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Newsletter of *GIF* of *SPU*

Inside this Issue

Suspicious Transaction Reports Statistics (2026 January to June)	1
International Trend – Studies on Beneficial Ownership	2-13
Case Study	14-15
The 3rd "Outstanding STR Case Award"	16-21

Suspicious Transaction Reports Statistics (2026 January to June)

Number of STRs	2026 (Jan-Jun)	2025 (Jan-Jun)
From Financial Institutions and Insurance Companies	526 19.1%	500 19.9%
From Games of Fortune Operators	2,018 73.3%	1,856 73.8%
From Other Institutions	209 7.6%	159 6.3%
Total	2,753	2,515

- The total number of ***STRs received by the Financial Intelligence Office of the Unitary Police Service (GIF of SPU) during the first half of 2026*** was ***2,753***, which had increased by 9.5% as compared with the same period in 2025. The change was mainly due to the increase in the number of STRs reported by the gaming sector.
- STRs received from the financial sector and gaming sector constituted 19.1% and 73.3% of total respectively, whereas those received from other institutions constituted 7.6%.
- During the first half of 2026, GIF of SPU disseminated 54 STRs to the Public Prosecutions Office.

International Trend – Studies on Beneficial Ownership

1. Understanding of Beneficial Ownership by International Bodies

I. Core Defense Line for Global Beneficial Ownership Transparency

Beneficial ownership transparency is one of the core defense lines globally in preventing and combating crimes of money laundering, terrorist financing, and proliferation financing of weapons of mass destruction (AML/CFT/CPF).

The World Bank published a report titled ***"Beneficial Ownership Registers: Implementation Insights and Emerging Frontiers"*** in March 2024. The report indicated that multiple jurisdictions worldwide are actively committing to and establishing registration systems to narrow the gap between commitment and implementation. Meanwhile, the **International Monetary Fund (IMF)** also published a working paper in September 2025 titled ***"Targeted Transparency: Sectoral Approach to Beneficial Ownership in Procurement and Real Estate"***.

II. The World Bank: Administrative and Governance Framework of Centralized Registration Systems

The World Bank stated in its report that promoting the establishment of a beneficial ownership registry heavily relies on **high-level political will**, a comprehensive legal framework, and the participation of stakeholders.

- **Legal Definitions and Standards:** Jurisdictions must clearly define beneficial ownership and ownership look-through thresholds in the legislation. Defining clear proportional **thresholds** (for example, Nigeria adopted a strict 5% look-through threshold, which is more stringent than the traditional 25%) or controlling interest parameters can simplify the declaration process for legal persons and legal arrangements. At the same time, robust regulations can clarify shareholding relationships and abolish concealment methods such as **bearer shares**, laying the legal basis for the authenticity of beneficial ownership data.
- **Information Integration and Cross-departmental Coordination:** The operation of a centralized registration system focuses on cross-departmental information transmission and data **interoperability**. In administrative processes, application programming interfaces (APIs) and other technologies should be utilized to ensure verification between core databases. This allows government departments to have administrative oversight when handling public tenders, change in shareholding or high-value asset transactions.
- **Administrative Verification and Technological Governance:** Administrative processes should introduce alert mechanisms with automated cross-checking and compliance monitoring to reduce human error. Centralized registration systems should adopt the internationally recognized **"Beneficial Ownership Data Standard"** when constructing structured relationship maps. Meanwhile, supervision should incorporate the verification obligations of **Designated Non-Financial Businesses and Professions (DNFBPs)**, such as lawyers, accountants, and notaries. If a legal person or legal arrangement fails to update information within the statutory timeframe, the system should implement restrictions such as automatic blocking, marking as an "unverified" status, or suspending annual report filing to enforce compliance.

- **Financial Sustainability and Effectiveness Indicators:** The centralized registration system should establish a cost-recovery mechanism through reasonable registration or inquiry fees to ensure the financial sustainability and iterative upgrades of the system. The regulatory focus should gradually shift from the purely volume of registrations to substantive outcomes, measuring success by its actual contribution to financial crime prosecutions, tax audits and asset recovery, while achieving a dynamic balance between information transparency and data privacy.

III. The International Monetary Fund: Sectoral Targeted Transparency Strategy as an Administrative Supplement

Complementing the centralized registration system advocated by the World Bank, the IMF proposed a "sectoral targeted transparency strategy" in its working paper. The IMF pointed out that, building upon centralized registration, implementing targeted disclosures for specific high-value, active economic sectors prone to illicit fund penetration is a highly efficient administrative supplement that instantly meets sectoral demands for data **granularity**.

- **Real Estate Sector:** The real estate sector is one of the global **vulnerabilities** most susceptible to money laundering. To prevent criminals from using complex corporate structures and offshore shell companies to obscure illicit proceeds and artificially inflate property prices, jurisdictions can mandate activate targeted beneficial ownership disclosure mechanisms for real estate transactions. Land and property registry, along with sectoral supervisors, collect beneficial ownership data to disrupt anonymous operations and provide intelligence for law enforcement agencies.
- **Public Procurement Sector:** During public infrastructure and government procurement, by integrating beneficial ownership declarations into standard tender process, and requiring bidding entities to disclose beneficial owners, can effectively prevents individuals to disguise themselves through **nominee directors** or **multi-layered corporate structures**, thereby reducing conflicts of interest and the abuse of public funds.

IV. Construction of an Integrated Regulatory Network

The above research of the World Bank and the IMF demonstrates a high degree of synergy. The former's centralized registration system builds a long-term effective compliance ecosystem through cross-departmental administrative coordination and continuous update mechanisms. Meanwhile, the latter's targeted transparency provides a flexible regulatory extension, allowing beneficial ownership information to be captured directly within practical workflows when high-risk transactions occur.

2. Financial Action Task Force's Definition of Beneficial Owner and Guidance on the Implementation of Recommendation 24

I. Core Definition and Characteristics of Beneficial Owner in International Standards

According to the official definition of the **Financial Action Task Force (FATF)**, a beneficial owner refers to:

- the natural person(s) who ultimately owns or controls a customer; and/or
- the natural person(s) on whose behalf a transaction is being conducted; and/or
- the natural person(s) who exercises ultimate effective control over a legal person or legal arrangement.

Special and Important Reminders:

- **Must be a Natural Person:** A beneficial owner can only be a natural person. No company, trust, or fund can be a beneficial owner in declarations. No matter how complex the ownership structure is, the beneficial ownership mechanism must pass-through layer by layer to natural person level; Legal persons and legal arrangements cannot be deemed as beneficial owners.
- **Possibility of Multiple Beneficial Owners:** Multiple natural persons meeting the criteria can coexist within the same legal person or legal arrangement, and all of them must be registered.
- **Diversified Substantive Control:** In addition to shareholding, the level of control can also be determined through substantive control measures such as special voting rights, special rights to additional profit sharing, or special powers to appoint senior management.

II. Evolution of International Standards on Beneficial Ownership Transparency

FATF requirements for transparency of legal persons and legal arrangements have undergone multiple revisions:

- **2003:** Established the first international standard on transparency of legal persons and legal arrangements (FATF Recommendation 33 and 34).
- **2012:** Strengthened requirements to ensure competent authorities be able to obtain beneficial ownership information in a timely manner (FATF Recommendation 24 and 25).
- **March 2022:** Major revision to explicitly require a **"multi-pronged approach"** for the first time and encourage the establishment of centralized registration mechanisms.
- **March 2023:** FATF Issued the *Guidance on Beneficial Ownership of Legal Persons* (FATF Recommendation 24).
- **March 2024:** FATF Issued the *Guidance on Beneficial Ownership and Transparency of Legal Arrangements* (FATF Recommendation 25).

III. Six Core Requirements of Recommendation 24

- **Multi-pronged Approach:** Using several sources of information than using a single approach, and combining multiple mechanisms—including information held/collected by the legal persons, central registries, and **Customer Due Diligence (CDD)**.
- **Definition of Beneficial Owner:** Natural persons holding equivalent to or exceeding 25% of the capital, or natural persons exercising substantive control over the legal person.
- **Risk-Based Approach:** Assessing the AML/CFT/CPF risks faced by various types of legal persons and applying mitigating measures based on risks identified.
- **Adequate, Accurate, and Up-to-date of Beneficial Ownership Information:** Establishing verification and vetting mechanisms rather than relying solely on self-declarations by legal persons.
- **International Cooperation:** Ensuring competent authorities be able to obtain beneficial ownership information of local legal persons in a timely manner, and conducting global cooperation and intelligence exchange.
- **Continuous Update Obligation:** Any changes in beneficial ownership information must be updated with competent authorities within a specified statutory timeframe.

3. The Organization for Economic Co-operation and Development Definition of Beneficial Ownership and International Synergy

The Organization for Economic Co-operation and Development (OECD) is highly aligned with the FATF's definitions and fully adopts the underlying logic of the FATF regarding beneficial owners. The concept of **"Controlling Persons" within the OECD's Common Reporting Standard (CRS)** framework is substantially identical to the definition of beneficial owner. Its core objective is to ensure transparency in the operations of legal persons by penetrating multi-layered complex structures, complementing the global **Automatic Exchange of Information (AEOI)** mechanism to combat cross-border tax evasion and asset concealment.

4. Development of Beneficial Ownership Regulations in the Laws of the Macao Special Administrative Region

Since establishing its legal system for preventing money laundering and terrorist financing crimes in 2006, the Macao SAR has continuously responded to the evolution of FATF international standards. Through laws, administrative regulations, and guidelines issued by various regulatory authorities, Macao SAR has progressively established and deepened the obligations for identifying, verifying, and keeping records of beneficial owners, forming a regulatory framework that covers relevant sectors across the Macao SAR.

- **2006: Establishing the Preventive Legal Framework**
    - The Macao SAR enacted Law No. 2/2006 "*Prevention and Suppression of the Crime of Money Laundering*", prescribing preventive measures against money laundering and establishing the legal framework for **Customer Due Diligence** obligations. It set forth principle-based provisions on identifying and verifying the identities of contracting parties, customers, and gaming patrons.

- **However, during this period, the aforementioned law did not have a clear definition of "beneficial owner" and did not outline specific obligations to identify beneficial owners.**

- **2006 to 2008: Regulatory Guidelines Take the Lead in Introducing the Definition of Beneficial Ownership**

  - Local regulatory authorities successively issued guidelines to set forth obligations in beneficial ownership identification, filling the gaps in statutory definitions and identification requirements.
  - **The Monetary Authority of Macao (AMCM) issued *Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) Guideline*[1] for the banking sector in November 2006**, requiring the identification of beneficial owners, trustees and beneficiaries of trust arrangements, etc. Subsequently AMCM updated the guideline to apply determination criteria based on the shareholding proportion of legal persons. **In June 2008, AMCM issued a guideline[2] for the insurance sector**, set forth the obligations of insurance institutions to identify, verify, and continuously monitor beneficial ownership information.
  - In addition, **the Gaming Inspection and Coordination Bureau (DICJ)[3] issued Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) guideline in June 2006 for gaming sector**, set forth obligations to identify beneficiaries in games of fortune operations.

[1]Notice No. 011/2006-AMCM – Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) Guideline, issued by AMCM.
[2] Notice No. 009/2008-AMCM – Guidelines on Prevention and Combating Money Laundering and Financing of Terrorism in Insurance, issued by AMCM.
[3]Instruction No. 2/2006 – Preventive Measures Against Crimes of Money Laundering and Terrorist Financing, issued by DICJ.

- **2017: Reforms on Laws and Administrative Regulations**

  Year 2017 was a pivotal year for the development of beneficial ownership regulatory framework in Macao SAR, during which major reforms took place at both the legislative and administrative levels.

  - ***Revision of Preventive Measures in Anti-Money Laundering Laws:*** Following amendment of **Law No. 2/2006 "*Prevention and Suppression of the Crime of Money Laundering*" by Law No. 3/2017**, anti-money laundering obligations have been comprehensively strengthened. Furthermore, according to **Administrative Regulation No. 7/2006 "*Preventive Measures for the Crimes of Money Laundering and Financing of Terrorism*" (as amended by Administrative Regulation No. 17/2017)**, the entities referred to in Article 6 of the aforementioned law must also fulfill obligations of Article 3: "Identify and verify the identity of the ultimate beneficial owners of the activity of the contracting parties, clients or patrons; **and when the contracting parties, clients or patrons are legal persons or legal arrangements, there must also be adequate measures that allow the knowledge of their corporate structure or equivalent structure and the determination of the individuals that hold their ultimate effective control**"
  - ***Introduction of the 25% Identification Threshold for Tax Transparency:*** According to Law No. 5/2017 "*Legal Regime for the Exchange of Tax Information*" and Chief Executive Resolution No. 211/2017 "*The Common Reporting Standard and Due Diligence Procedures for Financial Account Information*", financial institutions in Macao are required to fulfill relevant due diligence and reporting obligations starting 1 July 2017. The relevant procedures are modeled as per OECD's **Common Reporting Standard**. Regarding the "Controlling Person" of legal persons, the international quantitative threshold (25%) was adopted as the criteria for determination, meeting the requirements of the OECD tax transparency framework.

- **2018 and Onwards: Comprehensive Regulation of Designated Non-Financial Businesses and Professions (DNFBPs)**

  In accordance with the regulatory duties prescribed by Administrative Regulation No. 17/2017, various supervisory authorities issued sectoral guidelines since 2018 to set out detailed operational specifications for beneficial ownership identification obligations:

  - **For notaries and registries, the Legal Affairs Bureau (DSAJ) issued "*Guidelines on Combating Money Laundering and the Financing of Terrorism*".** When notaries and registrars fulfill their preventive obligations, the guideline provides precise operational specifications for beneficial ownership identification across legal persons (including companies and partnerships), trusts, and legal persons without corporate nature (such as foundations), clarifying the identification criteria and obligations for legal persons and legal arrangements.
  - **For dealers of high-value goods, the Economic and Technological Development Bureau (DSEDT) issued "Instructions on the Necessary Procedures to be Adopted for the Prevention of Money Laundering and Terrorist Financing".** Under its supervision, dealers of high-value goods such as precious metals and stones, as well as entities engaged in auction businesses, have to obtain information of beneficial owners and the activity performed by legal person, when conducting transactions.
  - **For legal and accounting professions, the Independent Committee for the Disciplinary Authority of the Legal Office (CIEPDSS), the Macau Lawyers Association (AAM) and the Financial Services Bureau (DSF)** issued respective guidelines for solicitors, lawyers and accountants in fulfilling anti-money laundering obligations when providing services. Preventive measures include beneficial ownership determination criteria and identification procedures, understand the management and operational structure of clients, in order to confirm the natural person(s) holding ultimate beneficiary ownership and control.

- **For real estate intermediaries and agents, the Housing Bureau (IH) issued *"Notice No. 3/2019: Preventive Measures against Crimes of Money Laundering and Terrorist Financing"*.** Specific duties were set out to obtain information of beneficial owners and the activity performed by legal person, enhancing the anti-money laundering obligation coverage within the real estate sector of the Macao SAR.

5. Current Status and Way Forward on Beneficial Ownership Regulatory System in the Macao SAR

A robust anti-money laundering legal framework is a core element in preventing financial crimes and promoting high-quality economic development. With the evolving landscape of international financial crimes and the emergence of new technologies such as virtual assets, criminal investigation becomes more challenging. As such, international organizations have revised international standards several times in recent years to enhance global AML/CFT/CPF risk prevention frameworks.

I. Current Status of the Macao Special Administrative Region regarding Beneficial Ownership

As a member of the **Asia/Pacific Group on Money Laundering (APG)**, Macao, China actively complies with the latest international standards. However, it faces the following bottlenecks in current legal practices:

- **Limitations in Legal Definition and Scope of Application:** Currently, the Macao SAR explicitly defines "beneficial owner" in the existing Law No. 5/2017 *"Legal Regime for the Exchange of Tax Information"*, but this definition is strictly confined to the scope of tax information exchange. Other laws did not have a comprehensive and explicit statutory definition or determination criteria for beneficial owners, while beneficial ownership obligations related to anti-money laundering were only stated in administrative regulations and guidelines.

- **Centralized Registration and Proactive Collection Mechanisms:** At present, there is no centralized beneficial ownership registration system established in Macao SAR and no mechanism mandating legal persons to proactively collect, maintain, and periodically update information regarding their beneficial owners.

The next round of APG Mutual Evaluation will conduct more stringent technical compliance and effectiveness evaluation on the implementation of legal person transparency across jurisdictions, the Macao SAR Government is considering to adopt different approaches to fulfill these standards. Based on the existing guidelines of various government departments, the Macao SAR Government is accelerating legislative reforms on beneficial ownership registration and reporting mechanism.

II. Legislative Reforms

To further enhance the Macao SAR's legal framework for preventing and combating money laundering crimes, the Financial Intelligence Office of the Unitary Police Service (GIF) has conducted sectoral consultation regarding the bill on "*Combating Money Laundering and Illicit Financing Activities*". In May 2026, multiple consultation sessions were held for different sectors to collect comments and suggestions from relevant stakeholders, which aims to reinforce risk prevention mechanisms and safeguard the economic prosperity and high-quality development of Macao SAR.

Case Study

Mr. X (with dual nationality of Country A and Country B) and his wife, Ms. Y (a national of Country A), opened a joint account at a bank in Macao. The stated purpose of the account opening was savings and for local and cross-border remittances, with the declared sources of funds from salary, investment returns and personal savings. Mr. X is a former employee of a large state-owned enterprise (SOE) in Country A. Mr. X and his wife jointly own several companies primarily engaged in real estate and import/export trading, and these related companies also opened accounts at the same bank.

Subsequently, during the course of ongoing transaction monitoring, the bank identified that Mr. X had been frequently remitting substantial amount to an account held by a registered trust entity in Region C. Mr. X claimed that the purpose of remittance was to establish a trust fund, and submitted trust application form together with two preparatory letters issued by the trust entity in different months of the same year, explaining that the establishment of trust was still in the preliminary stage. During this period, Mr. X executed multiple remittances with substantial amount in total.

When conducting **Enhanced Due Diligence (EDD)**, the bank requested Mr. X to provide the formal **trust deed** in order to verify the genuine purpose of the transactions. However, Mr. X refused such request due to privacy concerns. In addition, the bank discovered that Mr. X was the subject of overseas adverse media report, alleging that during his tenure at the said large SOE, he had been involved in corruption, double invoicing, document forgery, and the improper awarding of contracts to companies managed by his family members.

Red Flags

- Frequent large amount remittances to an overseas trust entity within a short period, supported by preliminary application documents, instead of legally binding Trust Deed.
- The client expressed resistance to the EDD process, refuse to provide the Trust Deed under the pretext of confidentiality. This deliberate concealment of the trust's legal structure, governance mechanism, and **Beneficial Owner (BO)** rendered the genuine purpose and legitimacy of the transactions impossible to verify independently.
- The client was in the subject of serious adverse media report, including allegations of corruption, document forgery, and improper transfer of benefits during his tenure at the state-owned enterprise.

Recommendations

- Where client's transactions involve the establishment of oversea trusts or complex corporate structure, the bank should apply EDD measures and must obtain and review core legal documents, including the Trust Deed, in order to ascertain the UBO.
- Where client refuses to provide supporting document or expressed abnormal resistance, such behaviour should be treated as significant red-flag indicator. The bank should reassess the money laundering risk associated with the client and, where necessary, impose restrictions on account transactions or terminate the business relationship.
- The bank should implement robust ongoing transaction monitoring and adverse media screening mechanisms, including high-risk clients with state-owned enterprise backgrounds (potentially being Politically Exposed Persons.)

The 3rd "Outstanding STR Case Award"

Group photo for the award-winning institutions of the 3rd "Outstanding STR Case Award" Ceremony

In order to continuously raise the awareness on compliance and risk identification capabilities and to encourage the submission of high-quality Suspicious Transaction Reports (STR) from Macao's banking sector, the Financial Intelligence Office of the Unitary Police Service (GIF) held the 13th "Joint Meeting on Prevention and Suppression of Financial Crimes" and 3rd "Outstanding STR Case Award" on 11 December 2025. Through information exchange and experience sharing, GIF aims to strengthen the sector's capacity to respond to the risks associated with financial crimes. Representatives from the Monetary Authority of Macao (AMCM) and the Judiciary Police (PJ) were invited to join this meeting in order to discuss feasible collaboration mechanisms to address the evolving landscape of financial crimes and to promote interdepartmental cooperation.

In addition to the awards for "Best STR Case" and "Outstanding STR Case", GIF introduced for the first time the "Improvement Award" in the 3rd "Outstanding STR Case Award". This new award aims to encourage reporting entities to continuously improve techniques for identifying suspicious transactions. The jury of "Outstanding STR Case Award" comprised senior representatives from GIF, AMCM and PJ. The winners for **"Best STR Case"**, **"Outstanding STR Case"** award and **"Improvement Award"** for 2025 were **Bank of China Limited Macau Branch**, **Industrial and Commercial Bank of China (Macau) Limited** and **OCBC Bank (Macau) Limited** respectively. During the meeting, representatives from winners for "Best STR Case" and "Outstanding STR Case" awards shared their case study, in particular the identification and analysis process, preventive measures and relevant typologies, so as to raise the quality of suspicious transaction submitted by the banking sector.

The outcomes of the aforementioned meeting and awards ceremony were fruitful. Representatives from GIF introduced the latest revisions in international standards and emerging money laundering trends, while representatives from the banking sector shared high-quality case studies. Through these sharing, the professionalism in prevention of financial crimes were reinforced to get prepared for the upcoming mutual evaluation. Participants of the meeting included Director of GIF, Chu Un I and Deputy Director of GIF, Fong Iun Kei, Deputy Director of PJ, Sou Sio Keong and Senior Officer of AMCM, Seak Ham Wan, together with approximately 45 banking sector representatives from compliance department.

"Best STR Case" award

Winner: Bank of China Limited Macau Branch

"Best STR Case" award—Bank of China Limited Macau Branch

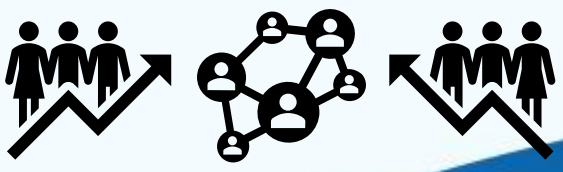
Case Study

The bank detected a sudden and significant surge in transaction volume from a merchant operating a live-action role playing game business, accompanied by high value of cross-border credit card transactions within a short period. All transactions were conducted via contactless device cards (such as Apple Pay and Samsung Pay) with the card issuing place concentrated in 7 countries across the Middle East and Europe. Following settlement through the acquiring system, the funds were rapidly transferred from the merchant's corporate account to the personal accounts of its shareholders, with the majority of funds subsequently withdrawn in cash.

To ascertain the transaction background, the bank initiated due diligence procedures with the merchant. The merchant explained that the increase in activity stemmed from a recently co-organized matchmaking-themed event held in collaboration with another company, claiming that all card payments were executed on-site and unaware of whether overseas credit cards were used. Furthermore, the merchant stated that no surveillance cameras were installed in the cashier area and could only provide some transaction receipts and related quotations.

Red Flags

- The merchant's sharp spike in transaction volume over a few days, with multiple transactions occurring within intervals of a few minutes or even tens of seconds. This highly concentrated and regular transaction pattern significantly deviates from the typical consumption pattern associated with leisure and entertainment businesses.
- All card transactions were processed through contactless devices with overseas credit cards . The card issuing place was mostly located in the Middle East and Europe which demonstrated minimal alignment with Macao's local customer demographics. The absence of reasonable commercial rationale for such a geographically skewed transaction profile further increase the level of suspicion.
- Funds were settled through the acquiring system and deposited into the merchant's account, then transferred to the personal bank accounts of its shareholders, and ultimately withdrawn mainly in cash. This "in-and-out" pattern of fund flow is consistent with potential layering in money laundering.
- While the merchant claimed that the transaction surge was due to a co-organized matchmaking-themed event and provided some transaction receipts and quotations, but failed to provide surveillance footage. Additionally, the merchant could not provide reasonable explanation for the large volume of transactions using overseas credit cards. The explanation from merchant indication contradiction with the actual transaction behavior.



"Outstanding STR Case" award

Winner: Industrial and Commercial Bank of China (Macau) Limited

"Outstanding STR Case" award—Industrial and Commercial Bank of China (Macau) Limited

Case Study

Company X conducted large amount cross-border remittances within a short period. After its account received inward remittances from overseas, the company transferred the funds out within a few days, accumulated amount exceeding USD 12 million, indicating obvious transitional characteristics. The client provided some procurement or sales contracts, invoices, bills of lading, and import customs declarations. However, upon verification, the bank found out that the shippers and consignees on some bills of lading were not the parties declared by the client. Additionally, import customs declarations showed that some goods originated from high risk jurisdiction and involved Shipping Company S. According to external screening, Company S was **flagged for adverse news**. Given the involvement of high-risk jurisdiction and adverse news, the transactions were suspected of facilitating fund transfers through fictitious trade, thereby circumventing regulatory scrutiny.

Red Flags

- Transaction amounts abnormal and incommensurate with company size: Company X with registered capital of only MOP 25,000, but accumulated transaction amount over USD 12 million within a short period, indicating severe mismatch between fund flows and company capital.
- High-frequency cross-border fund transfers: The USD account recorded high-frequency cross-border receipt and payment transactions within a short timeframe, while RMB, HKD, and MOP accounts showed minimal activity.
- Contradictory trade documents: The shippers and consignees on the bills of lading did not match the declared counterparties, and customs declarations indicated goods originating from high risk jurisdiction and involved Shipping Company S with adverse news.
- Links to high-risk jurisdictions: Fund flows involved high-risk jurisdiction and offshore companies, with Shipping Company S associated with adverse news, further increase transaction risks.
- Non-cooperation with due diligence: The client failed to provide reasonable explanation for the authenticity of the trade background, and the supporting documents revealed obvious contradictions. The client also refused to supplement complete proof of cargo ownership.
- Rapid fund movement: Funds stayed in the account for an extremely short time and were transferred out within days indicating transitional characteristics in money laundering.

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