

REPUBLIQUE ALGERIENNE DEMOCRATIQUE ET POPULAIRE

MINISTERE DES FINANCES

CELLULE DE TRAITEMENT DU RENSEIGNEMENT FINANCIER
(C T R F)



Strategic Analysis Report

Financial intelligence Processing Unit, Algeria
Strategic Analysis Report, 2024

Strategic analysis

Patterns, trends, and indicators of money laundering and terrorism financing in the People's Democratic Republic of Algeria, based on the database of the Financial Intelligence Processing Unit.

Contents

Introduction	5
I . Work methodology	6
II . Analyzing quantitative and qualitative data and information	7
A. Classification of information	7
A.1. Suspicious transaction report	7
A.2. Confidential reports	9
A.3. Currency declarations	10
A.4. Information request from LEAs	11
B. According to the tools and financial means used by the suspect/s	13
C. According on predicate offences	14
III. Requests for cooperation to counter part units	15
A. Requests issued by the Unit:	15
B. Received requests	16
IV. Trends in money laundering and terrorist financing	17
A. Money Laundering	17
B. Financing terrorism	18
IV. Patterns and practical cases	19
V. Indicators of suspicion	24
A. Indicators of suspicion related to money laundering	24
A.1. Structural risk indicators	24
A.2. Trade activity risk indicators	25
A.3. Trade document and commodity risk indicators	25
A.4. Account and transaction activity risk indicators	26
B. Indicators of suspicion related to terrorist financing	29
Recommendations	30

Introduction

The problem of money laundering and terrorist financing is among the biggest challenges facing global societies in the modern era, as this type of financial crime represents a major threat to national economies and global security, as well as to the security and stability of countries. Therefore, efforts aimed at combating these phenomena are necessary to strengthen the global financial system and protect societies from harm caused by financial crime.

Governments and financial institutions face major challenges in combating money laundering and terrorist financing, which requires international cooperation and effective information exchange. International organizations such as the United Nations, the G20, the Financial Action Task Force, and its affiliated regional groups play a vital role in strengthening international legal frameworks and legislation to combat these phenomena.

This report aims to analyze the trends and patterns adopted in money laundering and terrorist financing, in addition to identifying the most important suspicious indicators that may help reporting entities subject to identify suspicious transactions.

Through this report, we aspire to reach a deeper understanding of all actors in combating money laundering and terrorist financing (Financial Intelligence Processing Unit, supervision and control authorities, and other competent authorities).

Strategic analysis also helps in identifying the surrounding risks and internal risks of the country, which helps in setting priorities for confronting and reducing these phenomena.

I. Work methodology

- Target period :

The period covered by the strategic analysis of suspicious transaction reports and information requests received from the competent authorities and their counterpart financial intelligences units, extended from 2019 to 2023.

- Input :

Various sources of information were relied upon to prepare this report, including:

A) The database of the Financial Intelligence Processing Unit, which in turn includes information from:

- Suspicion transactions reports (STRs) received from reporting entities “financial institutions and designated non-financial businesses and professions”.
- Confidential reports received from the Bank of Algeria, Customs services.

B) Information requests and spontaneous dissemination received from counterpart financial intelligence units :

Information requests received by the Financial Intelligence Processing Unit from competent authorities (administrative authorities, law enforcement authorities, and counterpart units).

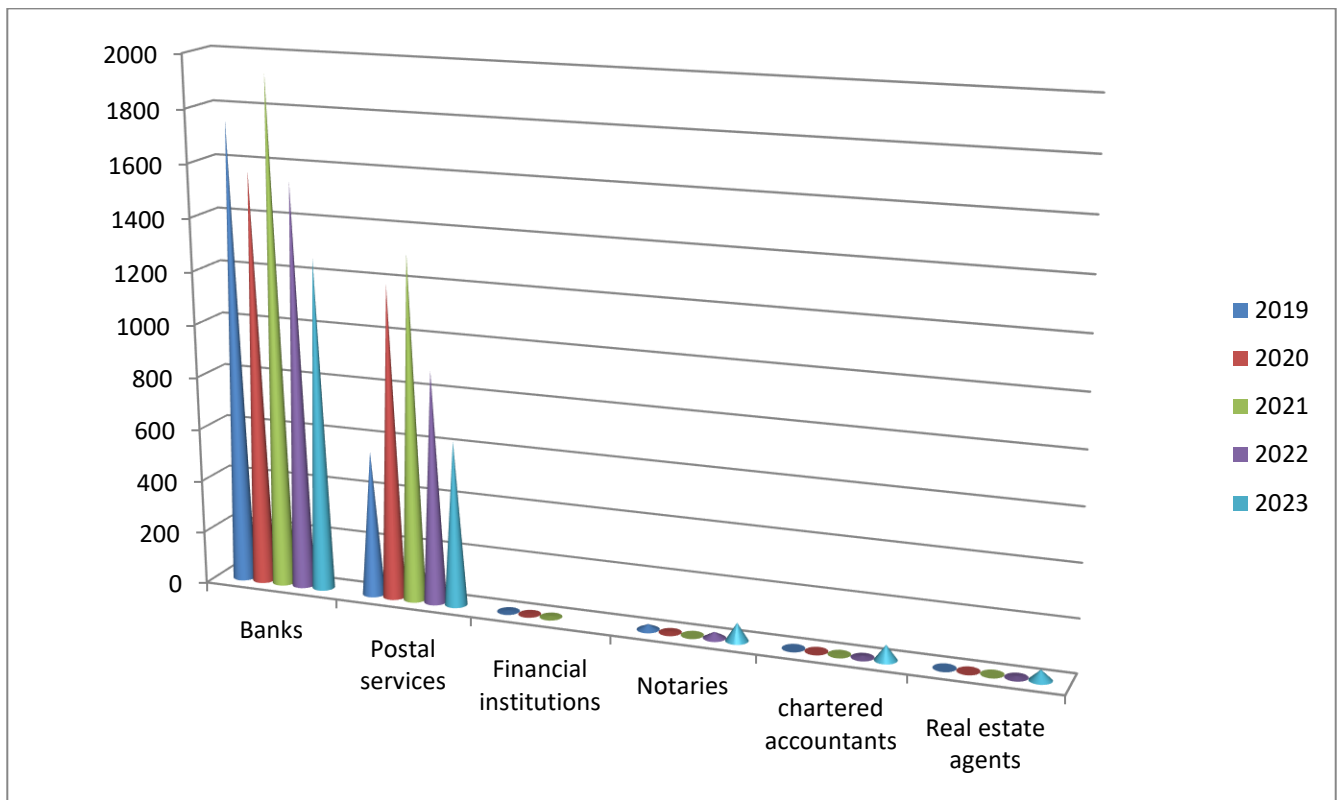
II . Analyzing quantitative and qualitative data and information

The database of the Financial Intelligence Processing Unit was relied upon for the period extending from the year 2019 to the year 2023, STRs, notifications, and financial information were classified according to three categories: The first category in which STRs and notifications which are classified according to the sending parties. The second category in which the STRs and notifications are classified in terms of suspicion and type of suspected crime. The third category according to the tools and financial means used by the suspect/s.

A. Classification of information received by the financial intelligence processing unit according to reporting entity

A.1. Suspicious transaction report (STR)

Reporting entities	STRs				
	2019	2020	2021	2022	2023
Financial institutions					
Banks	1731	1570	1929	1538	1264
Postal services	552	1186	1307	882	626
Financial institutions	03	9	3	7	9
Designated non-financial businesses and professions					
Notaries	20	03	00	23	68
Chartered accountant	00	00	00	06	27
Real estate agents	00	00	00	05	39
Dealers in precious stones and metals	00	00	00	09	31
Total	2326	2768	3239	2470	2064



By analyzing the data contained in the table, it results the following:

- Suspicion transactions reports received from financial institutions (banks - postal services - financial institutions) constitute the largest part of reports received from reporting entities, which is due to the size of the financial sector, that includes 19 banks and 8 financial institutions with assets estimated at approximately 150 billion dollars.
- We notice a remarkable increase in the number of suspicious transaction reports received from designated non-financial businesses and professions. Though the number of STRs in the period between 2019-2020-2021 was insignificant, it has increased in the years 2022-2023 due to increased awareness among designated non-financial businesses and professions, especially after the on-site visit of the Mutual Evaluation Team, as well as after the amendment of Law 05-01 related to preventing and combating money laundering and terrorist financing, as the amendment of February 2023 specified which supervision and control authorities the reporting entities should be subject to, and assigned them to prepare Practical

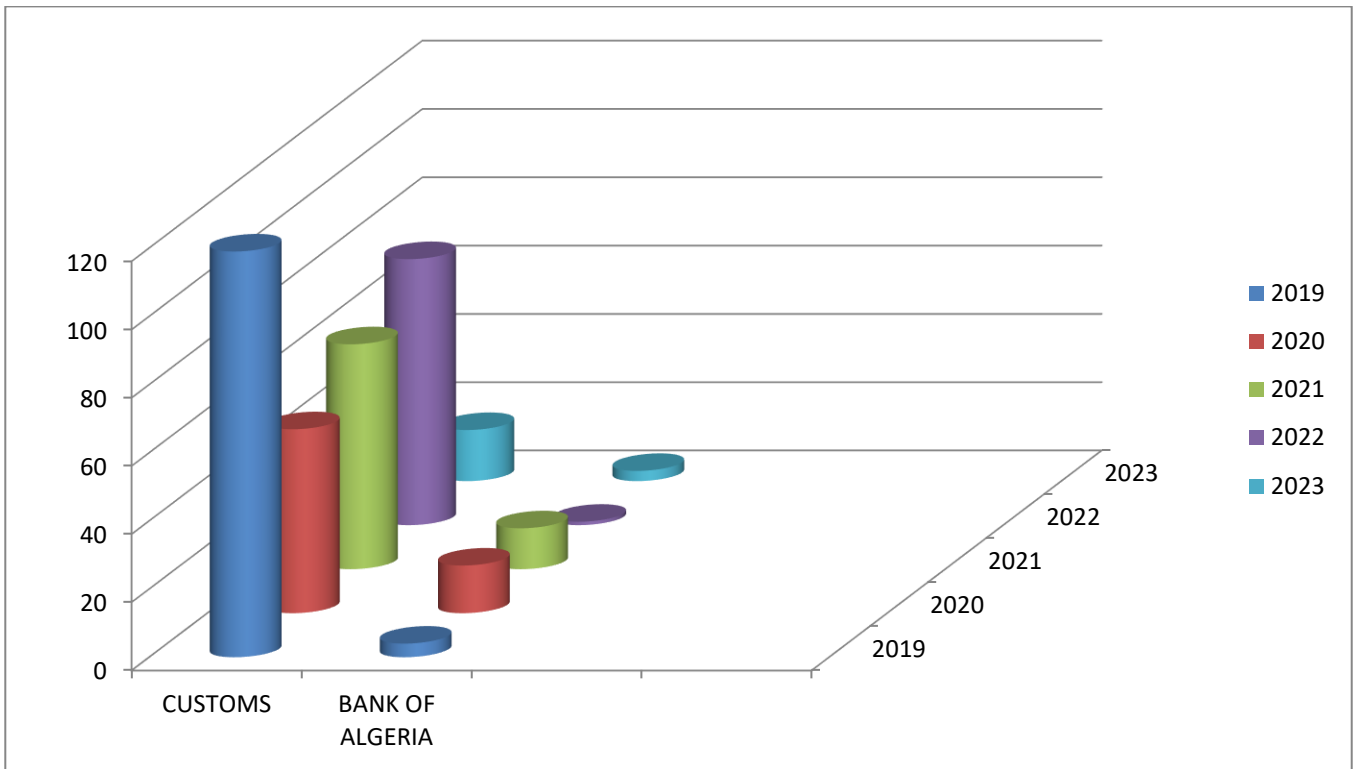
programs based on a risk-based approach and monitoring their implementation, which also contributed to raising awareness.

The periodic meetings of the Financial Intelligence Processing Unit with the supervisory and control authorities also constituted an important factor in raising awareness among those reporting entities.

- In 2023, it was observed that the number of STRs from banks has decreased. After the number of STRs was 2210 in 2022, it decreased in 2023 to 1641, i.e. a 75% decrease, and the reason for this is due to the meetings and study days held by the Banking Committee (the supervisory and control authority) with bank compliance officials to raise the quality of STRs and avoid defensive reporting.

A.2. Confidential reports

Confidential reports	2019	2020	2021	2022	2023
Customs	119	54	66	97	16
Bank of Algeria	4	14	12	1	3



By analyzing the data contained in the table, we reached the following findings:

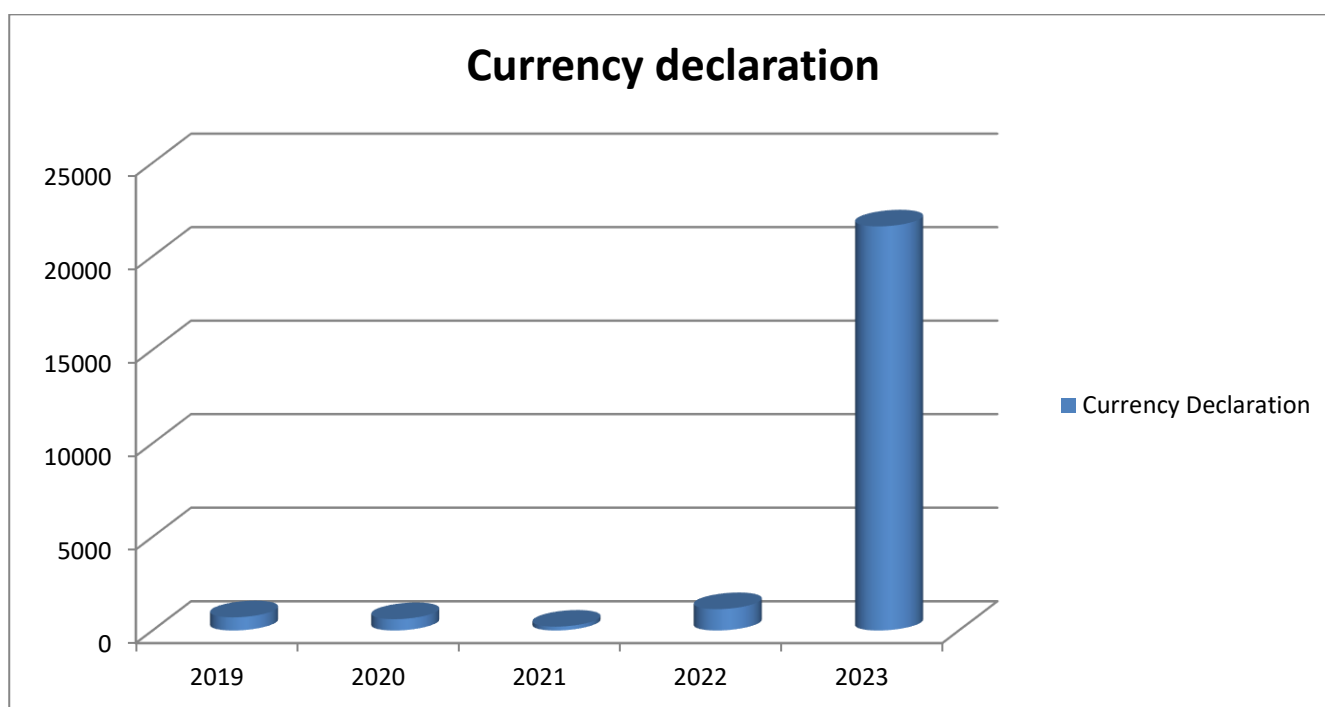
- After the significant increase in the number of confidential reports sent by customs services in 2019 due to the circumstances that the country experienced, the number of confidential reports decreased in subsequent years.
- The absence of confidential reports from the General Inspectorate of Finance, tax authorities, and National domain, as well as the department treasury.

A.3. Currency declarations:

The Financial Intelligence Processing Unit receives foreign currency declarations shown in the table below, submitted by the General Directorate of Customs, relating to currency declarations upon entry and exit to/from Algerian territory, and has allocated amounts exceeding 20 thousand euros or its equivalent in other

foreign currencies during the period between 2019-2020-2021, while between 2022-2023 it included all the amounts that were declared.

Currency Declaration	2019	2020	2021	2022	2023
	704	605	205	1141	21602

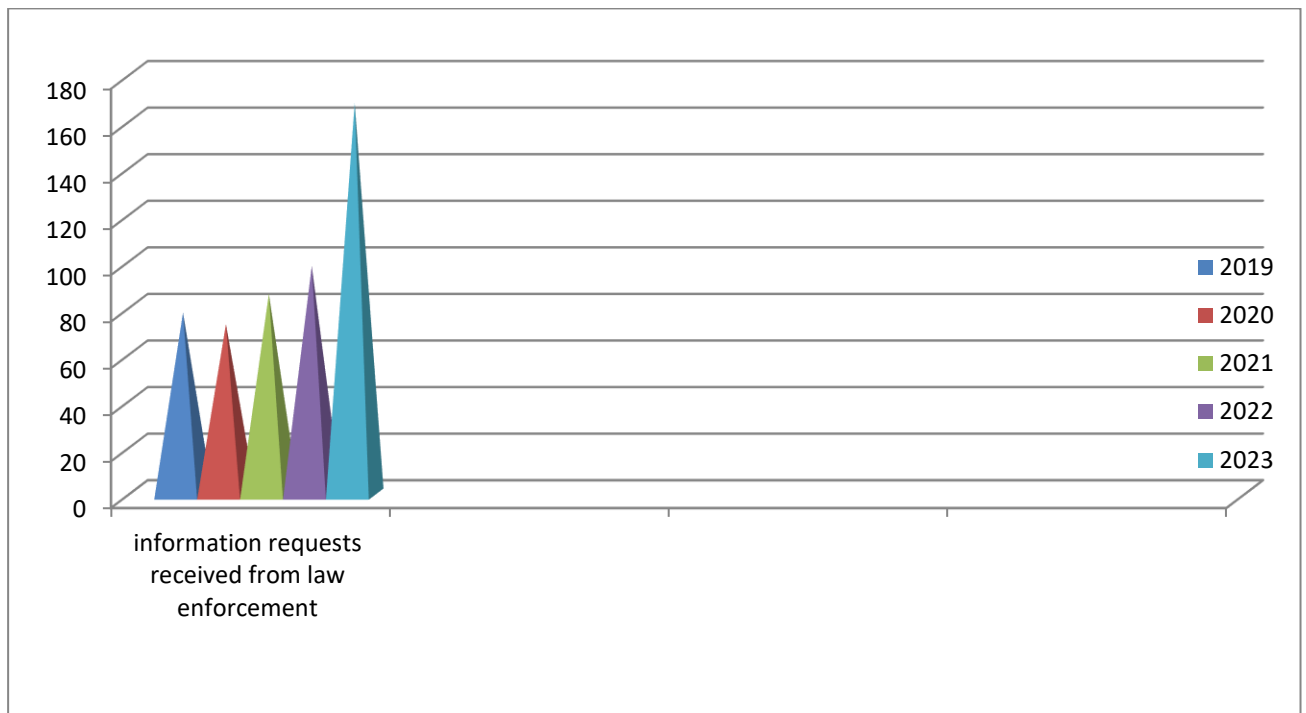


By analyzing the data contained in the table, we came to the following results:

- A noticeable increase in the number of currency declarations during the years 2022-2023, for the reason explained above, after the declarations sent to the unit were limited to amounts exceeding 20,000 units (euros/dollars), at the end of the year 2022 and after the mutual evaluation process, the currency declarations sent by the customs authorities to the financial intelligence processing unit, include all amounts.

A.4. Information requests received from law enforcement authorities by the FIPU

Year	2019	2020	2021	2022	2023
Number of information requests received from law enforcement authorities by the FIPU	78	73	86	98	168

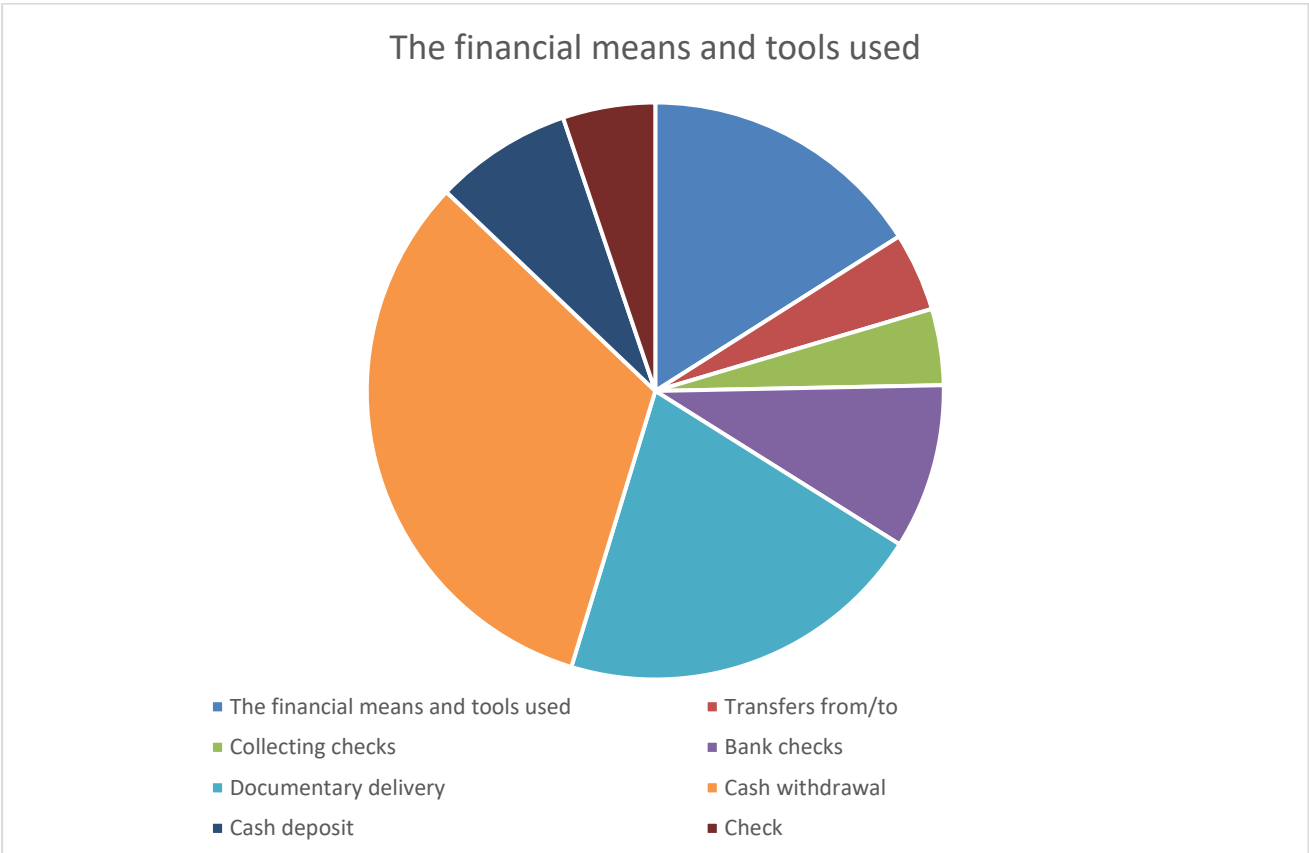


By analyzing the data contained in the table, we reach the following:

- The number of information requests received from law enforcement agencies is constantly increasing, which confirms the extent of cooperation and coordination between the FIPU and law enforcement agencies.

The financial means and tools used	Percentage 2019 - 2023
Transfers from/to	16.00%
Collecting checks	4.44%
Bank checks	4.27%
Documentary delivery	9.24%
Cash withdrawal	20.77%
Cash deposit	32.40%
Check	7.70%
Bank transfer	5.18%

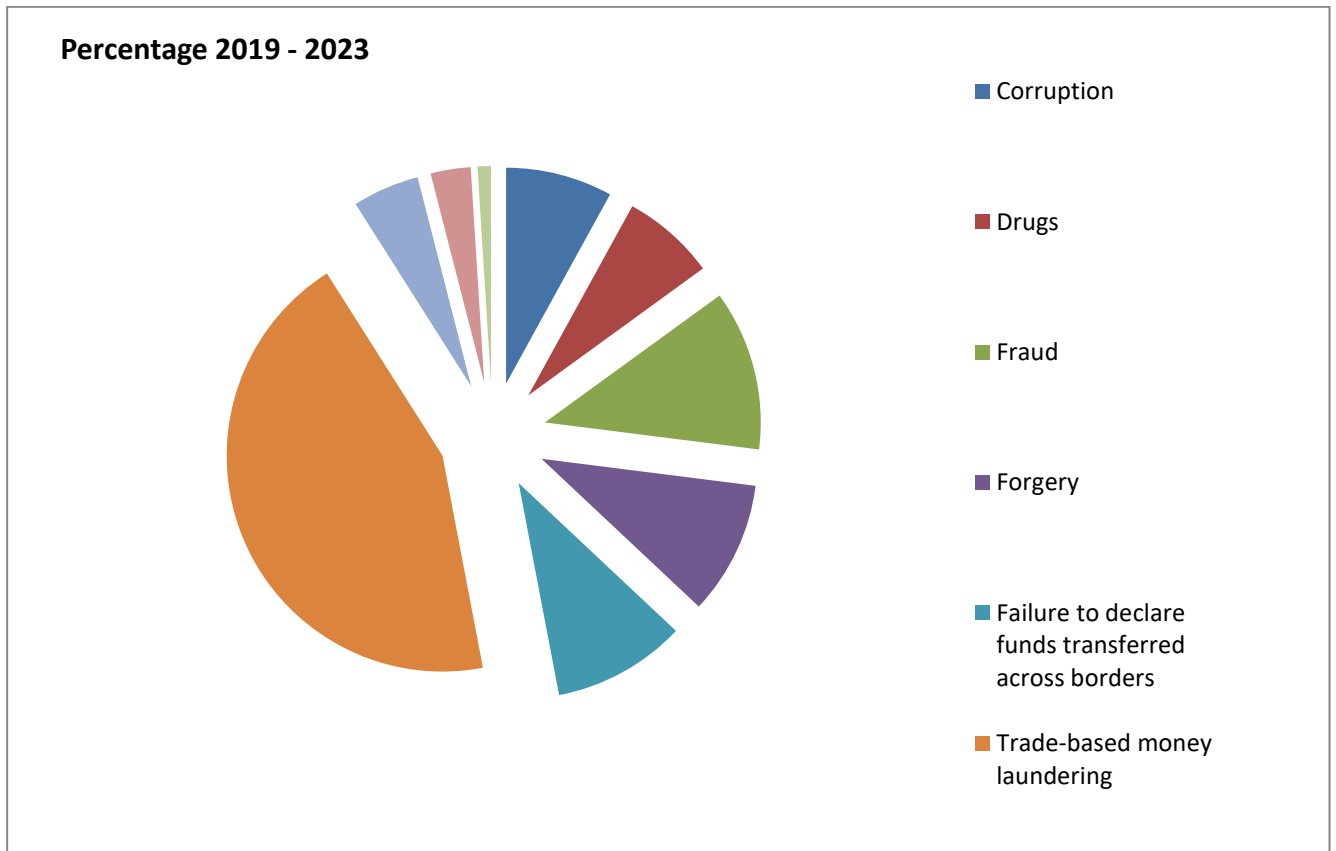
B- According to the tools and financial means used by suspects



Cash transactions are the most commonly used means by suspects. Remittances also constitute one of the most widely used means after cash

C. According to predicate offense

The predicate offense	Percentage 2019 - 2023
Corruption	%8
Drugs	%7
Fraud	%12
Forgery	%10
Failure to declare funds transferred across borders	%10
Trade-based money laundering	%44
Unusual financial transactions that do not match the client's profile	%5
Other crimes	%3
Failure to submit documents	%1



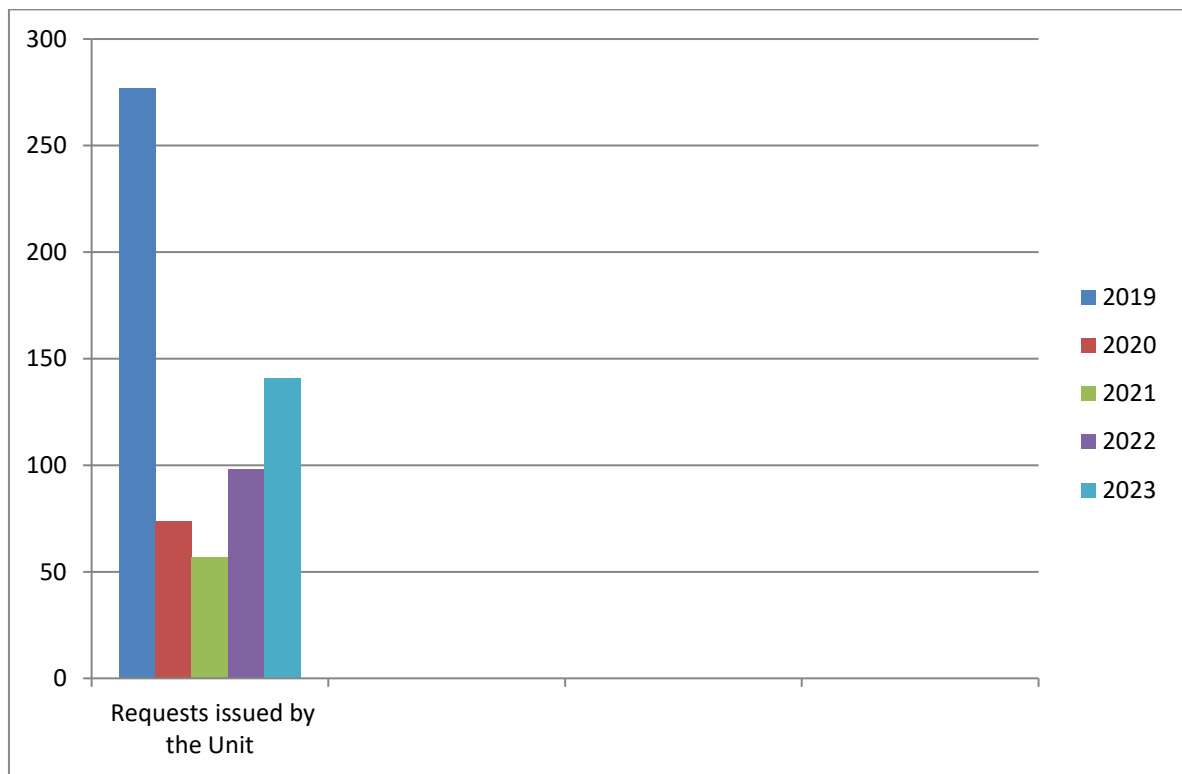
Trade-based money laundering represents the most frequent crime at 44%, followed by fraud and forgery.

III - Requests for cooperation to counter part units

The Financial Intelligence Processing Unit cooperates with counterpart units through the Egmont secure website (Secure Egmont web).

A. Requests issued by the Unit

Year	2019	2020	2021	2022	2023
Number of requests issued	277	74	57	98	141



By analyzing the data contained in the table, we came to the following findings:

- Requests issued by the Unit increased significantly in 2023 compared to 2022, an increase of 44%, and this is due to the unit proactively resorting to international cooperation within the framework of the operational analysis carried out by analysts for STRs with international implications.
- Most of the requests for the years 2019-2020-2021 focused on issues related to corruption, while for the years 2022-2023, most of the requests

focused on crimes related to money laundering, including those based on foreign trade, terrorist financing, and fraud.

- The type of assistance requested in the years 2019 - 2020 - 2021 was 84 percent% on tracking funds (related to corruption cases), while the subject of the request varied during the years 2022-2023 between tracking funds 65% and inquiring about the beneficial owner 16%.
- Requests are mostly received from: Germany - France - Spain - Italy, especially in the years 2019 - 2020 - 2021. In addition to these countries, the number of requests received from the United Arab Emirates and the United Kingdom increased during the years 2022 - 2023.

B. Received requests

Year	2019	2020	2021	2022	2023
Number of requests received				16	18

By analyzing the data in the table above,we reach the following findings :

- Assistance requests are based on tracking assets and inquiring wether the individual is known to the unit or to LEAs of the country,as well as inquiring about a specific transaction.
- Assistance most requesting countries are :Tunisia, France, Luxembug, United Kingdom.

VI. Trends in money laundering and terrorist financing according to the strategic analysis

A. Money Laundering

- Criminals tend to launder money resulting from financial crimes related to international trade, fraud, in addition to forgery and physical transfer across borders, as financial crimes related to international trade represent more than 44 percent.% of STRs and reports, while the crimes of fraud, fraud, and forgery represent 12% and 10%, respectively, and physical transportation across borders represents 10%.μ
- International trade operations are the most commonly used method for money laundering, through banks, and the most frequent cases we find are :
 - Manipulating trade invoices: It aims to mislead the price, quantity, or type of goods in commercial transactions (such as deliberately over billing or under billing) to transfer the value and hide the origin of proceeds that may be illegal. Manipulating trade invoices is a mean used to transfer money illegally, it may be a mean or technique for money laundering, financing terrorism, tax evasion, or participating in other financial crime activities through international trade transactions.
 - Both the seller and the buyer usually work for the same person or company, and be in collusion with each other.
- It has been observed that there was an increase in cases of money laundering resulting from fraud, including electronic fraud, due to the recent tendency of using electronic financial services.
- Cases resulting from forgery have also known a noticeable increase, and have included forgery of financial instruments, such as checks, bonds, and administrative documents.

- There is a trend of smuggling cash, gold and silver through border crossings, and an increase in reports (confidential reports) received from customs services related to non-declaration or false declaration has been observed. This increase in the number of reports is an indication of the great role and continuous effort of customs services.

B. Financing terrorism

It was noted that there was a significant decrease in the number of STRs related to terrorist financing, because analysis showed that terrorist financiers do not use the financial sector in their transactions, but rather resort to subsistence financial assistance as a result of the great pressure imposed by the security authorities.

It was also noted that there was an increase in the number of reports received from law enforcement agencies, which confirms that terrorist financiers are avoiding the banking sector, and also indicates the possibility of using physical transportation across borders.

However, cases related to terrorism financing (Rashad Group, MAK) have been noticed, using assets from abroad through Hawala.

V. Patterns and practical cases

A set of patterns were extracted that indicate the number of repetition cases that occur and the tendency of criminals to repeatedly use a specific tool or means to implement their plans. In order to ensure the quality of these patterns, their extraction was based on the analysis of notifications and notifications that were referred to the judiciary or the competent supervisory authorities. The following is a presentation of the most important ones. Patterns with one process statement for each pattern.

The first pattern– Hiring “money couriers” to move money across borders

With the continuous advancement of modern technology, there are countless ways to obtain money illegally, ranging from basic theft or large-scale fraudulent operations. In financial crime, large-scale operations (such as cybercrime) are essentially composed of different networks in a number of jurisdictions globally to avoid detection and trace stolen funds. For this reason, cybercriminals tend to recruit “money mules” to move illegally generated proceeds either via electronic transfers or physical cash movements.

Based on the analysis conducted by the Algeria Financial Intelligence Processing Unit, it was noted that there is a common trend that includes individuals when leaving Algeria heading to countries (Turkey, the United Arab Emirates, the Republic of China, etc.). ...mostly high-risk countries).

The FIPU received several STRs and reports of suspicious transactions from several banks (three banks), indicating suspicious use of foreign currency accounts. At the beginning of the analysis process, the analysts noticed that the individuals come from the same residential area, and their accounts are characterized by the same pattern in terms of flows and withdrawals. Analysis revealed that the people involved own several companies working in the field of import Export of agricultural equipment and machinery.

These persons open many accounts for individuals in different parts of the country, without any business relationship. Person A deposits huge sums of money, as the account holders make several withdrawals in foreign currency (7,500 euros), the maximum allowed at the Algerian border crossings.

After an in-depth analysis of all the accounts of the suspected persons, and monitoring movements to and from outside the country, with border police and customs services, it became clear that we are facing a network of “money couriers” employed to transport money across the border.

Accordingly, the case was referred to law enforcement authorities in accordance with the comments received.

The second pattern – Tax evasion by using personal account for commercial purposes

In this case, the personal account was used by a person for the purpose of carrying out commercial transactions related to one of the companies in which he participates, with the purpose of concealing these commercial transactions so the tax authorities would not be able to discover them.

Case summary:

The Financial Intelligence unit received an STR from one of the banks regarding the so-called (Q), the owner of several major companies, stating that the aforementioned person used his personal bank accounts for the purposes of commercial practices instead of using a commercial account, which is inconsistent with the Algerian tax code. (Value added tax, income tax, and companies' profits).

Then, a second STR was received from one of the banks regarding the wife and associate of the aforementioned person in the same company called (S). The reason was that the aforementioned person used her personal account for commercial purposes. It became clear to the bank that the account of the so called (S) had known extensive financial transactions, representing cash deposits followed by outgoing external transfers in which the beneficiary was the aforementioned person's own account with an external bank.

Results of the unit's financial investigation and analysis:

After completing the unit's procedures by investigating and analyzing the financial movement of the accounts of the persons (Q) and (S) over a period of approximately one year, requesting security information, and consulting available databases, revealing the following :

- The mentioned persons 'family owns a food company in Algeria and has several branches, in addition to owning a factory for the same purpose.
- They are associates in four existing registered companies operating in this field.

- The volume of credit financial transactions on the accounts of the person (Q) amounted to approximately (120 million DZD), most of which were represented by cash deposits made by employees of the company.µ
- The volume of financial transactions debited on the accounts of the person (Q) amounted to approximately (102 million DZD), most of which were represented by checks and transfers issued internally.
- The volume of credit financial transactions on the accounts of the person (S) amounted to approximately (82 million DZD), most of which were represented by cash deposits also made by employees of the company.
- The volume of debit financial transactions on the accounts of the person (S) is equivalent to approximately (73 million DZD), most of which were financial transactions in the form of outgoing external transfers and checks withdrawn from accounts, whether in cash or through clearing.
- Sales returns are commensurate with the nature of the financial transactions performed on the accounts.
- The source of funds comes from the company's activity.
The cycle of financial transactions completed on the personal accounts of the aforementioned (Q) and (S) is represented by the two mentioned making cash deposits for sales and purchasing goods from sellers based on checks.
- The financial movements that took place on the aforementioned persons' personal accounts at the bank are linked to companies as well as persons who own individual companies and associates in various companies

whose objectives are compatible with the nature of the activity of the companies owned by those mentioned.

Based on the above, and since the aforementioned (Q) and (S) use their personal accounts for commercial purposes related to the companies business in which they clearly participate, which is a strong indication of tax evasion crime, the unit referred the case to the Tax on Income and sales authority in accordance with the provisions of the legislation in force in Algeria

The third pattern: Using foreign trade

Many importers and exporters trick themselves into smuggling currency in the field of foreign trade transactions using several means, perhaps the most prominent of which is currency smuggling through import and export, as it is considered one of the most common methods, for the economic trader in this context relies on forging foreign trade invoices through forging declarations with large financial discrepancies.

Case summary:

Using offshore banks and international trading companies

The Financial intelligence processing Unit received two STRs from two local banks regarding an international commercial company registered “N” in the Algerian trade registry since 2013 and its agent called “N,” who is of European nationality. The reasons for the two suspicions are the financial transactions recorded on the incoming and outgoing accounts of Company “N”. It concerns money transfers or making financial investments without being able to determine the relationship between the source of the amounts, their destination, and their effective beneficiary, as well as the absence of evidence indicating the real existence of the commercial activity. In addition, the two reporting banks stated that they had received an information request about the nickname “Najm” from a judicial authority.

The indicators of suspicion related to the case are the lack of evidence proving the transactions recorded on the two accounts of Company “N” related to real commercial activity and that it did not carry out any export or

supply operations according to the nature of its activity as an international commercial company.

The results of the financial analysis revealed that the main source of supply for the two accounts of Company "N" is:

Incoming transfers worth approximately 3,000,000 US dollars by companies "S" and "R" registered in the local trade register, and their agent is a person called "Ahmed" who holds the same nationality as "Najm." These amounts were exploited by investing them, then transferring them and then distributed to several accounts: local and foreign accounts opened in one of the European countries under a certain name. It is called "Najm", and an account was opened in the name of a person called "Mustafa", local and foreign accounts were opened in the name of several companies, including transfers in favor of the "AIR" company, which were justified by forged invoices. By reviewing the customs operations database, it was found that the company "N" had not carried out any transfers. Any export or import operations, which conflicts with the nature of its activity as a company active in international trade, which raised suspicions about the real activity practiced by this company and the economic background of the financial operations in which its accounts are registered.

By reviewing the internal database of the financial intelligence processing unit, we reach the following: The person called "Ahmed" and his partners "S and R" had previously been reported in suspicious transaction report referred to the judiciary authorities, as the file contained strong evidence indicating the existence of bank accounts of legal and natural persons who were exploited to smuggle money from a foreign country using fictitious documentary credits and forged commercial documents, and the so-called "Ahmed" was the beneficiary of the financial transactions mentioned in the file.

An intelligence report was filed and sent to the competent judicial authorities to complete investigations.

VI. Indicators of suspicion

A. Indicators of suspicion related to money laundering

Trade-Based Money Laundering Risk Indicators

A.1. Structural risk indicators

The corporate structure of a trade entity appears unusually complex and illogical, such as the involvement of shell companies or companies registered in high-risk jurisdictions.

- A trade entity is registered or has offices in a jurisdiction with weak AML/CFT compliance.
- A trade entity is registered at an address that is likely a mass registration address, e.g. high-density residential buildings, post-box addresses, commercial buildings or industrial complexes, especially when there is no reference to a specific unit.
- The business activity of a trade entity does not appear to be appropriate for the stated address, e.g. a trade entity appears to use residential properties, with no having a commercial or industrial space, with no reasonable explanation.
- A trade entity lacks an online presence or the online presence suggests business activity inconsistent with the stated line of business, e.g. the website of a trade entity contains mainly boiler plate material taken from other websites or the website indicates a lack of knowledge regarding the particular product or industry in which the entity is trading.
- A trade entity displays a notable lack of typical business activities, e.g. it lacks regular payroll transactions in line with the number of stated employees, transactions relating to operating costs, tax remittances.
- Owners or senior managers of a trade entity appear to be nominees acting to conceal the actual beneficial owners, e.g. they lack experience in business management or lack knowledge of transaction details, or they manage multiple companies.
- A trade entity, or its owners or senior managers, appear in negative news, e.g. past money laundering schemes, fraud, tax evasion, other criminal activities, or ongoing or past investigations or convictions.
- A trade entity maintains a minimal number of working staff, inconsistent with its volume of traded commodities.

- The name of a trade entity appears to be a copy of the name of a well-known company or is very similar, potentially in an effort to appear as part of the company, even though it is not actually connected to it.
- A trade entity has unexplained periods of inactivity.
- An entity is not compliant with regular business obligations, such as filing VAT returns.

A.2. Trade activity risk indicators

- Trade activity is inconsistent with the stated line of business of the entities involved, e.g., a car dealer exporting clothing or a precious metals dealer importing seafood.
- A trade entity engages in complex trade deals involving numerous third-party intermediaries in incongruent lines of business.
- A trade entity engages in transactions and shipping routes or methods that are inconsistent with standard business practices.
- A trade entity makes an unconventional or overly complex use of financial products, e.g. use of letters of credit for unusually long or frequently extended periods without any clear reason, intermingling of different types of trade finance products for different segments of trade transactions.
- A trade entity consistently displays unreasonably low profit margins in its trade transactions, e.g. importing wholesales commodities at or above retail value, or reselling commodities at the same or below purchase price.
- A trade entity purchases commodities, allegedly on its own account, but the purchases clearly exceed the economic capacity of the entity, e.g. the transactions are financed through sudden influxes of cash deposits or third-party transfers to the entity's accounts.
- A newly formed or recently re-activated trade entity engages in high-volume and high value trade activity, e.g. an unknown entity suddenly appears and engages in trade activities in sectors with high barriers to market entry.

A.3. Trade document and commodity risk indicators

- Inconsistencies across contracts, invoices or other trade documents, e.g. contradictions between the name of the exporting entity and the name of the recipient of the payment; differing prices on invoices and underlying contracts; or discrepancies between the quantity, quality, volume, or value of the actual commodities and their descriptions.

- Contracts, invoices, or other trade documents display fees or prices that do not seem to be in line with commercial considerations, are inconsistent with market value, or significantly fluctuate from previous comparable transactions.
- Contracts, invoices, or other trade documents have vague descriptions of the trade commodities, e.g. the subject of the contract is only described vaguely or non specifically.
- Trade or customs documents supporting the transaction are missing, appear to be counterfeits, include false or misleading information, are a resubmission of previously rejected documents, or are frequently modified or amended.
- Contracts supporting complex or regular trade transactions appear to be usually simple, e.g. they follow a “sample contract” structure available on the Internet.
- The value of registered imports of an entity displays significant mismatches to the entity’s volume of foreign bank transfers for imports. Conversely, the value of registered exports shows a significant mismatch with incoming foreign bank transfers.
- Commodities imported into a country within the frame work of temporary importation and inward processing regime are subsequently exported with falsified documents.
- Shipments of commodities are routed through a number of jurisdictions with out economic or commercial justification

A.4. Account and transaction activity risk indicators

- A trade entity makes very late changes to payment arrangements for the transaction, e.g. the entity redirects payment to a previously unknown entity at the very last moment, or the entity requests changes to the scheduled payment date or payment amount.
- An account displays an unexpectedly high number or value of transactions that are inconsistent with the stated business activity of the client.
- An account of a trade entity appears to be a “pay-through” or “transit” account with a rapid movement of high-volume transactions and a small end-of-day balance without clear business reasons, including:
 - An account displays frequent deposits in cash which are subsequently transferred to persons or entities in free trade zones or offshore jurisdictions without a business relationship to the account holder.
 - Incoming wire transfers to a trade-related account are split and forwarded to nonrelated multiple accounts that have little or no connection to commercial activity.

- Payment for imported commodities is made by an entity other than the consignee of the commodities with no clear economic reasons, e.g. by a shell or front company not involved in the trade transaction.
- Cash deposits or other transactions of a trade entity are consistently just below relevant reporting thresholds.
- Transaction activity associated with a trade entity increases in volume quickly and significantly, and then goes dormant after a short period of time.
- Payments are sent or received in large round amounts for trade in sectors where considered as unusual.
- Payments are routed in a circle – funds are sent out from one country and received back in the same country, after passing through another country / countries.

Investigative authorities indicators:

- Seizing large quantities of illegal substances, such as drugs
- Seizing sums of money during the arrest of the accused, and possession of property disproportionate to his legitimate income
- The act is committed within an organized framework, the activity extends across borders, the existence of relationships with parties under investigation is suspected.
- The criminal record of the accused.

Reporting entities indicators:

- Providing incomplete or incorrect data, and the value or number of transactions not being compatible with the authorized legitimate activity
- Dealing through delegated persons and using bank accounts belonging to other people
- The beneficial owner belongs to an area known for criminal activities.

Bank account indicators:

- Incoming transfers followed by withdrawals or outgoing transfers
- Deposits of large amounts - transactions with integer numbers and repeated deposits indicate the split of a large amount
- Sudden movement or activity in an inactive account

Border crossing indicators:

- Possession of large sums of money without presenting a foreign currency declaration
- False declaration.

Real estate transactions indicators:

- Dealing in cash and purchasing real estate for large sums or amounts less than real values
- Concluding contracts with notaries in places far from the clients' residence
- The transfer of ownership of a property between several people in a short period

Financial transaction indicators

- Purchasing the fund's non-named bonds on a recurring basis
- Transfers of equal values to a number of people or to one person in several accounts
- The type of goods being purchased is not compatible with the nature of the customer's activity

Behavioral indicators:

- Avoiding to deal with bank employees and bankers' communications
- Transactions are canceled as soon as the bank employee provides supplementary or incomplete information
- Having several bank or postal accounts without clear justification
- Signs of confusion appeared, and frequent inquiries about details and measures to combat money laundering

B. Indicators of suspicion related to terrorist financing

- Unofficial and unlicensed fundraising by non-profit organizations.
- Frequent transfers to or from countries experiencing political or security problems and instability
- The value of the financial transactions is not proportional to the information available about the suspect, his activity and income
- Transactions with multiple people of foreign nationalities without clear justification
- Dealing with parties that are under investigation by foreign investigative authorities.

Recommendations

- Increase the effectiveness of the business sector and DNFBPs in combating money laundering and terrorism financing, and raise awareness among these entities due to the decrease in the number of STRs received.
- Continue efforts aimed at detecting entities that engage in unlicensed money transfer activities and impose deterrent penalties on them.
- Increase the effectiveness of the relevant laws and legislations to be more effective by applying international recommendations and standards.
- It is noticeable from the above-mentioned data that Algerian society is considered one of the societies based on cash-based financial transactions, which emphasizes the need to work on activating financial inclusion and linking the financial transactions carried out by customers to their accounts, with banks or through electronic wallets to identify the sources of funds and wealth and track their destination and final beneficiaries.