in the execution of its duties.	Largely Complete
c) Immediately prepare and implement written internal policies and procedures with respect to the handling, processing, investigation and referral of criminal cases (for approval along the chain of command and prosecution).	Partially Complete
d) Ensure that the Financial Crime Unit (FCU) is involved in either the investigation of all predicate offences or it is notified of such investigations and the results thereof shared with the FCU so that it can make an assessment as to whether a particular predicate offence presents ML/TF opportunities which require further investigation or liaison with the ODPP.	Complete
e) Immediately conduct an analysis of the timeframe it takes from the time an offense is investigated to when it is forwarded to the ODPP for prosecution with a view to decreasing the timeframe.	Partially Complete
f) Take immediate steps to increase its human resource capacity and assign sufficient numbers of qualified and competent Police Officers to the FCU and Criminal Investigation Department (CID) in order to ensure the speedy, efficient and effective investigation of all predicate offences, including ML/TF; the current vacant positions should, to the extent possible, be filled as soon as possible and the Ministry	Partially Complete

of Finance should assist with financial resource allocation to make this a reality.	
g) Immediately conduct an assessment of its technological needs, including computer systems and databases, and make necessary recommendations to the Government for funding, and the Government should accommodate these needs as essential to developing an effective modern-day police force.	Largely Complete
h) Immediately develop clear written terms of reference and procedures for each unit within the RVIPF and put in place appropriate monitoring mechanisms to ensure compliance with those terms and procedures in a timely manner.	Complete
i) Take immediate steps to ensure that comprehensive statistics of the offences committed in the VI are accurately compiled on an ongoing basis to ensuring that data is available from each unit within the RVIPF and that all relevant persons understand how to record the data and are able to access such, and are properly trained to record and analyze the data to identify areas of high risk to which more resources are to be applied; consideration should be given to centralizing all compiled data which must be easily accessible and retrievable. In this regard, compiled statistics should include information on: <ul style="list-style-type: none"> o The number of ML/TF investigations and referrals for prosecutions on an annual and ongoing basis; o The number of predicate offense investigations and referrals for prosecutions on an annual and ongoing basis; o The number of ML/TF and predicate offences referred for prosecution on an annual basis that have not been pursued and whether reasons are given in each case; and o The assets confiscated and seized on an annual and ongoing basis and whether such confiscation and seizure relate to external requests or are tied to domestic investigation and prosecution. 	Complete
j) Review and revise its procedures on the receipt and handling of complaints to ensure that the process is not compromised; this should clearly deal with both internal and external complaints, map out a process for dealing with complaints from inception (point of receipt of complaint) to conclusion (when the complaint is disposed of) and providing formal responses to complainants.	Complete
k) Take immediate steps to ensure that the work environment in all the Police Stations is safe and conducive to the good health of Police Officers and, in particular, the presence of mold in the buildings is addressed, as a matter of priority.	Partially Complete
l) In order to facilitate statistical data collection, collation and centralization, identify and appoint suitable and adequate human resource to undertake responsibility for statistical data management and analysis.	Complete
m) Develop a procedures manual on how to collect and maintain statistical data and the format in which such data should be maintained and closely monitor adherence to the procedures manual which should be reviewed and updated as necessary from time to time.	Complete

n) Take immediate steps to ensure that comprehensive statistics of the number of requests received from Interpol and other external sources for assistance are properly compiled and maintained; the statistics must include data on when the requests were received, when their processing was completed and when responses were sent.	Largely Complete
o) Undertake periodic analysis and assessment of requests for cooperation from other foreign LEAs, including Interpol, to identify whether there are any particular trends, and the countries from which risk to the Territory emanates or relates to.	Largely Complete
p) Produce a comprehensive annual report for public and internal purposes; the internal report should provide detailed and comprehensive information on crime statistics, investigations and prosecutions or referrals for prosecution.	Largely Complete
q) Work closely with the ODPP, HMC and ID to ensure proper and effective coordination and cooperation on matters of mutual interest, targeting in particular areas of risk and threats to the Territory from an AML/CFT perspective to develop appropriate measures to prevent and detect crime as early as possible.	Complete
r) Form a working group or committee comprising the ODPP, FIA, ID and RVIPF to deal with coordination and cooperation between the agencies; the group or committee should be chaired by the DPP and meet on a regular basis to discuss and provide assistance to the workings of each other, including identifying areas of challenges and how those challenges may be effectively managed and overcome.	Complete
s) Work with the ODPP to ensure proper cataloguing of offences so that the categories of offences referred to when recording matters coincide with the categories of offences referred to by the ODPP for prosecution purposes.	Partially Complete
t) Develop a corrective action plan to mitigate the deficiencies (risks and vulnerabilities) identified in the NRAR. This plan should also include measures that would enable continuous effective management and monitoring of the measures currently in place to prevent any otherwise avoidable shortcoming. The implementation of the corrective action plan should be monitored carefully by the RVIPF (preferably by a designated functionary within the RVIPF) by carrying out internal audits on a periodic basis.	Complete
Freezing, Seizures Confiscation and Forfeiture Recommendations	
u) The PCCA should be amended to specifically give the power to allow confiscation in relation to third parties benefitting from the proceeds of criminal conduct, notwithstanding that Section 6 (7) of the PCCA – which refers to a person deriving a pecuniary or other quantifiable advantage in relation to the commission of an offense – may be construed to include third parties.	Largely Complete
v) Each Department of the RVIPF should have ongoing and effective dialogue for the sharing of information internally to offset any disparities in relation to the records collected, recorded and maintained by each in order to ensure appropriate synergy.	Complete
w) The RVIPF should develop written internal policies and procedures to streamline the processes between	Complete

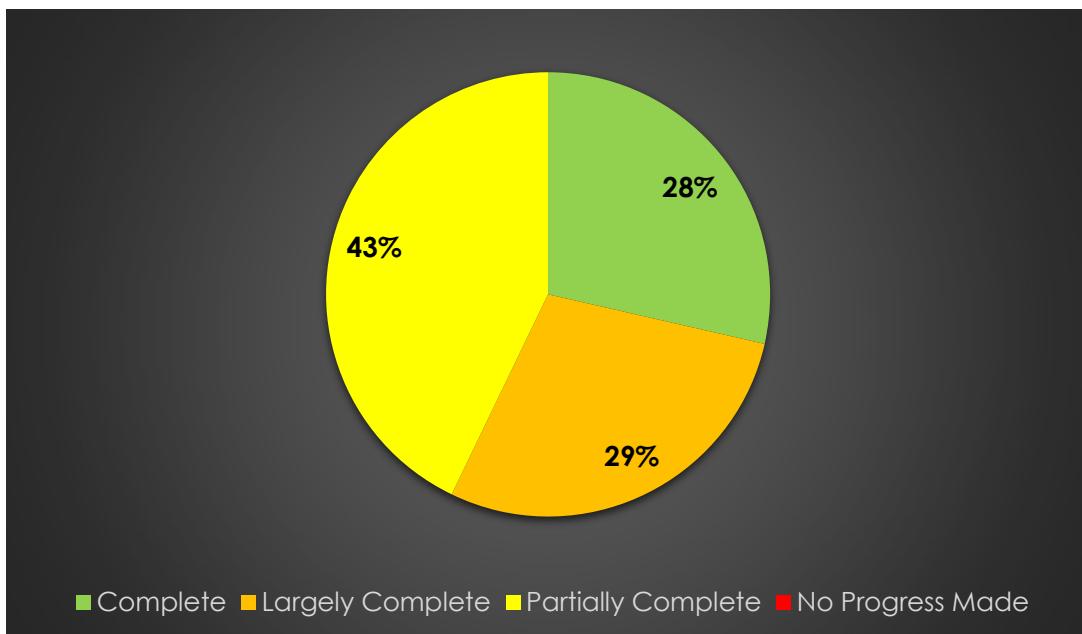
departments within the RVIPF with respect to the handling and recording of forfeiture, seizure and confiscation of cash/assets suspected of being proceeds of criminal conduct under the PCCA, DTORA and CMDA. The policies and procedures should be reviewed periodically to bring them in line with any new and emerging developments in dealing with and recording crime data.	
x) More resources should be committed into identifying and deploying specific persons to record relevant statistical data which should be regularly uploaded in a database in accordance with appropriate policies and procedures established by the RVIPF; such data should also be appropriately categorized to enable the ongoing monitoring of criminal activities, including whether the investigation of such activities has resulted in the seizure, forfeiture, freezing, confiscation, etc. of cash/assets.	Complete
y) The RVIPF should perform a full assessment of its crime data to fully understand trends, typologies and whether the proceeds of crime are being taken away from the criminal conduct of suspects, whether through seizure, forfeiture, confiscation or otherwise.	Largely Complete
z) The staff numbers of the FCU should be augmented in order to enable the Unit to sufficiently and robustly respond to challenges presented in financial crimes, including ML activity.	Partially Complete
aa) Cash Seizure Policy should be revised outlining some of the policy matters clearly and succinctly.	Complete
bb) RVIPF should immediately develop written procedures on dealing with domestic and international requests for mutual legal assistance and designate trained officers to facilitate domestic and international cooperation.	Partially Complete
Terrorist and Proliferation Financing Recommendation	
cc) The RVIPF should be provided immediate training in detecting, investigating and prosecuting TF.	Largely Complete

HER MAJESTY'S CUSTOMS (HMC)

High Risk	<ul style="list-style-type: none"> • Staff training in ML/TF
Medium Risk	<ul style="list-style-type: none"> • Handling of seized assets, smuggling and security breaches
Low Risk	<ul style="list-style-type: none"> • Governance and administration • Inter-agency cooperation – level of interaction • Records maintenance and accessibility

There is an NRA Implementation Team within the HMC, which assists with the NRA Recommendations. This team works diligently on the implementation of the recommendations outlined in the NRA, drafting of procedural manuals and code of ethics. Once the documents are finalized, the NRA Team will be conducting regular operational audits. The priority recommendation for a Procedural Manual on record keeping is greatly required by HMC as there are currently no procedures in place for this recommendation, which leaves the agency's internal controls exposed. The human resource needs of HMC are being assessed. HMC, in collaboration with the Immigration Department and the RVIPF, and led by the Commissioner of Customs, have created a Joint Border Security Task Force. All plans in association with this Task Force are updated on a monthly basis. HMC is currently sourcing training for the detection, investigation and prosecution of TF. Additionally, HMC utilizes the OTRCIS database, which is a major improvement in the information sharing capabilities of the agency with domestic and territorial law enforcement agencies.

It is imperative for HMC to have an officer(s) that is trained to assist the ODPP and the RVIPF with case files and prosecution, where necessary.



NRA RECOMMENDATIONS	
General Recommendations	
a) HMC should ensure that proper records are immediately kept of cash seizures and other offences and breaches, including all domestic and international cooperation matters.	Partially Complete
b) HMC should ensure that proper records are kept of incoming and outgoing cash declarations/disclosures and that mechanisms are put in place to analyze the declarations/disclosures to identify trends and any anomalies	Partially Complete

	which may necessitate reforms for greater efficiency; the records should embrace all relevant statistical data relating to the key functions and cooperation arrangements of HMC.	
c)	HMC should immediately develop comprehensive written procedures on record management, which must implement effectively, in addition to ensuring that all HMC staff adhere strictly to the procedures.	Partially Complete
d)	HMC should, along with the ODPP, FIA, RVIPF and ID, constitute a committee to meet on a regular and periodic basis to discuss and share information on breaches of the law relating to or affecting their areas of responsibility in order to ensure appropriate coordinating and maintaining of non-conflicting records; the committee should be coordinated by the DPP.	Complete
e)	Arrangements should be made to ensure that the staff of HMC receives training that covers the FATF 40 Recommendations, FATF Methodology, TF, all FATF predicate offences for ML, PF and the UN Convention against Transnational Organized Crime (specifically considering the provisions on smuggling), UN Convention against Narcotics and Psychotropic Substances and UN Convention against Terrorist Financing; the training should be extended to deal with governance issues relative to dealing with conflicts of interest and corruption.	Partially Complete
f)	HMC should implement a proper record management system or register which enables the proper recording of employee complaints and unscrupulous behavior including corrupt behavior, reports lodged, and action taken, number of cases referred to the RVIPF, and how many of those resulted in prosecution and conviction and sentence.	Partially Complete
g)	HMC should immediately re-evaluate its current human resource capacity and assign staff in an efficient and effective manner by concentrating on areas that pose the highest risk to the work of the HMC.	Largely Complete
h)	HMC should develop and put in place written procedures to intensify the monitoring of the VI's borders that are not designated as ports of entry on a routine basis; and, as far as possible, in close cooperation with other LEAs, especially the ID, FIA and RVIPF. These procedures should be tested for their efficacy at least once a year.	Complete
i)	HMC should, in cooperation with the ID and RVIPF, develop a structured border monitoring mechanism with a single coordinator (which may be rotated on a periodic basis if considered necessary) to ensure a much more streamlined border protection system to detect and protect the VI from cross border criminal activities and prevent the smuggling of persons and goods, especially contraband goods such as firearms, ammunition and explosives (save those licensed for entry).	Complete
j)	HMC should develop a corrective action plan to mitigate the deficiencies (risks and vulnerabilities) identified in the NRAR. This plan should also include measures that would enable continuous effective management and monitoring of the measures currently in place to prevent any otherwise avoidable shortcoming. The implementation of the corrective action plan should be monitored carefully by HMC	Complete

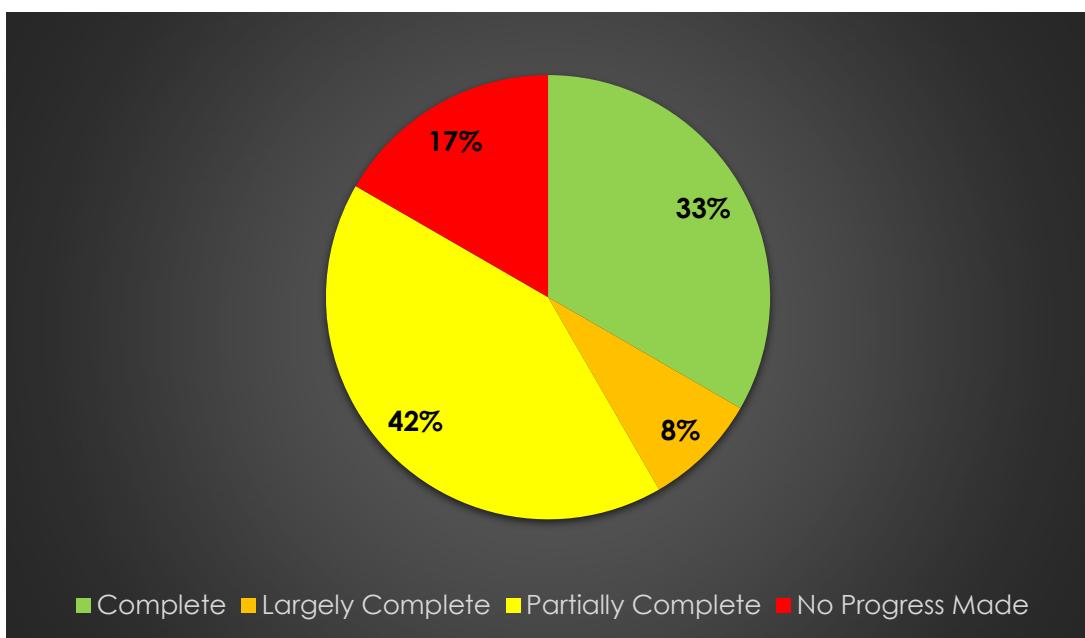
(preferably by a designated functionary within HMC) by carrying out internal audits on a periodic basis.	
Freezing, Seizures Confiscation and Forfeiture Recommendations	
k) There should be more appropriate systems in place between HMC and the RVIPF to ensure that the data maintained in relation to seizures, forfeitures, confiscations, etc. are reconciled and identifiable. So where, for example, RVIPF, records reflect a total number for cash seizures, its records should also be able to identify which seizures were as a result of seizures undertaken by HMC.	Largely Complete
l) HMC should develop a system of analyzing statistical data received to evaluate on a regular basis in order to make a proper assessment of threats faced by HMC and to ensure that more resources are allocated to deal with those threats.	Largely Complete
m) HMC should immediately develop written procedures on dealing with domestic and international requests for cooperation and designate trained officers to facilitate domestic and international cooperation.	Largely Complete
Terrorist and Proliferation Financing Recommendation	
n) HMC should be provided immediate training in detecting and investigating TF.	Partially Complete

IMMIGRATION DEPARTMENT (ID)

High Risk	<ul style="list-style-type: none"> • Staff training in AML/CFT
Medium Risk	<ul style="list-style-type: none"> • Governance and administration • Records maintenance and accessibility • Smuggling activities and deportation
Low Risk	<ul style="list-style-type: none"> • Inter-agency cooperation – level of interaction

The ID has identified the need for the Immigration Act to be completely reviewed, and a number of amendments are currently being worked on. Training was completed on safety to assist the Officers of the ID. The ID continues to struggle with the development of internal procedures for detecting, documents and handling incidents of bribery and corruption; training is required in these areas. Domestic and international cooperation has significantly improved due to the establishment of the Joint Border Security Task Force, which includes the ID, RVIPF and HMC.

The ID should be provided with immediate training in detecting, investigating and prosecuting TF. The ID should develop its own policies and procedures to ensure all staff abides by the rules and regulations of the ID. The ID should implement a monitoring and reporting mechanism, to ensure staff is protected when reporting cases of bribery and corruption.



NRA RECOMMENDATIONS	
General Recommendations	
a) The ID should immediately review its record keeping processes and implement appropriate record keeping measures that will ensure the collection, collation and maintaining of adequate and relevant information relative to the work, including the matters identified in the NRAR; this will enable a proper assessment of the areas that could potentially be high risk to the VI.	Partially Complete
b) A proper review of the Passport and Immigration Act (and any related relevant legislation) should be carried out with	Partially Complete

	the aim of ensuring their adequacy of its provisions to enable the optimal execution of the ID's mandate.	
c)	An assessment of the adequacy, and appropriateness of the policies and procedures should be carried out, and new policies and procedures developed in respect of the key areas identified in the NRAR.	Partially Complete
d)	A full review of human resource needs must be carried out with a view to strengthening the functionality of the ID; this includes assigning enough Immigration Officers at ports of entry to ensure efficiency and effectiveness and relieve unnecessary pressure on the Immigration Officers which could affect their morale and long-term effectiveness.	Complete
e)	The ID should ensure that staff receives training that covers the areas of AML/CFT, PF, FATF Methodology, FATF 40 Recommendations, and the UN Convention against Transnational Organized Crime and the UN Protocol against the Smuggling of Migrants by Land, Sea and Air; such training should concentrate on the obligations required of the VI in forestalling and preventing criminal activity, including the activity of ML/TF and equip Immigration Officers with knowledge on investigative techniques and identifying suspicious activities. Training should also include all FATF predicate offences for ML as well as methods on identifying and resisting bribery and corruption.	Complete
f)	Outside of the General Orders, specific internal procedures should be developed and put in place to detect, document and handle incidents of bribery and corruption within and in relation to the ID.	Partially Complete
g)	The ID should ensure that investigative and other staff directly dealing with issues such as migrant smuggling and human trafficking receive training in appropriate law enforcement techniques; such training should include (but not be limited to) techniques in interviewing/questioning persons, sourcing intelligence, report writing, taking statements, self-defense and equipment training.	Complete
h)	The ID should ensure that, at a very basic level, a careful inventory is taken of all official stamps and seals, and that appropriate measures are put in place to ascertain their whereabouts at all times. The circumstances under which stamps and seals are in the custody of Immigration Officers at their homes should be carefully reviewed as this practice opens the door for corrupt practices that are not consistent with the mandate of the ID.	Largely Complete
i)	The ID should review its mechanisms for domestic (inter-agency) cooperation with other local and foreign LEAs, including putting appropriate policies and procedures in place to better guide staff in facilitating cooperation; these should include negotiating and agreeing specific relevant MOUs, to facilitate cooperation and coordination.	Partially Complete
j)	The ID should develop policies and procedures to ensure that all members of staff declare their interests on a periodic basis to mitigate any potential conflicts of interest in discharging their functions.	No Progress Made
k)	The ID should develop a corrective action plan to mitigate the deficiencies (risks and vulnerabilities) identified in the NRAR. This plan should also include measures that would	Complete

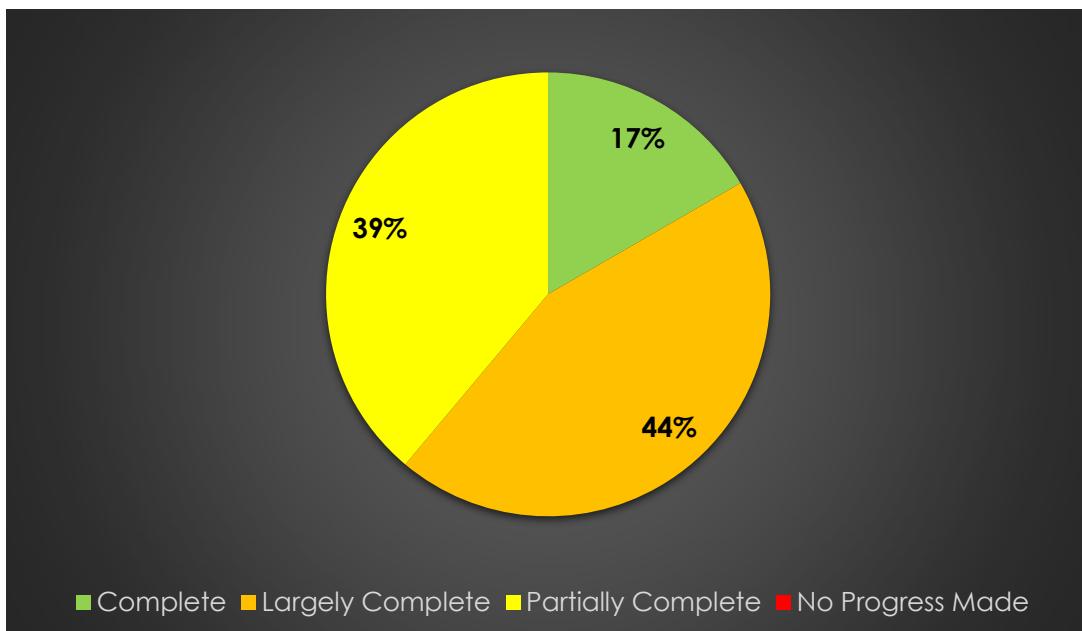
enable continuous effective management and monitoring of the measures currently in place to prevent any otherwise avoidable shortcoming. The implementation of the corrective action plan should be monitored carefully by the ID (preferably by a designated functionary within the ID) by carrying out internal audits on a periodic basis and producing written reports and findings.	
Terrorist and Proliferation Financing Recommendation	
I) The ID should be provided immediate training in TF.	No Progress Made

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS (ODPP)

High Risk	<ul style="list-style-type: none">• Insufficient resources• Inadequate experience and training• Record keeping• Lack of ML prosecutions
Medium Risk	<ul style="list-style-type: none">• Governance and administration• Inter-agency cooperation – level of interaction
Low Risk	<ul style="list-style-type: none">• Staff training in AML/CFT• Records maintenance and accessibility• Complaints handling

The ODPP is actively involved in consultation with and guiding the RVIPF and HMC in all investigations. In collaboration with DoIT, they are attempting to make DOCCOVA useful to the ODPP. This will serve as a modern case file management system for the ODPP. The DPP has submitted legislative amendments to the AGC, to assist with streamlining processes for the respective CAs and LEAs as it related to MLAs, extraditions and the successful prosecution of ML/TF cases. Further, the DPP is the Chairman of the Committee of Law Enforcement Agencies (CLEA), which was developed to ensure greater coordination and collaboration in the fight against ML, TF and other organized crime, through intelligences sharing, the joint pursuit and apprehension of criminals and the disruption of criminal activity.

With the addition of new staff, the ODPP should ensure all staff is properly trained and/or exposed to AML/CFT international standards such as the FATF 40 Recommendations, FATF Methodology and the Mutual Evaluation process. To ensure that all MLAs and extraditions are being processed as efficiently and effectively as possible, the AGC and DPP should ensure there is adequate and timely cooperation and coordination, including where legislative amendments are necessary to improve the extradition process.



NRA RECOMMENDATIONS	
General Recommendations	
a) The need for additional human resources at the prosecutorial level should be addressed (in consultation with the DPP) with some level of urgency to ensure that the ODPP has sufficient resources and expertise to carry out its functions; this should include the creation of the position of Deputy DPP in order to close the extensive gap with the DPP and ensure that, in the absence of the DPP from office, key decisions continue to be taken at a very senior level.	Partially Complete
b) The DPP should immediately liaise with the AG to bring about a quick consolidation of criminal laws.	Partially Complete
c) The training received on asset recovery, asset confiscation, restraint and forfeiture should be arranged on a periodic and determined basis to include all the key LEAs in order to enhance the level of coordination and cooperation between them as well as keep the experience of prosecutorial staff current and relevant.	Partially Complete
d) The current policies and procedures established with the RVIPF for the processing and transmission of case files should be reviewed immediately to improve and bring them up-to-date; these should be clearly outlined in writing, reviewed periodically and monitored by the DPP (or Deputy DPP when the position is created and occupied) for compliance by all concerned.	Largely Complete
e) The ODPP should from time to time carry out a threat assessment in relation to predicate offences and ML/TF risks based on the cases it receives and prosecutes this should include a proper analysis of trends in prosecution activity in order to enable appropriate adjustments to be made to behavior.	Partially Complete
f) The ODPP should be consulted and be involved in the early stages of the investigation of serious offences as a mechanism for guiding the RVIPF in their investigations and to ensure that potential ML/TF opportunities are properly pursued during the course of the investigations; this practice may be reviewed as confidence develops with such an arrangement.	Complete
g) Training in the FATF 40 Recommendations, FATF Methodology and the Mutual Evaluation process should also be provided as a supplement to AML/CFT training.	Largely Complete
h) The ODPP, in collaboration with the RVIPF, should immediately develop a training program on AML/CFT matters, including all predicate offences, as a means of improving investigations and prosecutions of ML/TF offences; this training should be held on a periodic and continuing basis and should include all key staff.	Largely Complete
i) A working group or committee comprising the ODPP, FIA, HMC, ID and RVIPF should be formed to deal with coordination and cooperation between the agencies; the group or committee should be chaired by the DPP and meet on a regular basis to discuss and provide assistance to the workings of each other, including identifying areas of challenges and how those challenges may be effectively managed and overcome.	Complete

j) The ODPP and AGC should develop close cooperation measures (which should be outlined in writing) with each other in order to ensure the proper, efficient and effective processing of MLA and extradition matters; in addition, the ODPP should identify any shortcoming in the criminal laws, which may hinder the successful prosecution of ML/TF cases and discuss with the AGC identified areas of reform which the AG should take forward to the enactment stage.	Partially Complete
k) The ODPP should develop a corrective action plan to mitigate the deficiencies (risks and vulnerabilities) identified in the NRAR. This plan should also include measures that would enable continuous effective management and monitoring of the measures currently in place to prevent any otherwise avoidable shortcoming. The implementation of the corrective action plan should be monitored carefully by the ODPP (preferably by a designated functionary within the ODPP) by carrying out internal audits on a periodic basis.	Complete
Freezing, Seizures Confiscation and Forfeiture Recommendations	
l) There is need for adequate and consistent training of prosecutors on confiscation matters so that confiscation forms an integral part of the prosecution of predicate offences (while acknowledging at the same time that similar training is required for the Policy in their conduct of investigations in order to better aid any pursuit of confiscation proceedings by the prosecution).	Largely Complete
m) The implementation of a more robust case management system and policy as it relates to confiscation would be beneficial in tracing and recovering assets.	Partially Complete
n) The ODPP should, as a matter of priority, prepare and issue necessary guidelines to staff and the RVIPF, as well as other relevant LEAs, on asset confiscation, including the procedures to follow in relation thereto; this will lead to better and more effective coordination between the ODPP, RVIPF and other LEAs.	Partially Complete
o) The ODPP should actively pursue with the VI Government, while at the same time seeking the cooperation of the AGC, the need for reforming the PCCA to enable an application for a confiscation order from the Court without the need to link such an application to a predicate offense (the equivalent provision of Section 35A (2) of the DTOA should be adopted); alternatively, consideration may be given to developing and enacting a civil forfeiture legislation with appropriate safeguards on individual rights and freedoms.	Largely Complete
Terrorist and Proliferation Financing Recommendations	
p) The current PF legislation is 6 years old and does not cover some of the elements listed in Recommendation 7 of the FATF Recommendations. It would be prudent, therefore, for the legislation to be reviewed and amendments made, where necessary, to bring it into line with the current FATF requirements on PF.	Largely Complete
q) In reviewing the legislation, consideration should be given to allowing directions to be issued by the FIA where the development, production or facilitation of such development or production of WMDs poses a threat to any country outside the current limitation of the VI and the UK.	Largely Complete

r) The ODPP should be provided immediate training in detecting, investigating and prosecuting TF.	Largely Complete
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CONCLUSION

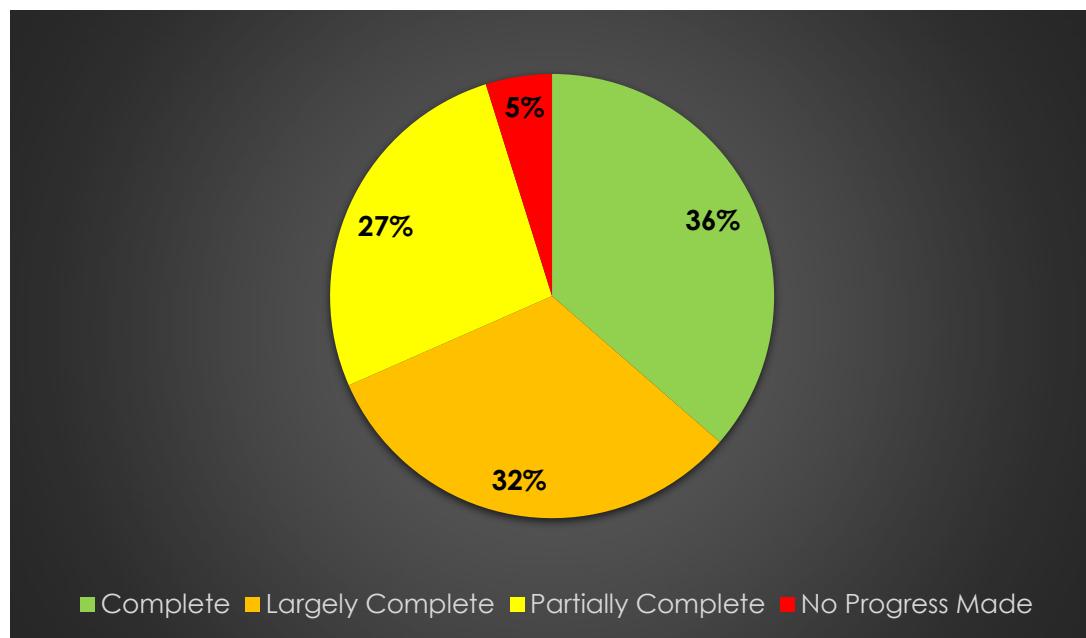
The BVI conducted its first NRA exercise from 2014-2015. The resulting NRA Report was issued in 2016, which displayed the threats and vulnerabilities the Territory faced in relation to ML/TF. In August 2018, a Progress Report was issued on the status of the implementation of the NRA Recommendations.

Since then, the AML/CFT Implementation Unit, whose role has been to keep the NRAR up to date and assess any changes in AML/CFT risk of the Virgin Islands, has been working diligently with each of the agencies to assist with the ongoing implementation of the recommendations. The Unit's work involves a continuous assessment and update of the NRAR, and, on an ongoing basis, provides analysis of the impact of implementing the recommendations on the overall AML/CFT risk in the Virgin Islands.

In August 2020, the AML/CFT Implementation Unit completed desk-based monitoring of the agencies to ensure that progress was being made, despite the COVID-19 implications.

This report outlines the AML/CFT deficiencies identified for each CA and LEA in the initial NRAR and measures their progress in addressing their deficiencies to date.

Overall, agencies implemented or largely implemented 68% of recommendations made in the NRAR with a further 27% partially implemented.



Therefore, the Virgin Islands has significantly implemented the recommendations within the NRAR and increased its technical compliance with the FATF's 40 Recommendations, and its effectiveness in forestalling ML, TF and PF.

The AML/CFT Implementation Unit will continue to work with each of the agencies to ensure the recommendations displayed within the 2016 NRAR are fully implemented, and monitored, and that the AML/CFT risk assessments of the Virgin Islands are kept up to date.