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Servicio Nacional de Aduanas
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Superintendencia de Pensiones
Superintendencia de Seguridad Social
Superintendencia de Casinos de Juego
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Unidad de Análisis Financiero
Dirección del Territorio Marítimo
y de Marina Mercante de la Armada de Chile
Departamento de Drogas de Carabineros
Departamento de Investigación
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Brigada de Lavado de Activos de la Policía de Investigaciones

ACTION PLAN FOR PREVENTING AND COMBATING MONEY LAUNDERING AND THE FINANCING OF TERRORISM



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INTRODUCTION

For the first time in its history, Chile has a National Strategy for Preventing and Combating Money Laundering and the Financing of Terrorism. In an unprecedented effort, 20 public institutions have agreed an action plan to protect Chileans, the economy and the country from damage to social, financial, and the reputational stability caused by both crimes. This is a technical and executive response to the national security challenges against money laundering and the financing of terrorism, with a target of three years.

From this perspective, the National Strategy integrates, organizes and coordinates the development of the work in prevention, detection and prosecution, for each institution in their own area of work, bringing together their proposals, and incorporating private sector approaches for a more effective fight against organized crime.

Isolated efforts in this area are ineffective in a globalized world where illicit money moves almost instantaneously, without limits or borders. The transnational nature of the criminal activities of money launderers and those who finance terrorist acts, the rapid mutation of their criminal methods and the high costs of their illegal actions not only require concerted collaboration by public agencies, fighting them through the implementation of long-term cross governmental policies, but also, central prevention by active participation of companies and individuals.

On the other hand, acts of financing of terrorism pose a threat to the territorial integrity, security of states and the international community. Domestic financial institutions require tools to take preventive actions to mitigate the risks against the flow of funds associated with international terrorism that are circulating in the global financial system. This will strengthen their capacity to prevent and detect suspicious transactions by tracking and analysing the dynamics and types of these behaviours.

In Chile, as in all countries – because these crimes do not respect jurisdictions – money laundering exists. This is demonstrated by the 60 convictions in the courts from 2007 to 2013, whose source of illegal income originated not only from drug trafficking networks. Treasury related fraud, the embezzlement of public funds and human trafficking have also been punished by the courts like money laundering crimes.

Even before the first of these convictions, Chile had already joined the international appeal to globally combat money laundering and financing of terrorism, becoming a member of the Financial Action Task Force of South America (GAFISUD), whose function is intended to promote regional adoption of international standards against both crimes. Chile has been a member since its inception in 2000, additionally presiding over the agency for two periods.

For over a decade, Chile has strengthened its internal tools to combat organized crime and illicit operations. Since 2003 the country has passed Law No. 19,913, amongst others, which laid the foundations for the prevention, prosecution and punishment of money laundering and financing of terrorism. In 2009 it was coupled with Law No. 20,393 which set unprecedented regulations at regional level, establishing autonomous criminal liability of legal persons for the crimes of money laundering, financing of terrorism and bribery.

However, the nature of these crimes makes the battle an ongoing task and requires constantly renewing the institutional emphasis, commitments, tools and coordination to advance to a new stage and to ensure higher levels of prevention, detection and prosecution. An economy like ours, open and integrated to the world becomes vulnerable if adequate safeguards are not taken. The National Strategy for Preventing and Combating Money Laundering and the Financing of Terrorism is the response to these challenges.

Supported by technical assistance from the International Monetary Fund (IMF), the Inter-American Development Bank (IDB) and coordinated by the Financial Analysis Unit

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This document describes and articulates an action plan to provide Chile with the skills necessary to protect its society and economy from organized crime networks and to meet the challenges of preventing money laundering and combating the financing of terrorism for the 2014 – 2017 period.

(UAF in Spanish), who acted as Technical Secretariat, this mission was undertaken, collaboratively with representatives of: the General Comptroller Office of the Republic; the Public Prosecutor's Office; the Central Bank of Chile; the Ministries of Interior and Public Security, of Foreign Affairs, of Finance and of the General Secretariat of the Presidency; the Internal Revenue Service (SII); the Superintendency of Securities and Insurance, of Banks and Financial Institutions, of Pensions, of Casinos and of Social Security; the National Customs Service; the Directorate of General

Maritime Territory and Merchant Navy; the National Service for Prevention and Rehabilitation of Drug and Alcohol Consumption; the OS.9 and OS.7 Departments of Carabineros (Chilean Police); the Money Laundering Unit of the PDI (Investigative Police of Chile); and the UAF.

This document – the First National Strategy for Preventing and Combating Money Laundering and the Financing of Terrorism – describes and articulates an action plan to provide Chile with the skills necessary to protect its society and economy from organized crime networks; it is the response to the mandate required by the President of the Republic, to present it to the country before the end of 2013 and to meet the challenges of preventing money laundering and combating the financing of terrorism for the 2014 – 2017 period.

Organized in 5 areas of work, this Plan contains 50 specific actions to overcome identified weaknesses and strengthen the fight against organized crime. It is also Chile's response to the requirements of the members of the Organization for Economic Cooperation and Development (OECD), and of the Financial Action Task Force (FATF), who dictates the international standards in this area. In particular it is the response to promote coordinated actions among relevant national authorities in preventing and combating both crimes, focusing on both high-risk areas, and in those where the existing barriers can be improved, the emphasis being on understanding the phenomenon of ML/FT, particularly by training staff of different vulnerable financial and economic institutions.

It must be noted that great care has been taken to avoid lifting barriers that affect the country's economic dynamism when designing the National Strategy for Preventing and Combating Money Laundering and the Financing of Terrorism. On the contrary, from the point of view of working jointly and on the basis of developing inter-institutional coordination, the proposed Action Plan aims to protect the conditions that have made Chile a safe country, renowned for its social, economic and financial stability, noted internationally for its low levels of corruption, its attractiveness to foreign investors and its successful environment for business development.



KEY CONCEPTS OF THE ACTION PLAN DESIGN

Identification, evaluation and understanding of the risks posed by money laundering (ML) and the financing of terrorism (FT) activities, as well as having policies that facilitate inter-institutional coordination and cooperation at a national level in preventing and combating both crimes, have become basic requirements of the international community for countries integrated into the global financial system.

In this vein, specialized forums have recognized the efforts of countries having a national strategy as an appropriate mechanism for achieving these goals. On this basis, and with the support of the International Monetary Fund (IMF) and the Inter-American Development Bank (IDB), Chile produced its first National Strategy for Preventing and Combating Money Laundering and the Financing of Terrorism, in which the facets of the Anti-Money Laundering and Combating the Financing of Terrorism National System (AML/CFT) that will be reinforced with the implementation of the Action Plan are identified, as described in the following pages.

Twenty public entities with links to the areas of prevention, detection and prosecution of crimes of ML/FT participated in the develop of the action plan.

Twenty public entities with links to the areas of prevention, detection and prosecution of crimes of ML/FT undertook this task in July 2012. The group included representatives of the General Comptroller Office of the Republic; the Public Prosecutor's Office; the Central Bank of Chile; Ministries of Interior and Public Security, of Foreign Affairs, of Finance and of the General

Secretariat of the Presidency; Internal Revenue Service (SII); Superintendencies of Securities and Insurance, of Banks and Financial Institutions, of Pensions, of Casinos and of Social Security; the National Customs Service; Directorate of General Maritime Territory and Merchant Navy; Service for the Prevention and Rehabilitation of Drug and Alcohol; the OS.9 and OS.7 Departments of Carabineros (Chilean Police); the Money Laundering Unit of the PDI (Investigative Police of Chile); and the Financial Analysis Unit, who also acted as Technical Secretariat.

The incorporation of the vision and contributions of the private sector, through a constructive dialogue with professional bodies and representative associations of vulnerable non-financial and financial areas because of their exposure to risks of ML/FT was equally important for the development of the National Strategy and the subsequent implementation of its Action Plan. It was especially relevant in this area given that these sectors have the capacity and experience of well developed AML/CFT systems for the prevention and detection of suspicious transactions.

With these criteria in the first stage of this work, efforts were focused on: facilitating the identification, assessment and mitigation of risks of ML/FT; creating mechanisms for subsequent periodic reviews; and developing applications that permanently allow accounting for new threats and potential risks associated with these illicit behaviours.

This joint technical effort by the participating institutions was aimed, ultimately, to drive higher levels of efficiency and effectiveness in combating both crimes through the design and implementation of the Action Plan for Preventing and Combating Money Laundering and the Financing of Terrorism, which was jointly agreed and proposed as a State policy.

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WORKING GROUPS

According to the specialism of each participating public institution, the work was divided into three thematic clusters: prevention, detection and prosecution, areas corresponding to the three pillars that are part of all AML/CFT Systems.

Each particular group or cluster addressed the shortcomings jointly identified – through prior analysis of strengths, weaknesses, opportunities and threats regarding the AML/CFT National System – in order to develop a cross-cutting approach to the vulnerabilities detected. Likewise, expanded working tables were developed with the participation of all institutions, which allowed linking the progress of the subgroups and providing feedback to the work with a global perspective.

The following workshops were established in the public sector:

PREVENTION CLUSTER	DETECTION CLUSTER	PROSECUTION CLUSTER
Central Bank of Chile	General Comptroller Office of the Republic	Public Prosecutors Office of Chile
Superintendency of Banks and Financial Institutions	Drug Investigation Department of Carabineros (OS.7)	Judicial Branch
Superintendency of Casinos	Organised Crime Investigation Department of Carabineros (OS.9)	General Secretariat of the Presidency
Superintendency of Pensions	Directorate of Maritime Territory and Merchant Navy (DIRECTEMAR)	Financial Analysis Unit
Superintendency of Social Security	Investigative Police of Chile (PDI)	Investigative Police of Chile (PDI)
Superintendency of Securities and Insurance	Internal Revenue Service (SII)	Drug Investigation Department of Carabineros (OS.7)
Financial Analysis Unit	National Customs Service	Organised Crime Investigation Department of Carabineros (OS.9)
General Secretariat of the Presidency	Ministry of Defence	General Secretariat of the Presidency
Ministry of Foreign Affairs	General Secretariat of the Presidency	Ministry of Foreign Affairs
Public Prosecutors Office of Chile	Ministry of Foreign Affairs	
	Financial Analysis Unit	
	Public Prosecutors Office of Chile	



WORKING GROUPS FROM THE PRIVATE SECTOR

The private sector participation in the design of the National Strategy for Preventing and Combating Money Laundering and the Financing of Terrorism was materialized through dialogue, exchange of experiences and approaches with representatives of the Association of Banks and Financial Institutions (ABIF), the Chilean Association of Investment Fund Managers (ACAFI), the Association of Mutual Fund Managers (AAFM), the Association of Pension Fund Managers, and the Association of Insurers of Chile.

Each of these institutions, recognized for their representation within their economic sectors, presented their comments, contributions and observations in 3 areas:

- Overview of AML/CFT measures implemented by each institution;
- Customer Due Diligence and its scope in the relevant economic sector; and
- Need for regulatory or self-regulatory measures to better combat AML/CFT.

From their responses it was possible to identify areas and actions of common interest addressed to strengthen the National System for Preventing and Combating Money Laundering and the Financing of Terrorism, which were incorporated into the Action Plan.



MISSION AND VISION

Coordination between public institutions and the exchange of views, knowledge, experiences and emphasis, plus the incorporation of the private sector approaches during the design stage of the National Strategy for Preventing and Combating Money Laundering and the Financing of Terrorism, were key inputs to the definition of the Action Plan.

While the overall objective of the strategy aims to strengthen the mechanisms and tools to prevent, detect and prosecute crimes of ML/FT in Chile, based on the internationally required standards and recommendations, in order to protect the economy and the country from the dire consequences of both crimes, the Action Plan is the realization of these objectives through specific tasks, inter-institutional coordination and changes in regulations and/or legislation.

From these considerations, the participating institutions defined the mission and vision of the National Strategy as follows:

MISSION

To strengthen the National System for Prevention, Detection, Prosecution and Punishment of the crimes of money laundering and the financing of terrorism, in order to protect the country from damage of these illegal acts, especially to the economy and the financial system.

VISION

To be the body responsible for periodically assessing the functioning of the National System against Money Laundering and the Financing of Terrorism, in order to propose actions needed for improving it.

ACTION PLAN FOR PREVENTING AND COMBATING ML/FT

After the first stage and the identification of these definitions, the Action Plan was developed, which is detailed in the following pages. It aims to overcome the identified weaknesses and to strengthen the normative tools in order to achieve necessary levels of inter-institutional coordination and cooperation.

Its five work streams, containing 50 specific targets, respond to the national reality and make the necessary adaptations for compliance with FATF standards:

1. **Understanding of the phenomenon of money laundering and the financing of terrorism and ad-hoc inter-institutional coordination to combat it;**
2. **Financial investigation and managing of assets seized and confiscated for ML/FT crimes;**
3. **Measures to control the movement of assets across borders;**
4. **Adjustments to national legislation for preventing and combating ML/FT; and**
5. **Transparency and ultimate beneficial ownership of legal persons.**

1 UNDERSTANDING THE PHENOMENON OF MONEY LAUNDERING AND THE FINANCING OF TERRORISM AND AD-HOC INTER-INSTITUTIONAL COORDINATION TO COMBAT IT

CHALLENGE

The phenomenon of money laundering and financing of terrorism is a permanent threat that affects global and institutional structures of society and contributes to destabilization of the integrity of markets. International efforts to curb money laundering and the financing of terrorism seek to attack the economic power of criminal and/or terrorists organizations, in order to weaken them and prevent them benefiting or making use of these illicit funds.

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Under the framework of the United Nations, the Global Programme against Money Laundering (1997) and the Global Counter-Terrorism Strategy (2006) significant steps were taken to strengthen international cooperation and the prevention of this phenomenon. Regionally, the Financial Action Task Force of South America (GAFISUD) works hard to implement the 40 recommendations of the Financial Action Task Force (FATF) and to generate effective measures for the improvement of Anti-Money Laundering

and Combating the Financing of Terrorism National System (AML/CFT).

Given this scenario, Chile needs to develop policies that promote effective coordination between all the institutions that play a role in the AML/CFT National System, promoting and facilitating a high degree of cooperation, in order to mitigate the risks associated with money laundering and financing of terrorism.

Such requirements make it necessary to formalize a permanent inter-agency coordination mechanism, which has a technical group stage (that meets regularly), and formal stage composed of Higher Authorities (that meet at least once a year).

Chile needs to develop policies that promote effective coordination between all the institutions that play a role in the AML/CFT National System, promoting and facilitating a high degree of cooperation, in order to mitigate the risks associated with money laundering and financing of terrorism.

This mechanism shall have as primary objectives the review and implementation of the national AML/CFT policies, as well as the planning of adequate activities to promote effective inter-institutional cooperation, including the design and implementation of outreach and training activities.

A proper understanding of this phenomenon and the risks involved will ensure that the appropriate actions are taken and coordinated at a national level to combat money laundering and the financing of terrorism. This understanding of the phenomenon should also provide feedback to the private sector actors involved in the national system of prevention and detection of ML/FT – as evidenced by the instances of consulting with the representatives of the financial sector, carried out at meetings held during the second stage of the development of the National Strategy – and also with other agents of economic activity in general and the community as a whole.

OBJECTIVES:

1. To achieve adequate levels of cooperation and coordination between competent authorities for the development and implementation of policies and activities to prevent detect and combat ML/FT.
2. To develop coordination and full and timely cooperation for the prevention, detection and prosecution of crimes of ML/ FT between all competent authorities and private institutions (financial and non-financial entities) that are legally obliged to be involved in the AML/CFT National System.
3. To ensure understanding of the phenomenon of money laundering and financing of terrorism, maintaining standards of ongoing training aimed at all institutions that are part of the National Strategy. This understanding will facilitate the tasks of prevention, detection and prosecution of these behaviours.
4. To facilitate comprehension of and approaches to money laundering and financing of terrorism to small and medium enterprises, whose owners are active in the economic sectors as identified by Law No. 19,913, in order to facilitate compliance in the prevention and detection of acts of money laundering and financing of terrorism.

UNDERSTANDING THE PHENOMENON OF ML/FT AND AD-HOC INTER-INSTITUTIONAL COORDINATION TO COMBAT IT				
PHASES	ACTION	RESPONSIBILITY	ASSISTED BY	TIMESCALES
1	Formalising by Presidential Decree a permanent inter-institutional coordination mechanism.	SEGPRES, Ministry of Interior and Public Security, Ministry of Finance.	MP; CGR; UAF	First quarter of 2014
2	Developing internal awareness campaigns in each agency that participates in the AML/CFT National System, via communication flows from those responsible for the issue to the Higher Authorities.	All institutions participating in the National Strategy (NS).	MP, CGR, UAF, Ministry of Interior and Public Security, Ministry of Finance.	As of the first quarter of 2014
3	Developing awareness, via the National Coordination Group, by the establishment of a High Level Committee to survey the issue with the higher authorities of each participating institution of the AML/CFT National System.	Inter-agency Co-ordinating Authorities	Ministry of Interior and Public Security, Ministry of Finance, MP; CGR; UAF	During 2014
4	Conducting a training needs analysis of the public sector for the proper development of prevention and detection.	All participating institutions of NS.	UAF (coordinator), Ministry of Interior and Public Security; CGR; SBIF; Ministry of Finance.	Ongoing from 2013, and thereafter every 2 years.

UNDERSTANDING THE PHENOMENON OF ML/FT AND AD-HOC INTER-INSTITUTIONAL COORDINATION TO COMBAT IT				
PHASES	ACTION	RESPONSIBILITY	ASSISTED BY	TIMESCALES
4.1	<i>Developing a training program for public sector institutions involved in the AML/CFT National System.</i>	MP; UAF	SII; SBIF;	<i>Ongoing from 2013, and thereafter every 2 years.</i>
5	Conducting a training needs analysis for the private sector.	SBIF; SCJ; SP; SVS; SNA; SUSESO; UAF	UAF (coordinator), Ministry of Interior and Public Security; CGR; SBIF, Ministry of Finance	First quarter 2014; and thereafter every 2 years.
5.1	<i>Developing a training program for the private sector.</i>	<i>SBIF; SCJ; SP; SVS; SUSESO; UAF.</i>	MP	<i>Second quarter 2014</i>
6	Executing annual training plan (including public and private prevention/detection programs, and financial investigation)	All participating institutions of NS.	UAF	Running second half 2013
7	Conducting an analysis and undertaking activities to disseminate results (prevention measures beyond those sectors required by Law No. 19,913).	All participating institutions of NS.	UAF	2013 - permanently

2

FINANCIAL INVESTIGATION AND MANAGING OF ASSETS SEIZED AND/OR CONFISCATED

CHALLENGES

The effective fight against money laundering and the financing of terrorism requires not only the timely detection, prosecution and punishment of illegal activities that support both crimes, but it is also imperative that people convicted with imprisonment for the commission of such crimes are also deprived of all their profits. Only then, will it be more effective at eliminating the continued use of illegitimate funds by organized crime to maintain and expand their illegal activities.

From this perspective, there is an imperative need for actions that enable the broader confiscation of products and instruments arising from money laundering crimes and other related offences (for example drug trafficking, human trafficking, corruption, financial crime. etc.), together with a proper management and administration of the seized and confiscated assets.

The effective fight against money laundering and the financing of terrorism requires take actions that enable the broader confiscation of products and instruments arising from the illicit activity, together with a proper management and administration of the seized and confiscated assets.

Considering that crimes of ML/FT are mostly transnational, these provisions must also consider the ability to share confiscated assets with other countries, when appropriate.

Detection, prosecution and punishment of the financing of terrorism activities should be likewise undertaken based on the same considerations and purposes.

Achieving these objectives requires that competent authorities have all sources of relevant, accurate and updated information to undertake financial investigation related to MT/FT operations. From the same viewpoint, it is essential that the competent authorities also have all the necessary human and technical resources to undertake such investigation in order to identify, track, recover and neutralize illicit assets.

In relation to the above mentioned actions it is necessary to consider the deployment of efforts for the detection and prosecution of all related offences that, in accordance with Chilean law, cause activities of money laundering; and that all assets of illicit origin that have been confiscated, seized and frozen should be administered under the measures that ensure proper handling, preservation and efficient settlement thereof.

OBJECTIVES

1. To facilitate the use of information obtained in investigations of financial crimes of ML/FT in other investigations, including people connected or related to money laundering crimes and related criminal offences.
2. To apply extensively the seizure and confiscation measures, including the power to share confiscated assets with other nation states, on assets and instruments of crime, and also on the goods of equivalent value involved in the crime of money laundering and related offences.
3. To prioritize the seizure and confiscation of assets, instruments and goods/properties of illicit origin, including the use of the power of confiscation of property of equivalent value.
4. To promote the simultaneous start of criminal inquiries of ML/FT crimes and of financial investigations, to ensure broad seizures that also include interim measures deemed necessary to ensure the final confiscation of assets.
5. To use investigative techniques established in special laws for the development and deepening of financial investigations.

FINANCIAL INVESTIGATION AND MANAGING OF ASSETS SEIZED AND/OR CONFISCATED				
PHASE	ACTION	RESPONSIBILITY	ASSISTED BY:	TIMESCALES
1	Defining common criteria for financial investigation and techniques.	MP; OS.7; OS.9; PDI; DIRECTEMAR.	UAF, Ministry of Interior and Public Security	March 2014
2	Diagnosing training needs in this area, as the obstacles to the development of financial investigation.	MP; OS.7; OS.9; PDI; DIRECTEMAR.	UAF, Ministry of Interior and Public Security	Under development from June 2013, and thereafter every 2 years.
3	Developing a training program in financial investigations, considering the offer of technical assistance from international organizations.	MP; OS.7; OS.9; PDI; DIRECTEMAR.	UAF	Annual
4	Executing the annual training plan	MP; OS.7; OS.9; PDI; DIRECTEMAR.	UAF	Annual
5	Promoting the use of quantitative and qualitative financial investigations as an investigative tool.	MP; OS.7; OS.9; PDI; DIRECTEMAR.	Ministry of Interior and Public Security	Permanently
6	Incorporating the use of the technique in criminal policy.	Ministry of Interior and Public Security; MP.	UAF	January 2014

FINANCIAL INVESTIGATION AND MANAGING OF ASSETS SEIZED AND/OR CONFISCATED				
PHASE	ACTION	RESPONSIBILITY	ASSISTED BY:	TIMESCALES
7	Generating an interagency mechanism for ongoing review of the techniques of financial investigations.	MP; OS.7; OS.9; PDI; Ministry of Interior and Public Security; DIRECTEMAR.	UAF	January 2014
8	Passing the bill (Bulletin 4426-07) that allows for seizure and confiscation of property of equivalent value.	Ministry of Interior and Public Security; Ministry of Finance; SEGPRES; Congress of the Republic	MP; UAF	Currently being discussed.
9	Promoting the creation of an Office or Agency for Assets Recovery (Ref: Directive 2007/845/JHA Council of the EU, Article 1).	Ministry of Interior and Public Security; Ministry of Finance; SEGPRES; Congress of the Republic.	MP; OS.7; OS.9; PDI	2014 - 2016
10	Promoting the creation of a Statutory Body or Agency for the Management of Seized and Forfeited Assets.	Ministry of Interior and Public Security; Ministry of Finance; SEGPRES; Congress of the Republic.	MP; OS.7; OS.9; PDI	2014 - 2016

3

MEASURES TO CONTROL THE MOVEMENT OF ASSETS ACROSS BORDERS

CHALLENGE

Effective prevention and combating of money laundering and financing of terrorism requires permanent control of movements of assets across borders, in order to detect false declarations or not making declarations regarding the transportation of currency or bearer negotiable instruments, and for the purpose of executing the corresponding sanctions.

Such controls are necessary to detect, intercept and detain cash flows associated with operations of ML, as well as to mitigate the risk of terrorists, terrorist organizations and terrorist financiers to be able to transport and bring into Chile resources to finance their activities. In this context it must be taken into consideration that nearly three quarters of the gross profit coming from drug trafficking activities (related offences of ML), is handled in cash, with a higher proportion of it being carried via the border smuggling route (following the reverse route of drug smuggling).

Given this scenario there is also a clear need to develop controls on other relevant value goods transported across borders which may be associated with money laundering and their related offences.

Effective prevention and combating of money laundering and financing of terrorism requires permanent control of movements of assets across borders, in order to detect false declarations or not making declarations regarding the transportation of currency carrying of cash or bearer negotiable instruments, and for the purpose of executing the corresponding sanctions.

OBJECTIVES

- 1. To identify in a timely assets falsely declared or undeclared, and apply effective, proportionate and dissuasive sanctions.**
- 2. To improve the approach to the detection and seizure of currency and bearer negotiable instruments that move across the border, which are suspected of being linked to ML/FT and related offences. This includes control over land, sea and air cargo.**
- 3. To improve the approach to the detection and seizure of assets that move across the border, which are suspected of being linked to operation of ML/FT and related offences.**
- 4. To improve the identification of the origin and final beneficiary of the assets related to investment flows, in order to implement preventive measures.**
- 5. To strengthen coordination between the relevant authorities in this matter, by forming teams or joint detection units.**

MEASURES TO CONTROL THE MOVEMENT OF ASSETTS ACROSS BORDERS				
PHASE	ACTION	RESPONSIBILITY	ASSISTED BY:	TIMESCALES
1	Strengthening ongoing and focused coordination of control of movement of assets across borders.	SNA; UAF; Ministry of Interior and Public Security		2014 - permanently
2	Passing the bill (Bulletin 4426-07) that allows implementing effective and dissuasive sanctions for false declarations.	Ministry of the Interior and Public Security, Ministry of Finance; SEGPRES; Congress of the Republic.	MP; UAF	Currently being discussed.
3	Strengthening control over Bearer Negotiable Instruments (INP in Spanish).	SNA.	UAF.	First quarter 2014
4	Improving migration risk profiles.	SNA; PDI; DEM; DIRECTEMAR.	UAF; MP; Ministry of the Interior and Public Security	During 2014
5	Developing a record of relevant value goods entering and leaving the territory.	SNA; invitation to SAG.	UAF; MP; Ministry of the Interior and Public Security	2014 - 2015

MEASURES TO CONTROL THE MOVEMENT OF ASSETTS ACROSS BORDERS				
PHASE	ACTION	RESPONSIBILITY	ASSISTED BY:	TIMESCALES
6	Including currency or Bearer Negotiable Instruments search in the cargo inspection protocols.	SNA; DIRECTEMAR.	UAF; MP; Ministry of the Interior and Public Security	First quarter 2014
7	Strengthening coordination in controlling illicitly imported goods at border points.	SNA; Ministry of the Interior and Public Security DIRECTEMAR.	UAF; MP;	From the second half of 2014
8	Strengthening safeguards and procedures applied to the collection and analysis of information on investment flows from abroad, including preventive measures in the financial, notarial, registration and tax system.	UAF; SII; BCCh; invitation to: CIE; Notaries and y Registrars; private sector	UAF	2014 - 2015

4

ADJUSTMENTS TO CHILEAN LEGISLATION FOR PREVENTING AND COMBATING ML/FT

CHALLENGES

Available evidence shows that the dynamics of money laundering, which constantly mutates to evade controls, leaves stagnant the legal frameworks intended to prevent and combat it, forcing its constant revision.

The international community not only maintains a constant focus on the evolution of the phenomenon of ML/FT, organized crime and related offences (drug trafficking, corruption, human trafficking, etc.), but also requires countries to comply with globally accepted standards and instruments driven by specialized agencies, and the adjustment of their laws in relation to them.

In this context, Chile needs to update its regulations for the prevention and prosecution of crimes of ML/FT, to adapt them to meet international recommendations. This task must be complemented by the development of a risk assessment and implementation of a country Risk Based Approach (RBA), in order to direct legislative efforts towards most vulnerable points. An adequate risk assessment and approach would allow, for example, determining if new economic sectors should be incorporated to the ML/FT preventive system, as subjects obliged to report suspicious operations.

An adequate risk assessment and approach would allow determining if new economic sectors should be incorporated to the ML/FT preventive system, as subjects obliged to report suspicious operations.



OBJECTIVES:

1. To update the national legislation in accordance with international instruments and standards of AML/CFT.
2. To identify those sectors most exposed to the risk of ML/FT, to take the necessary measures to mitigate and reduce these risks.
3. To maintain an ongoing review of the legislative measures under development, in order to identify likely barriers to the operation and effectiveness of the AML/CFT National System.

ADJUSTMENTS TO CHILEAN LEGISLATION FOR PREVENTING AND COMBATING ML/FT				
PHASE	ACTION	RESPONSIBILITY	ASSISTED BY:	TIMESCALES
1	Developing a risk assessment at a country level to identify those sectors, activities, products or services which are exposed to a greater risk of being used for activities of ML/FT, and implement an RBA.	UAF - IDB.	All the institutions participating in the NS.	Process started in November 2013
1.2	<i>Adding economic activities identified as having high risk of being harmed by acts of ML/FT, as Regulated Entities of the national preventive system.</i>	<i>Ministry of the Interior and Public Security, Ministry of Finance; SEGPRES Congress of the Republic.</i>	MP; UAF	<i>To be defined (depends on the outcome of the risk assessment carried out by the IDB and the UAF, currently in development.)</i>
1.3	<i>Establishing guiding principles for supervision, regulation and prosecution of AML/CFT, so that they can be fulfilled by any of the new eventual regulated sectors.</i>	<i>SBIF; SVS; SP; SCJ; UAF.</i>	<i>Ministry of Finance</i>	<i>First quarter 2015</i>
2	Based on the results of risk assessment, adapting the preventive AML/CFT regulation in the sectors under Law No. 19,913.	SBIF; SVS; SP; SCJ; SUSESO; UAF.	Ministry of Finance	Second quarter 2014

ADJUSTMENTS TO CHILEAN LEGISLATION FOR PREVENTING AND COMBATING ML/FT				
PHASE	ACTION	RESPONSIBILITY	ASSISTED BY:	TIMESCALES
2.1	<i>Setting rules enabling financial and APNFD institutions to develop risk assessments and take steps to mitigate identified risks.</i>	<i>SBIF; SVS; SCJ; SP; UAF.</i>	<i>Ministry of Finance</i>	<i>Second quarter 2014</i>
3	Creating a permanent mechanism to review existing legislation and bills in the approval process.	UAF; MP.	Ministry of the Interior and Public Security, Ministry of Finance; SEGPRES; MINREL.	From the establishment of the National Coordination.
4	Developing an analysis of legislative needs of National AML/CFT, taking as reference the results of the risk analysis performed with the IDB.	CGR, Ministry of Finance, Ministry of Interior and Public Security; MINREL; SEGPRES; MP; UAF.	All the institutions participating in the NS.	Starting in the second quarter of 2014
5	Drafting a bill that incorporates the legislative requirements identified for AML/CFT legislation.	CGR, Ministry of Finance, Ministry of Interior and Public Security; MINREL; SEGPRES; MP; UAF.		Starting in the first half 2015

5

TRANSPARENCY AND BENEFICIAL OWNERSHIP OF LEGAL PERSONS

CHALLENGE

In an environment where the economic activity and trade relations are dynamic, it is especially relevant to implement appropriate tools and coordination to ensure that the product of unlawful activity and the funds that are intended to support terrorist acts do not infiltrate neither the financial sectors nor the other sectors of the economy, including Non-Profit Organizations (NPOs). It is also important that the intention of using those assets from illicit sources is detected and reported in a timely and appropriate manner.

The system needs to ensure appropriate levels of transparency and to facilitate the timely availability to access to basic information on legal persons and their ultimate beneficial ownership

In this framework, the system needs to ensure appropriate levels of transparency and to facilitate the timely availability of up-to-date and optimal basic information on legal persons or other legal arrangements, and also all the information of their ultimate beneficial ownership.

OBJECTIVES

1. To prevent misuse of legal persons and other legal arrangements, especially in the NPO sector, to launder money and finance terrorism.
2. To implement measures to ensure that the information of the appointments of legal persons is available, without hindrance, to the competent authorities properly and on time.
3. To ensure that general information on the incorporation and the nature of legal persons or entities, and those who participate in them, can be obtained by either the authorities, financial institutions and other sectors of the economy that establish trade relations with them, in a timely and optimal fashion.
4. To facilitate that the competent prosecuting authorities obtain in a timely and proper manner the relevant and current information about the ultimate beneficial ownership and of any legal person (newly) appointed in the country.
5. To provide the means for financial institutions and other sectors of the economy to obtain updated information on the ultimate beneficial ownership when clients are legal entities, so that they can develop adequate Customer Due Diligence (CDD).

TRANSPARENCY AND BENEFICIAL OWNERSHIP OF LEGAL PERSONS				
PHASE	ACTION	RESPONSIBILITY	ASSISTED BY	TIMESCALES
1	Exploring and examining the sources and contents of information of ultimate beneficial ownership in the system, in order to facilitate proper coordination.	BCCh; SNA; SII; SBIF; SVS; SUSESO; SP; UAF.	Ministry of Finance	First quarter 2014
2	Generating protocols for the exchange of information between supervisory bodies.	SBIF; SVS; SP; SCJ; SUSESO; UAF.	Ministry of Finance	Starting second quarter 2014
3	Improving the current regulation of this sector requiring the obligation by Law No. 19,913 to identify the ultimate beneficial ownership when the client is a legal person or entity (standardize criteria).	SBIF; SVS; SP; SCJ; SUSESO; UAF.	Ministry of Finance	Second quarter 2014
4	Including in the regulation of CDD the status of clients who are representatives of foreign trusts.	SBIF; SVS; SP; SCJ; SUSESO; UAF.	Ministry of Finance	Second quarter 2014
5	Defining a common standard for information requests and responses, related to legal persons as per the legal framework (generating a public-private workshop is required).	MP; OS.7; OS.9; PDI; SII; BCCh; SNA; SBIF; SVS; DIRECTEMAR; Invitation to the; the private sector.	Ministry of Finance; Ministry of the Interior and Public Security; UAF	First quarter 2014

TRANSPARENCY AND BENEFICIAL OWNERSHIP OF LEGAL PERSONS				
PHASE	ACTION	RESPONSIBILITY	ASSISTED BY	TIMESCALES
6	Agreeing protocols and normative adjustments to expedite and facilitate access to relevant information between monitoring and prosecuting institutions and the private sector.	MP; OS.7; OS.9; PDI; SII; BCCh; SNA; SBIF; SVS; DIRECTEMAR; Invitation to General Registrar of Births, Marriages and Deaths; the private sector.	Ministry of Finance; Ministry of the Interior and Public Security; UAF	Second quarter 2014
7	Developing a technology platform to facilitate online access, pursuant to the legal framework (CBR; SII, RC, DICOM, etc.).	MP; OS.7; OS.9; PDI; SII; SVS; BCCh; SNA; SBIF; DIRECTEMAR; Invitation to the General Registrar of Births, Marriages and Deaths; private sector.	Ministry of Finance; Ministry of the Interior and Public Security; UAF	2014 - 2015
8	Reviewing the cooperation agreement between the SII and UAF for the access to relevant databases, in order to update and improve it.	SII; UAF.	Ministry of Finance	Third quarter 2014
9	Developing a risk assessment to identify the types of legal persons that due to their characteristics are at greatest risk of being used for activities of ML/FT.	UAF (IDB)	All the institutions participating in the NS.	Process started in November 2013

TRANSPARENCY AND BENEFICIAL OWNERSHIP OF LEGAL PERSONS				
PHASE	ACTION	RESPONSIBILITY	ASSISTED BY	TIMESCALES
10	Developing a risk assessment to identify NPOs (types and characteristics) that are at greatest risk of being used for activities of ML/FT.	UAF (IDB)	All the institutions participating in the NS.	Process started in November 2013
11	Making adjustments and diagnosing preventative regulations (economic sectors regulated by Law No. 19,913), with a focus on preventive detection of ML/FT related to NPOs operations.	SBIF; UAF.		2013 (adjustment stage) - first half 2014.
12	Defining and executing outreach, dissemination and awareness activities regarding risks of ML/FT in the NPO sector (rule "know your beneficiary and associated NPOs").	UAF; SII; Invitation to the Ministry of Justice.	Ministry of Finance	Second quarter 2014

TRANSPARENCY AND BENEFICIAL OWNERSHIP OF LEGAL PERSONS				
PHASE	ACTION	RESPONSIBILITY	ASSISTED BY	TIMESCALES
13	Evaluating the effectiveness of current regulations and the implementation of the measures proposed above to mitigate risks in the sector, based on the record of violations detected.	SII; SBIF; UAF; MP; Ministry of the Interior and Public Security.	Ministry of Finance	2016
14	Passing the bill (Bulletin 4426-07) that allows public institutions to report suspicious transactions for ML/FT, in particular regarding the operations of NPOs (SII; SNA; SBIF).	Ministry of the Interior and Public Security, Ministry of Finance; SEGPRES; Congress of the Republic.	UAF; MP;	Currently being discussed
15	Running training activities to facilitate compliance with the legal obligation to report suspicious transactions of ML/FT that the public sector will have once the corresponding bill (Bulletin 4426-07) is approved, with special emphasis on the operation of NPOs.	UAF; MP; PDI.	All the institutions participating in the NS.	Once the bill is approved

PARTICIPATING INSTITUTIONS



In the design of the National Strategy for Preventing and Combating Money Laundering and Financing of Terrorism the following public institutions participated, listed alphabetically:

▣ CENTRAL BANK OF CHILE

The Central Bank of Chile is a technical and autonomous organization, with constitutional status. The primary mission of the Central Bank, in accordance with the provisions of the Common Constitutional Law No. 18,840, is to ensure the stability of the currency and the normal functioning of internal and external payments. In accordance with the same law, for such purposes, the powers of the Bank shall be to regulate the quantity of money and credit in circulation, to execute trade credit and foreign exchange, and to issue regulations regarding monetary, credit and financial matters, and international exchange.

❑ **MONEY LAUNDERING UNIT OF THE INVESTIGATIVE POLICE OF CHILE**

It is also known as BRILAC as per its Spanish acronym. Its mission is to investigate criminal and financial support of individuals and organizations engaged in money laundering activities from some of the crimes listed in Article No. 27 of Law No. 19,913. In this context, they assist the Public Prosecutor's Office in criminal investigations of offences.

❑ **GENERAL COMPTROLLER OFFICE OF THE REPUBLIC**

The General Comptroller Office of the Republic (CGR as per Spanish acronym) is a superior auditing body of the Administration of the State, referred to in the Constitution, which is autonomous from the Executive Branch and other public bodies. It is essentially a unit that controls the legality of public acts. Their work is especially related to inspection of judicial matters, accounting and financial services, aimed at safeguarding the rule of law in the exercise of the functions of the Administration of the State.

❑ **DRUG INVESTIGATION DEPARTMENT OF CARABINEROS (DEPARTAMENTO DE DROGAS DE CARABINEROS)**

The role of this Unit, also known as OS.7, is to combat the activities of drug trafficking and criminal organizations that undertake such activities. It depends on the Management of the Criminal and Drug Investigation of the same institution.

❑ **ORGANISED CRIME INVESTIGATION DEPARTMENT OF CARABINEROS (DEPARTAMENTO DE INVESTIGACIÓN DE ORGANIZACIONES CRIMINALES DE CARABINEROS)**

This unit, also known as OS.9, focuses its work on major crimes which require specialist skills and associated with criminal organizations. Also part of its work is to study criminal phenomena, using scientific methodologies.

❑ **GENERAL DIRECTORATE OF MARITIME TERRITORIES AND THE MERCHANT NAVY (DIRECCIÓN GENERAL DEL TERRITORIO MARÍTIMO Y DE MARINA MERCANTE DE LA ARMADA)**

Also known DIRECTEMAR, it is the agency responsible for prudent compliance with laws and international agreements in this field, among other functions related to the protection of the country's maritime development functions.

☐ PUBLIC PROSECUTOR'S OFFICE (FISCALÍA DEL MINISTERIO PÚBLICO)

This is an independent body whose function is to direct the investigation of crimes, bring the accused to court, and if applicable, provide protection to victims and witnesses. This Office is not part of any of the three branches of the State; it is organized into one National Prosecutor's Office and 18 Regional Prosecutors' Offices, working in collaboration with Carabineros, the Investigative Police of Chile (PDI) and subsidiary bodies such as Legal Medical Service, the General Registrar of Births, Marriages and Deaths and the Institute of Public Health.

☐ MINISTRY OF FINANCE

The Ministry of Finance is the Secretariat of State whose role is to maximize the potential for long-term growth of the national economy and promote better use of the productive resources of the country, in order to achieve sustainable economic growth, which will result in a better quality of life for all Chileans. In this context, it must responsibly manage fiscal policy; design and support legal initiatives to maximize the rate of economic growth; facilitate the opening of financial markets, stimulating country's financial integration with the international market; and participate in negotiation processes of free trade agreements.

☐ MINISTRY OF FOREIGN AFFAIRS

The Ministry of Foreign Affairs is the government department responsible for the planning, direction, coordination, implementation and dissemination of foreign policy made by the President of the Republic. Fulfilling its mission involves coordinating the activities of departments and agencies that affect foreign policy and, it will intervene in all matters relating to the identification and demarcation of borders and boundaries of the country, as well as issues and policies that affect the border areas and air, sea and Antarctic spaces.

☐ MINISTRY OF INTERIOR AND PUBLIC SECURITY

It is the government department responsible for maintaining law and internal order, security and social peace. It is responsible for policy coordination tasks and supervising, within the government framework, regional mayors and provincial governors.



☐ **THE GENERAL SECRETARIAT OF THE PRESIDENCY**

It is responsible for advising the President of the Republic and the other ministers in the Government's relations with the Congress and in the preparation of the legislative agenda. It is also responsible for monitoring the progress of processing of bills.

☐ **INTERNAL REVENUE SERVICE**

Also known as SII, as per its Spanish acronym, it is the government agency responsible for the collection and investigation of all taxes in the country, except for tariffs. It depends on the Ministry of Finance and has offices in each region.

☐ **NATIONAL CUSTOMS SERVICE**

It is an autonomous public administrative body, which relates to the Government through the Ministry of Finance. Its mission is to facilitate, expedite and monitor the operations of import and export of goods and services, and collect duties and taxes associated with them.

☐ **NATIONAL SERVICE FOR THE PREVENTION AND REHABILITATION OF DRUG AND ALCOHOL CONSUMPTION (SERVICIO NACIONAL PARA LA PREVENCIÓN Y LA REHABILITACIÓN DEL CONSUMO DE DROGAS Y ALCOHOL)**

Also known as SENDA in Spanish, it is a public agency whose mission is to implement policies for the prevention of drug, psychotropic substances and abusive alcohol intake, and the treatment, rehabilitation and social reintegration of persons affected.

☐ **SUPERINTENDENCY OF BANKS AND FINANCIAL INSTITUTIONS (SBIF AS PER SPANISH ACRONYM)**

This is an autonomous public institution with legal personality of indefinite duration, which relates to the Government through the Ministry of Finance. The mandate imposed by the General Banking Law is supervising commercial banks to safeguard depositors, other creditors, public interest and other entities included in the law. Its mission is to ensure the stability and functioning of the financial system.

☐ **SUPERINTENDENCY OF CASINOS (SUPERINTENDENCIA DE CASINOS DE JUEGO)**

Also known as SCJ as per its acronym in Spanish, it is an autonomous body with legal personality with its own assets representing the State in the exercise of the functions of supervision and control for the installation, administration and operation of casinos and gaming establishments authorized under the Law No. 19,995. Its mission is to regulate and control casinos and gambling establishments and to promote their development and ensure respect and trust of the public through effective control processes, updating regulations and creation of conditions for transparency in the casino industry.

☐ **SUPERINTENDENCY OF SOCIAL SECURITY (SUPERINTENDENCIA DE SEGURIDAD SOCIAL)**

It is an autonomous State institution with legal personality and its own assets, which relates to the Government through the Ministry of Labour and Social Welfare. It is responsible for monitoring compliance with the rules of social security and ensuring compliance in this area of the rights of the people, especially the workers, retirees and their families.

☐ SUPERINTENDENCY OF PENSIONS (SUPERINTENDENCIA DE PENSIONES)

It is the controlling entity representing the State within the Chilean pension system. It is an autonomous entity that relates to the Government through the Ministry of Labour and Social Welfare, and the Secretariat for Social Welfare. Its mission is the supervision and control of the Pension System administered by the Institute of Social Welfare, the Private Pension Fund Administrators (AFP) and the Fund Administrator (AFC).

☐ SUPERINTENDENCY OF SECURITIES AND INSURANCE (SUPERINTENDENCIA DE VALORES Y SEGUROS)

Also known as SVS, it is an autonomous institution with legal personality and its own assets, and relates to the government through the Ministry of Finance. It is responsible for the higher supervision of activities and entities involved in the securities and insurance markets in Chile. In this context it must ensure that persons or supervised institutions, from its inception to the end of the settlement, comply with applicable laws, regulations, statutes and other provisions governing the operation of these markets.

☐ FINANCIAL ANALYSIS UNIT (UNIDAD DE ANÁLISIS FINANCIERO)

Also known as UAF, it is a decentralized public agency with legal personality with its own assets, which relates to the government through the Ministry of Finance. It was created by Law No. 19,913 and has the legal role to forestall and prevent the financial system and other sectors of the economy from being used to commit the crime of money laundering. In this context, it oversees 36 economic sectors, makes financial intelligence processes, issues regulations, monitors compliance and disseminates public information, in order to protect the country and its economy from distortions caused by money laundering. Since 2010, it also coordinates the National System for Prevention of Money Laundering and Terrorism Financing and represents Chile before the Financial Action Task Force of South America (GAFISUD).

ACRONYMS

AML/CTF

Anti-Money Laundering and Combating Financing of Terrorism

APNFD (ACTIVIDADES Y PROFESIONES NO FINANCIERAS DESIGNADAS)

Designated Non-Financial Activities and Professions

BCCH (BANCO CENTRAL DE CHILE)

Central Bank of Chile

IDB

Inter-American Development Bank

BRILAC (BRIGADA DE LAVADO DE ACTIVOS DE LA POLICÍA DE INVESTIGACIONES DE CHILE)

Money Laundering Unit of the Investigative Police of Chile (PDI)

CGR (CONTRALORÍA GENERAL DE LA REPÚBLICA)

General Comptroller Office of the Republic

CIE (COMITÉ DE INVERSIONES EXTRANJERAS)

Committee on Foreign Investment

CDD

Customer Due Diligence and Knowledge

DIRECTEMAR (DIRECCIÓN DEL TERRITORIO MARÍTIMO Y DE LA MARINA MERCANTE DE LA ARMADA)

General Directorate of Maritime Territories and the Merchant Navy

RBA

Risk Based Approach

NS

National Strategy

IMF

International Monetary Fund

FT

Financing of Terrorism

FATF

Financial Action Task Force

GAFISUD (GRUPO DE ACCIÓN FINANCIERA DE SUDAMÉRICA)

Financial Action Task Force of South America

ML

Money Laundering

ML/FT

Money Laundering and Financing of Terrorism

MINREL (MINISTERIO DE RELACIONES EXTERIORES)

Ministry of Foreign Affairs

MP (MINISTERIO PÚBLICO)

Public Prosecutors Office

NPO

Non-Profit Organisations

OS.7 (DEPARTAMENTO DE DROGAS DE CARABINEROS DE CHILE)

Drug Investigation Department of Carabineros

OS.9 (DEPARTAMENTO DE INVESTIGACIÓN DE ORGANIZACIONES CRIMINALES DE CARABINEROS DE CHILE)

Organised Crime Investigation Department of Carabineros

PDI (POLICÍA DE INVESTIGACIONES DE CHILE)

Investigative Police of Chile

PEP

Politically Exposed Persons

ROE (REPORTE DE OPERACIÓN EN EFECTIVO)

Cash Transaction Report

ROS (REPORTE DE OPERACIÓN SOSPECHOSA)

Suspicious Transaction Report

SAG (SERVICIO AGRÍCOLA Y GANADERO)

Agriculture and Livestock Service

SBIF (SUPERINTENDENCIA DE BANCOS E INSTITUCIONES FINANCIERAS)

Superintendency of Banks and Financial Institutions

SCJ (SUPERINTENDENCIA DE CASINOS DE JUEGOS)

Superintendency of Casinos

SEGPRES (MINISTERIO SECRETARÍA GENERAL DE LA PRESIDENCIA)

Ministry of the General Secretariat of the Presidency

SENDA (SERVICIO NACIONAL PARA LA PREVENCIÓN Y REHABILITACIÓN DEL CONSUMO DE DROGAS Y ALCOHOL)

National Service for the Prevention and Rehabilitation of Drug and Alcohol Consumption

SII (SERVICIO DE IMPUESTOS INTERNOS)

Internal Revenue Service

SNA (SERVICIO NACIONAL DE ADUANAS)

National Customs Service

SP (SUPERINTENDENCIA DE PENSIONES)

Superintendency of Pensions

SUSESO (SUPERINTENDENCIA DE SEGURIDAD SOCIAL)

Superintendency of Social Security

SVS (SUPERINTENDENCIA DE VALORES Y SEGUROS)

Superintendency of Securities and Insurance

UAF (UNIDAD DE ANÁLISIS FINANCIERO)

Financial Analysis Unit

ULDDECO (UNIDAD ESPECIALIZADA EN LAVADO DE DINEROS, DELITOS ECONÓMICOS, MEDIOAMBIENTALES Y CRIMEN ORGANIZADO DEL MINISTERIO PÚBLICO)

Specialized Money Laundering, Economic Crimes, Environmental and Organized Crime Unit of the Public Prosecutor's Office

**ACTION PLAN
FOR PREVENTING AND COMBATING
MONEY LAUNDERING AND THE
FINANCING OF TERRORISM**