

**MONEY LAUNDERING AND TERRORISM
FINANCING RISK ASSESSMENT REPORT
IN THE REPUBLIC OF MOLDOVA**

SUMMARY

2025

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1. Introduction

The national assessment of money laundering and terrorist financing risks is a fundamental process through which the state identifies, analyzes and understands the real level of risks to which the national system is exposed. This assessment allows the adoption of appropriate public policies, based on evidence and adapted to national and international developments. It also contributes to effective cooperation between public authorities, the private sector and the legal professions, so as to prevention and combating measures are coherent, applicable and proportionate.

The Republic of Moldova conducted its first national assessment in 2017, using the World Bank methodology. Its conclusions highlighted the need to strengthen the regulatory and institutional framework, which led to the approval of an action plan aimed at increasing transparency, improving control mechanisms, and intensifying inter-institutional cooperation.

In 2019, during the fifth round, experts from the Council of Europe's MONEYVAL Committee assessed the Republic of Moldova's compliance with FATF standards. Based on the recommendations, the National Strategy for 2020–2025 was adopted, and in 2020 a new national assessment was developed, which identified both persistent risks and the need to introduce additional actions. In 2022, the action plan was supplemented by establishing new requirements for the collection and analysis of statistical data to facilitate continuous monitoring of risks.

In the period 2023–2024, the Republic of Moldova took an important step by updating the legislation in the field, in accordance with the European Union norms and the recommendations of international organizations. The legislative amendments expanded the category of entities obliged to report suspicious transactions, strengthened the mechanism for identifying and verifying persons who have real control over companies, and introduced additional rules for trusts and other similar legal arrangements. The implementation of these amendments was supported by training and information actions aimed at reporting entities and competent authorities.

In addition to the national assessment, detailed sectoral analyses were carried out. Particular attention was paid to the field of virtual assets and service providers for these assets. The assessment completed in 2024 established that the associated risks are very high, in particular due to the lack of a comprehensive regulatory framework and limited monitoring capacity. It was also found that the existing prohibitions do not cover all types of risk. In this regard, recommendations were made regarding the introduction of a clear licensing and supervision system, improving international collaboration and developing the competences of authorities in the field of virtual assets.

At the same time, an assessment of the risk of non-profit organisations being used for terrorist financing was carried out and another analysis looked at how different types of legal entities can be used for illegal purposes. These assessments allowed for a deeper understanding of how legal structures can be exploited and contribute to the establishment of effective control and prevention measures.

The current national assessment covers the period 2021–2024, a period marked by relevant legislative, institutional and economic developments. During this period, legislative changes, the activity of reporting entities, transaction volumes, suspicious activity reports, international cooperation, investigated cases, as well as the typologies identified by the authorities were analyzed. This analysis provides a realistic picture of how risks have evolved and the challenges facing the state.

To carry out the assessment, a working group was established consisting of representatives of all relevant institutions: the Office for Prevention and Fight against Money Laundering, authorities with supervision functions of the reporting entities, ministries with attributions in

the field, law enforcement agencies, the Public Services Agency, the National Bureau of Statistics, etc. The working group collected and analyzed data, identified difficulties in the process and collaborated with national and international experts, while also ensuring consultation with the private sector.

The process used data from multiple sources: banking and non-banking financial institutions, legal professions, law enforcement agencies, courts, public registers, state authorities, official statistical data and independent analyses. This information allowed for a detailed assessment of the legal framework, the size and structure of the sectors, the customer profile, the types of products and services, the internal control mechanisms and the effectiveness of the supervision exercised by the competent institutions.

The result of the analysis of this information is the National Assessment Report, which presents the current level of money laundering and terrorist financing risks in the Republic of Moldova, identifies vulnerable areas, highlights typologies encountered in practice and assesses the effectiveness of existing measures. The report also includes recommendations on improving the legal framework, strengthening institutional capacities, increasing the transparency of persons who control legal entities and strengthening cooperation at both national and international levels.

By carrying out this assessment, the Republic of Moldova demonstrates its commitment to maintaining an efficient system for preventing and combating money laundering and terrorist financing, adapted to current conditions and aligned with international standards.

2. Money laundering risk assessment depending on the predicate offense

During the 2021–2024 period, the analysis carried out by the authorities of the Republic of Moldova highlights a complex criminal system, within which the types of offences generating illicit proceeds evolved differently, both in terms of frequency and financial impact. In total, during this period, more than 49,000 criminal cases were initiated in relation to offences that, according to international standards, may generate funds susceptible to money laundering. Although the number of cases varies considerably from one year to another, what remains constant is the fact that certain categories of offences dominate both in terms of frequency and financial impact.

Theft, fraud, and forgery of official documents remain the most frequently encountered offences, indicating a high level of property-related crime and the use of fraudulent documents. Some of these offences, such as theft, occur in thousands of cases annually, but the value of the individual damages is, in many situations, limited. Unlike theft, fraud is distinguished not only by its frequency, but also by the materiality of the damages, as almost half of the total illicit proceeds recorded during this period derive from such acts. The constant increase in fraud cases suggests a continuous adaptation of offenders, who employ increasingly sophisticated methods of deception.

Another offence with major financial impact is tax evasion, which, although it represents a very small percentage of the total number of cases, generates the third largest volume of illicit proceeds. This confirms that, in the case of tax evasion, each individual case may have a significant budgetary impact.

Smuggling represents another area that has evolved visibly during the period under review. With the entry into force of the new Customs Code, control mechanisms and risk analysis have become more effective, which led to the detection of a higher number of cases, including new types of fraudulent schemes. At the same time, the value of damages registered fluctuations, which may reflect both the structure of the goods involved and the effectiveness of the authorities' interventions.

An extremely sharp evolution was recorded in relation to the organization of illegal migration. The number of cases increased dramatically, by more than forty times over four years, this phenomenon being strongly influenced by the regional context, in particular by the armed conflict in Ukraine, which generated significant migratory pressure. The illicit proceeds associated with this type of activity are certainly much higher than those recorded in the initial procedural documents, which suggests that the identification and confiscation of these funds remain a major challenge.

Drug trafficking, even if it does not require the determination of a financial value at the moment of initiating criminal proceedings, represents one of the most important sources of income for organized crime. The lack of precise monetary records complicates the estimation of the real size of the financial flows generated by this category, but the increase in the number of cases clearly reflects the amplification of the phenomenon.

In the sphere of corruption, passive bribery occurs frequently, but the values of bribes are generally low, which indicates the existence of a phenomenon of everyday corruption, especially at the lower levels of public administration. By contrast, trading in influence is encountered twice as rarely, but the amounts claimed are significantly higher, which indicates attempts to purchase access to persons or structures that cannot be directly corrupted.

The activity of the courts confirms this structure of criminality. Most convictions are pronounced for theft, forgery, robbery, fraud, and drug trafficking. At the same time, a decrease is observed in the number of conviction judgments for offences involving large damages, such as fraud and tax evasion, which is a signal that the investigation and completion of such cases remain complex and resource-intensive.

With regard to seizures and confiscations, these represent an essential indicator of the State's capacity to recover the proceeds of crime. Courts applied seizures of almost MDL 6 billion during the analysis period, but a significant part of criminal assets is not subject to confiscation, either because they constitute physical evidence that must be destroyed or because damages are recovered through civil actions and not through criminal confiscation. The Criminal Assets Recovery Agency also applied seizures amounting to more than MDL 647 million, with significant annual variations and a predominant share of cases related to corruption, abuse of power, fraud, and illicit enrichment.

Confiscations ordered by court judgments remain an important, but uneven, component. From one year to another, the confiscated values fluctuate, which reflects both the complexity of the cases and the diversity of the criminal objects. Nevertheless, the figures show that the confiscation mechanism is applied, including in cases of drug trafficking, corruption, smuggling, or property-related offences.

Overall, the analysis shows that the Republic of Moldova faces a wide spectrum of predicate offences, some of which have a high frequency, while others are particularly dangerous due to the scale of the damage caused. The trends during the 2021–2024 period underline the need to strengthen financial investigations, to increase the capacity to trace criminal benefits, and to apply seizure and confiscation mechanisms consistently in order to limit the possibility of introducing illicit proceeds into the legal circuit.

| Predicate offence | Probability assessment | Consequences assessment | Risk rating |
|--|------------------------|-------------------------|-------------|
| Tax evasion | high | high | high |
| Vulnerabilities: | | | |
| - the level of establishing suspicions of the commission of predicate offences within the financial investigations carried out by the Office for Prevention and Fight against Money Laundering | | | |

(OPFML) is 47%, while in the other cases disseminated to law enforcement authorities the predicate offence was not identified, and the value of the funds investigated originating from unknown predicate offences accounted for 79% of the total value of the funds investigated;

- the level of identification of predicate offences within criminal cases investigated by law enforcement authorities in relation to money laundering is 44%, while in the other criminal cases initiated for money laundering offences the origin of the illicit proceeds is unknown;
- the downward trend in the number of conviction judgments adopted for tax evasion offences, from 9 convictions pronounced in 2021 to 6 convictions pronounced in 2024, undermines the capacity of law enforcement authorities to counteract such acts and to ensure deterrence against involvement in tax evasion activities;
- gaps in coordination and prioritisation exist, as law enforcement authorities perceive tax evasion as the most significant domestically generated offence producing the largest amounts of illicit proceeds, whereas the financial sector identifies tax evasion as the cross-border predicate offence presenting the highest risk;
- the provisional measures applied by the OPFML indicate a concentration on resident entities (with resident legal persons accounting for 54%, while non-resident legal persons account for 9%);
- although the OPFML establishes suspicions of tax evasion in the majority of financial investigations with an identified predicate offence, involving 68% of the total funds investigated, a blockage is observed at the stage of investigation and criminal prosecution, which prevents the transformation of financial investigation results into conviction and confiscation cases.

Threats:

- the scale of the damage caused is increasing: as although the number of registered criminal cases is decreasing, the volume of damage caused by tax evasion has tripled, placing it as the third largest predicate offence in terms of the volume of established economic losses;
- the value of seized assets is relatively low, taking into account the total value of the damage caused by this type of offence;
- the number of received letters rogatory related to predicate offences has increased fourfold, being twice as high as the number of requests sent to foreign authorities;
- the perception of cross-border risk is inconsistent, as law enforcement authorities do not perceive transnational tax evasion as an offence generating major illicit proceeds susceptible to laundering within the country, whereas financial system supervisors and reporting entities place tax evasion of cross-border origin as the most significant predicate offence generating the largest volumes of illicit proceeds;
- police activity related to predicate offences includes: an increase in the number of requests for information exchange, predominantly from the jurisdictions: Germany, the United Kingdom, Ukraine, the Czech Republic, France, the Russian Federation, and Austria, accompanied by a downward trend in the number of requests for information exchange sent to the jurisdictions: Romania, the Russian Federation, Ukraine, Germany, and France;
- the level of cooperation of police authorities in relation to money laundering is limited, given that the number of requests for information exchange is 100 times lower than the number of requests related to predicate offences.

Event description:

The illicit proceeds obtained from tax evasion committed both at national level and cross-border level record an upward trend, being generated in increasing proportions, however the shortcomings at the stage of criminal investigation and at the stage of conviction (low level of

convictions), allow the largest volumes of illicit proceeds to remain in circulation. The Financial Intelligence Unit most frequently identifies tax evasion, however the low level of international legal cooperation in criminal matters requested with regard to tax evasion, as well as the inconsistent perceptions of law enforcement authorities compared to those of the financial sector regarding cross-border risk, determine the persistent risk of money laundering of proceeds derived from tax evasion.

Risk description:

The offence of tax evasion records a decrease in the number of cases that led to the initiation of criminal prosecution, however at the same time the value of the damage caused has tripled, qualifying it as the third largest predicate offence, after the value of economic loss. A low level of the conviction rate, the underestimation of cross-border risks associated with tax evasion by law enforcement authorities, the level of international legal cooperation from the perspective of assistance received and assistance requested, as well as the focus on resident entities to the detriment of non-resident entities, contribute to and facilitate the laundering of proceeds obtained from tax evasion. The OPFML systematically identifies tax evasion, representing the most significant reported predicate offence, however the systemic shortcomings determine the maintenance of these criminal proceeds in civil circulation.

| Predicate offence | Probability assessment | Consequences assessment | Risk rating |
|-------------------|------------------------|-------------------------|-------------|
| Smuggling | high | high | high |

Vulnerabilities:

- the level of establishing suspicions of the commission of predicate offences within the financial investigations carried out by the OPFML is 47%, in the other cases disseminated to law enforcement authorities the predicate offence was not established, the value of the funds investigated originating from unknown predicate offences accounted for 79% of the total value of the funds investigated;
- the level of identification of predicate offences within criminal cases investigated by law enforcement authorities related to money laundering is 44%, in the other criminal cases initiated for money laundering offences, the origin of illicit proceeds is unknown;
- the decreasing number of conviction judgments is four times lower than the number of criminal cases initiated for smuggling offences;
- the value of assets confiscated definitively and enforceably is three times lower than the value of the assets used in the commission of the offence;
- the absence of a single systematised record regarding the value of seizures applied by national courts in criminal cases related to smuggling;
- financial investigations detect smuggling to a limited extent, resulting from the fact that only 2% of the funds subject to financial investigations carried out by the OPFML are established as being linked to this type of predicate offence, taking into account also the rate of financial investigations disseminated to law enforcement authorities with an unknown predicate offence;
- the complex cross-border nature of the offence of smuggling and the predominant reliance on international cooperation and mutual legal assistance in criminal matters, resulting from the increase in the number of letters rogatory received and sent related to the offence of smuggling,

however the number of requests sent is twice as high as the number of requests received from other jurisdictions.

Threats:

- the offence of smuggling generates large volumes of criminal proceeds, ranking fourth by the value of criminal asset – the object of the offence, although it ranks ninth by the number of cases registered by law enforcement authorities, with an increase of 30% in 2024 compared to 2021;
- it is perceived by law enforcement authorities as a predicate offence generating large volumes of illicit proceeds both at national level and at international level, susceptible to be laundered on the territory of the Republic of Moldova;
- the increasing role in transnational organised crime, resulting from the increase of the international organised crime index from 4.5 to 5.6, having as one of the determining factors the counterfeiting of products, predominantly tobacco products, and their introduction through smuggling into the European Union;
- the high degree of adaptability of organised criminal groups and the use of complex trade and financial channels.

Event description:

Organised criminal groups are involved in smuggling activities of goods, including counterfeit goods, which have a cross-border character, exploiting vulnerabilities, including the level of corruption. Although the value of the damage caused by the offence is high, the initiated cases do not demonstrate procedural continuity, or involve insufficient confiscation compared to the volume of criminal goods that are the object of the criminal cases. The level of international legal assistance in criminal matters confirms the significant cross-border exposure. The conviction rate in smuggling cases reduces the dissuasive and deterrent character. Smuggling ensures the generation of financial flows that fuel criminal networks at national and cross-border level.

Risk description:

Smuggling represents an offence with a high risk of money laundering and significant economic and reputational impact. It undermines state border security, the tax collection process, and financial integrity, facilitating and contributing to the laundering of illicit proceeds. The identified deficiencies, the conviction rate, the level of recovery of criminal assets through confiscation, and the limited financial tracing contribute to the continuous growth of shadow markets for smuggled goods and the integration of illegally obtained proceeds into the national economy and the financial system.

| Predicate offence | Probability assessment | Consequences assessment | Risk rating |
|-------------------|------------------------|-------------------------|-------------|
| Corruption | medium–high | high | high |

Vulnerabilities:

- the level of establishing suspicions of the commission of predicate offences within the financial investigations carried out by the OPFML is 47%, in the other cases disseminated to law enforcement authorities the predicate offence was not established, the value of the funds investigated originating from unknown predicate offences accounted for 79% of the total value of the funds investigated;

- the level of identification of predicate offences within criminal cases investigated by law enforcement authorities related to money laundering is 44%, in the other criminal cases initiated for money laundering offences, the origin of illicit proceeds is unknown;
- the number of conviction judgments for acts of passive corruption is nine times lower than the number of registered cases, and with regard to trading in influence, the number of conviction judgments is 30% lower than the number of registered cases;
- among corruption offences, the lowest level of confiscation of assets used in the commission of offences was established with regard to passive corruption, indicating the investigation of systemic and low-value corruption cases;
- the level of international legal cooperation in criminal matters is limited, thus the number of letters rogatory sent is 50 times lower than the total number, corruption offences being among the offences in which law enforcement authorities resort to legal cooperation the least, being an indicator of the investigation of systemic, low-value corruption, as well as of cases of low complexity;
- the OPFML detects suspicions regarding corruption offences as predicate offences in an insignificant number of cases, less than 3% of the total number of financial investigations carried out, in which the predicate offence was established.

Threats:

- passive corruption is the 7th most numerous predicate offence by the number of registered cases, while trading in influence ranks 11th, with a number almost twice as low, but with the value of criminal assets which are the object of the act of corruption being six times higher;
- corruption offences are perceived by law enforcement authorities as one of the most important offences generating large volumes of illicit proceeds, a perception also supported by financial sector supervisors;
- the GRECO Report regarding the Republic of Moldova adopted on 1 December 2023 and published on 12 March 2024 highlights vulnerabilities related to the prevention of corruption;
- the Corruption Perceptions Index (CPI) is 43 out of 180, which indicates corruption risks at a moderate-to-high level;
- within criminal cases related to money laundering, corruption offences constitute an important crime, being identified as a predicate offence in 10% of criminal cases with an identified predicate offence.

Event description:

Public officials, civil servants and persons holding public office, or intermediaries who extort or accept bribes, either exert undue influence within decision-making processes, thereby exploiting institutional gaps and the low level of ensuring compliance and enforcement. Limited international legal cooperation indicates the investigation of low-value corruption, of low complexity, and limited activity in detecting and investigating cross-border corruption, with the tracing of assets and financial flows that are layered or integrated outside the territory of the country.

Risk description:

Corruption offences (in particular passive corruption and trading in influence) represent a predicate offence presenting a high risk, which undermines governance in the public sector, affects public trust in state institutions and weakens economic integrity. Trading in influence, which is less numerous but involves a higher economic loss than the offence of passive corruption, reflects a predisposition of law enforcement authorities to investigate lower-level corruption, leaving in the shadow high-level corruption involving representatives of the

legislative and executive powers holding senior management positions. Systemic vulnerabilities, including the limited level of convictions, the reduced capacity for final recovery of criminal assets through confiscation, deficient international legal cooperation and incomplete identification of the predicate offence, contribute to the continued laundering of illicit proceeds derived from corruption, which reconfirms institutional vulnerabilities.

| Predicate offence | Probability assessment | Consequences assessment | Risk rating |
|---|------------------------|-------------------------|-------------|
| Fraud (cyber fraud, investment fraud, commercial fraud) | high | medium-high | high |

Vulnerabilities:

- the level of establishing suspicions of the commission of predicate offences within the financial investigations carried out by the OPFML is 47%, in the other cases disseminated to law enforcement authorities the predicate offence was not established, the value of the funds investigated originating from unknown predicate offences accounted for 79% of the total value of the funds investigated;
- the level of identification of predicate offences within criminal cases investigated by law enforcement authorities regarding money laundering is 44%, in the other criminal cases initiated regarding money laundering offences, the origin of illicit proceeds is unknown;
- the downward trend regarding the level of conviction for fraud offences, from 385 judgments rendered in 2021, to 268 judgments rendered in 2024, undermines the capacity of law enforcement authorities to ensure deterrence in involvement in fraud-related activities;
- the differing level of perception regarding the scale of the criminal phenomenon of fraud between the private sector and law enforcement authorities;
- the inefficient use by law enforcement authorities of precautionary measures ordered by the OPFML, in 2024 out of 71 suspension decisions issued, within the suspension period of suspicious transactions and assets, only one seizure was applied;
- although it is the second most frequently identified suspicion of commission of a type of predicate offence by the OPFML, the value of the funds and assets subject to financial investigations in these cases represents only 28% of the total value of the funds investigated as suspected of money laundering.

Threats:

- it represents the most prevalent predicate offence by the number of registered cases, with an increasing trend in the number of cases from 2 124 in 2021 to 2 984 in 2024;
- the total value of the damage caused by the offence accounts for 50.41% of the total value of the damage caused by predicate offences, registering an increasing trend, in 2024 the value of assets acquired through fraud was three times higher than the value of assets acquired through fraud in 2021;
- fraud generates large volumes of illicit proceeds, which are susceptible to being placed at national level in cash, considering that the amount of currency values brought into the country is twice as high as the amount of currency values taken out of the territory of the Republic of Moldova;
- the flows of criminal proceeds obtained through fraud have a cross-border character, both at the level of the European Union countries and transcontinental (United States of America),

considering the increase in information exchange by the OPFML, police, and international legal assistance requests;

- the increasing trend in the number of requests for information exchange received by the police from counterpart authorities, accompanied by a decreasing trend in the number of requests sent to foreign counterpart authorities regarding predicate offences, indicates increasing cross-border criminal activity;
- the fourfold increase in the number of letters rogatory received by the Republic of Moldova, accompanied by an 83% decrease in letters rogatory requests on money laundering cases, and the doubling of the number of letters rogatory requests regarding fraud offences, indicates an increase in criminal activity of a cross-border nature.

Event description:

The offence of fraud generates the most significant reported volume of criminal assets at national level. Cross-border bank transfers, as well as the use of cash, provide channels for the placement and layering of illicit proceeds. Predicate offences are not consistently identified by the financial investigations carried out and by criminal prosecution cases.

Risk description:

The offence of fraud is the most significant predicate offence by the number of registered criminal cases and the value of the economic damage caused. The low level of identification of the predicate offence at the stage of financial investigation and criminal prosecution, the low rate of seizures applied in relation to the total damage caused by the offence, the reduction in the number of conviction judgments adopted by courts of first instance, determine a high probability of laundering of criminal proceeds. Cross-border financial flows, as well as the volume of currency values brought into the country, reported in relation to the increase in requests for information exchange received by the police and the increase in the level of international legal assistance requested by competent foreign authorities, contribute to and indicate increased exposure.

| Predicate offence | Probability assessment | Consequences assessment | Risk rating |
|--------------------------|------------------------|-------------------------|-------------|
| Illicit drug trafficking | high | medium-high | high |

Vulnerabilities:

- the level of establishment of suspicions of commission of predicate offences within the financial investigations carried out by the OPFML is 47%, in the other cases disseminated to law enforcement authorities the predicate offence was not established, the value of the funds investigated originating from unknown predicate offences accounted for 79% of the total value of the funds investigated;
- the level of identification of predicate offences within criminal cases investigated by law enforcement authorities regarding money laundering is 44%, in the other criminal cases initiated regarding money laundering offences, the origin of illicit proceeds is unknown;
- the value of the economic loss corresponding to the value of drugs or psychotropic substances, due to the fact that, the establishment of the value of these substances does not represent a legal obligation, is not officially established and recorded at the initiation of criminal cases, which contributes to the systemic underestimation of financial damages and illicit proceeds susceptible to be introduced into the formal financial system;

- the value of the funds subject to financial investigations carried out by the OPFML is relatively low (for example, compared to tax evasion, it is 1,000 times lower), reported to the frequent detection of this predicate offence, indicates a discrepancy between detection and financial follow-up;
- the value of applied seizures exceeds the value of the funds investigated by the OPFML and of the funds subject to criminal cases, indicating that there is a capture of assets (drugs or psychotropic substances) but not of parallel financial flows;
- cooperation on the money laundering dimension is disproportionate and unbalanced, thus, more letters rogatory are received than the number of those sent, indicating a reactive and not proactive conduct of law enforcement authorities, in pursuing international criminal networks;
- the association of the offence with organized crime structures increases the level of sophistication of laundering of proceeds derived from drug trafficking, and the gaps in the financial traceability of the predicate offence contribute to the creation of systemic vulnerabilities.

Threats:

- the offence of illicit drug trafficking represents the sixth most numerous predicate offence registered by law enforcement authorities, registering since the beginning of the period an increase of 50% in the number of initiated criminal cases;
- law enforcement authorities perceive illicit drug trafficking as one of the most important predicate offences generating the largest illicit proceeds, both at national level and as a source of transnational crime;
- the number of letters rogatory received regarding the offence of illicit drug trafficking is four times higher than the number of requests sent to other jurisdictions, the received requests registering an increasing trend throughout the period, which indicates increased external exposure and external demand for cooperation;
- the Financial Intelligence Unit frequently identifies suspicions regarding the commission of illicit drug trafficking as a predicate offence, which reconfirms the recognition of its systemic importance;
- illicit drug trafficking represents a factor of organized crime, resulting from its strong connection with criminal structures and networks, which increases its systemic threat to the financial system and national security.

Event description:

Illicit financial flows are placed and integrated through the formal and non-formal financial system, including through the abusive use of virtual assets. Illicit proceeds obtained from illicit drug trafficking register an increase, considering the upward trend of the number of criminal cases initiated by 50% since the beginning of the period, there being a close connection with the phenomenon of organized crime. Both the OPFML and law enforcement authorities identify illicit drug trafficking as a significant predicate offence, but the volume of financial investigations is low. The value of seizures is higher than the volume of funds financially investigated or criminally pursued. The economic loss caused is not recorded in a systemic manner, which creates gaps in risk assessment and measurement. The increased number of international legal assistance in criminal matters requested by other jurisdictions confirms significant cross-border exposure.

Risk description:

The offence of illicit drug trafficking is exposed to a systemic risk of non-detection, thus, the laundering of proceeds derived from drug sales may be attributed to cases with unknown

predicate offence at the stage of financial investigation by the OPFML and criminal prosecution by law enforcement authorities. The lack of regulations regarding the maintenance of systemic records with reference to the value of investigated drugs undermines the capacity of law enforcement authorities to assess the economic-financial footprint of the offence. The existence of residual criminal influence based on the significant retention of illicit proceeds susceptible to be reinvested in the criminal cycle.

3. Money laundering risk assessment depending on the subject

3.1. Legal persons (national legal entities and national legal arrangements)

During the period 2021–2024, the structure of legal persons in the Republic of Moldova evolved in a stable manner, reflecting both numerical growth and consolidation of the predominantly used legal forms. At the end of 2024, 139 669 legal persons were registered in the State Register, of which over 86% were commercial entities and approximately 14% were non-commercial organizations. Limited Liability Companies (LLCs) continue to remain the preferred legal form, accounting for over 97% of all commercial companies, due to their accessibility, simplified incorporation procedures, and flexibility in management. Other forms, such as joint-stock companies or cooperatives, represent a smaller share and show a generally declining trend.

Non-commercial organizations recorded moderate growth, being dominated by public associations, private institutions, and foundations. These entities are subject to a stricter supervisory regime, which contributes to a lower risk of abuse for money laundering or illegal financing purposes.

The analysis of economic activities confirms that trade remains the most frequent sector in which legal persons operate, followed by services, agriculture, real estate transactions, and production. This economic structure is also reflected in the dynamics of foreign trade. Exports and imports recorded significant growth in the initial years under review, with an increasingly pronounced orientation toward European Union countries. Romania remains the Republic of Moldova's main trading partner, while trade with the Russian Federation has steadily declined. This reorientation of international trade suggests closer economic integration with the European space and reduced exposure to higher-risk jurisdictions.

In the banking sector, the number of resident legal persons holding accounts and conducting transactions increased steadily, strengthening their role in the formal economy. By contrast, the number of non-resident corporate clients declined sharply, reducing risks associated with the use of Moldovan entities in international schemes with money laundering potential. Financial transactions – both national and cross-border – increased, reflecting intensified economic activity and integration into regional trade circuits.

A significant improvement was recorded in the area of beneficial ownership transparency. Following the legislative amendments adopted in 2023, the number of entities that declared beneficial ownership information increased substantially, from 31% in 2023 to over 50% by the end of 2024. Nevertheless, further improvements in data quality remain necessary, as some declarations are incomplete, outdated, or involve complex ownership structures requiring additional verification.

The analysis of disseminations conducted by the OPFML and of criminal cases demonstrates that LLCs are most frequently involved in money laundering schemes, particularly in connection with offences such as tax evasion, fraud, corruption, fictitious transactions, smuggling, and unjustified cash withdrawals. A representative typology identified consists in the use of LLCs to simulate the procurement of agricultural products through fictitious

documentation, followed by large-scale cash withdrawals and unjustified VAT refund claims – mechanisms used to introduce proceeds derived from illicit activities into the legal circuit.

Law enforcement institutions—the Prosecutor’s Office, the National Anti-Corruption Centre, the OPFML, the State Tax Service, the Customs Service, and specialized police units—confirm the existence of a moderate level of risk associated with legal persons, particularly LLCs. These institutions report the increasingly frequent use of commercial structures in cross-border schemes, fictitious contracts, artificial transactions, or manipulation of financial flows to conceal the origin of funds. At the same time, an increase in cases involving new technologies has been observed, including electronic payments and cryptocurrencies.

Overall, the period 2021–2024 indicates an expanding economic environment, with gradual development of the business sector, intensified commercial links with the European market, and improved levels of transparency and legal compliance. Money laundering risks are more pronounced among LLCs, but are mitigated by legislative reforms, supervisory actions, and the strengthening of the capacities of the competent authorities.

| Element | Probability assessment | Consequence assessment | Risk rating |
|--|------------------------|------------------------|-------------|
| Legal entities | medium | medium | medium |
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - very high share of LLCs (97% of commercial companies) with minimal share capital and simplified registration procedures; - limited verification at the time of registration, allowing submission of incomplete or inaccurate information on beneficial owners; - the State Register of Legal Entities (RSUD) lacks effective mechanisms to update and verify data on beneficial owners; - non-commercial organizations (NPOs, foundations, political parties): exposure to risks through donations, external grants, and undeclared funding; - use of cash; - cross-border exposure: companies involved in export–import trade are vulnerable to international money laundering schemes and fund layering. | | | |
| <p>Threats:</p> <ul style="list-style-type: none"> - use of LLCs for fraud and tax evasion (issuing false invoices, recording fictitious transactions, unjustified VAT refund claims); - money laundering through international trade transactions: fictitious exports (e.g., grains, agricultural products), overvalued imports, transfers via offshore companies; - cash operations: massive withdrawals from accounts; - NPOs and foundations: risks of illicit financing through external donations, disguised sponsorships, public collections used for illegitimate purposes; - political parties: higher risk of illegal financing, including through companies indirectly controlled by politically affiliated persons; - cryptocurrencies and fintech: use of IT companies and payment service providers to disperse funds through virtual assets. | | | |
| <p>Event description:</p> <p>On December, 31, 2024, 139 669 legal entities were registered, of which 86% were commercial companies and 14% non-commercial organizations. The majority are LLCs (115 020 entities). During 2021–2024, the number of LLCs and NPOs increased, while cooperatives decreased.</p> | | | |

OPFML analysis shows that 694 money laundering cases involved legal entities, 72% being resident. Of these, 91% concerned LLCs and 9% joint-stock companies (JSCs). Typologies confirm the use of LLCs for fictitious transactions with grains, massive cash withdrawals, and unjustified VAT refund claims. Exports and imports increasingly targeted the EU, reducing dependency on the Russian Federation, which contributed to lowering exposure to geopolitical risks.

Risk description:

Overall risk is medium, with distinct segments:

- LLCs: medium, due to the highest share and being the main form abused in laundering schemes;
- JSCs: low, due to strict capital and transparency requirements;
- NPOs and foundations: low-medium, with risk of use in terrorism financing and use of donations;
- state/municipal enterprises: low, monitored through public mechanisms and audits.

Although preventive mechanisms (beneficial owner registration, administrative sanctions, etc.) aim to reduce risk, the assessment shows that LLCs remain the preferred form for money laundering, particularly through fictitious transactions and cash trade. The risk remains medium, requiring continuous monitoring.

3.2. Natural Persons (national)

During 2021–2024, natural persons became the main active segment of the banking system in the Republic of Moldova, showing steady growth both in the number of clients and in transaction volumes. The number of resident individuals holding bank accounts exceeded 3.4 million, with over 6 million active accounts, reflecting increased financial inclusion and growing use of formal banking services. Cash balances and deposits held by individuals rose significantly, approaching MDL 100 billion, signaling strong public confidence in the banking sector.

At the same time, the use of cards and digital services increased rapidly. Transactions with national cards nearly doubled, and the national instant payment system (MIA) was quickly adopted, with over 600 000 individuals already making instant payments. For the first time, the volume of cashless payments exceeded cash withdrawals, indicating a tangible shift toward digitalization.

Cross-border transactions conducted by natural persons also grew significantly: outgoing transfers nearly doubled, while incoming transfers exceeded MDL 11 billion. Transactions by non-resident individuals also saw substantial increases, reflecting higher financial mobility and stronger interconnection with external markets.

However, this development has also created new vulnerabilities. The expansion of online payments and digital services has led to an increase in financial fraud, phishing, and recruitment of “money mules.” Losses from card fraud reached approximately MDL 140 million in 2024. Individuals with limited financial literacy are the most exposed, often being used in transit schemes for funds derived from criminal activity, including opening accounts on behalf of third parties, repeated cash deposits and withdrawals, or rapid transfers with unclear origin.

In conclusion, natural persons present a medium risk of money laundering: digitalization enhances transparency and monitoring capabilities, but vulnerabilities related to online fraud, cross-border transfers, and varying levels of financial literacy require ongoing supervision and strengthened preventive measures.

| Element | Probability assessment | Consequence assessment | Risk rating |
|---|------------------------|------------------------|-------------|
| Natural persons (national) | medium | medium | medium |
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - very high transaction volumes hinder effective monitoring and allow illicit flows to go undetected (in 2024, over 3.4 million banking clients and 6.1 million active accounts); - easy access to accounts and cards: rapid account opening procedures, including online, with superficial verification in some cases; -dependence on cash: in rural areas and for low-value payments, cash predominates, which can be used to place funds of unclear origin; - low financial literacy: a significant portion of the population does not understand risks, making them vulnerable to fraud; -vulnerability to cyber fraud: low digital protection, individuals exposing card data or accessing phishing links; - external migration: a large number of citizens work abroad and send remittances – this involves massive cross-border flows that are difficult to verify individually; - lack of source-of-funds checks for cash deposits: some banks limit control only to thresholds, without detailed analysis for frequent transactions below thresholds. | | | |
| <p>Threats:</p> <ul style="list-style-type: none"> - citizens recruited to open accounts and cards, later handed over to criminal networks; - increase in cyber fraud cases, using cards to collect and launder funds from digital scams; - risky cross-border transactions: between 2021–2024, incoming/outgoing volumes nearly doubled. A significant portion originates from the EU and other jurisdictions, with a risk of layering and integration of illicit funds; - remittances, while economically beneficial, may also serve to mask illicit flows in the absence of thorough individual verification. | | | |
| <p>Event description:</p> <p>Between 2021–2024, financial inclusion increased steadily: the number of accounts and deposit balances rose significantly (individual assets exceeded MDL 97 billion in 2024). In 2025, for the first time, cashless payments exceeded cash withdrawals – a major milestone. Nevertheless, the OPFML identified clear typologies of money laundering by natural persons – recruitment as money mules, bank cards used for online fraud, and massive cash withdrawals, including through cards issued abroad.</p> | | | |
| <p>Risk description:</p> <p>The overall risk associated with natural persons is assessed as medium. The very large volume of banking transactions, low financial literacy, frequent use of cash, and growing exposure to online fraud and cross-border transactions increase vulnerability in this sector. At the same time, accelerated digitalization, implementation of Know Your Customer (KYC) measures, and automated monitoring systems by banks help mitigate risks, as does the growing share of electronic payments compared to cash.</p> <p>In practice, natural persons remain a primary target for criminal networks, used for transferring and laundering funds. This vulnerability, combined with the significant role of remittances and the use of foreign-issued cards, maintains the sector’s constant exposure to money laundering and terrorism financing risks.</p> | | | |

3.3. Politically exposed persons (national and international) and government/political financing

In the Republic of Moldova, the status of Politically Exposed Persons (PEPs) is regulated by Order no. 22/2023, which establishes important public functions equivalent to those provided by the legislation on the prevention of money laundering. This harmonization ensures alignment with international standards and allows for the correct application of monitoring measures.

During 2021–2024, the number of PEPs registered moderate fluctuations, mainly determined by political changes and electoral cycles. In 2021, following the early elections and the formation of a new government, the number of PEPs reached approximately 2 400 individuals. In 2022–2023, the figure stabilized around 2 300–2 350, and in 2024 it slightly decreased to approximately 2 250 resident PEPs. The number of non-resident PEPs remained constant, between 100 and 120 annually.

Corruption perception indicators show that Moldova faces persistent vulnerabilities. During the analyzed period, the CPI score (Transparency International) ranged between 36 and 43 points, reflecting a high level of perceived corruption in the public sector, including at the political level. These factors amplify the risk of PEPs being involved in acts of corruption, abuse of power, and money laundering.

Analysis of the financial behavior of PEPs reveals significant trends. The number of accounts of resident PEPs decreased by 23%, explained by changes in positions and stricter application of customer due diligence procedures. For non-resident PEPs, the number of accounts remained relatively stable. International transactions of resident PEPs recorded high values, with a peak in 2022 (over 110 million MDL), dominated by outgoing transfers. Non-resident PEPs predominantly used Moldovan accounts for cross-border transfers, with a notable decrease in volumes in 2024. Both resident and non-resident PEPs demonstrate a pronounced preference for cash withdrawals.

The use of financial products shows clear differences between resident and non-resident PEPs. Resident PEPs use card accounts and deposits intensively, while non-resident PEPs focus almost exclusively on cards and cash transactions, maintaining minimal deposits and a reduced volume of credit.

Overall, the risk associated with PEPs in the Republic of Moldova is high, determined by access to public resources, influence in decision-making processes, and persistent vulnerabilities at the level of public integrity. Although the regulatory framework and supervision have been improved, continuous monitoring, extended due diligence, and inter-institutional cooperation remain essential to reduce the risks.

| Element | Probability assessment | Consequence assessment | Risk rating |
|---|------------------------|------------------------|-------------|
| Politically exposed persons (national and international) | high | high | high |
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - direct access to public funds and the decision-making process, exposing them to increased risks of corruption and resource misappropriation; - frequent changes in public positions (elections, reshuffles) complicate maintaining updated lists and applying EDD; - high perceived level of corruption (CPI score 36–43 during 2021–2024) indicates a vulnerable institutional framework; | | | |

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| <ul style="list-style-type: none"> - preference for large cash withdrawals (approx. 222 million MDL in 2024 for resident PEPs) increases the risk of fund traceability loss; - use of networks of relatives and close associates to disperse funds and conceal the real beneficiaries. |
| <p>Threats:</p> <ul style="list-style-type: none"> - use of public positions to facilitate laundering schemes (bank fraud, Metalferos, passport blanks) with total losses >1.2 billion MDL; - significant cross-border transfers, dominated by outflows (approx. 70% of volumes executed by resident PEPs in 2023–2024); - use of shell companies and offshore jurisdictions to conceal the origin of funds; - illegal financing of political parties and manipulation of public procurement to obtain economic advantages; - risks of political influence over control and regulatory institutions. |
| <p>Event description:</p> <p>Between 2021–2024, the number of resident PEPs ranged from 2 250 to 2 400, and non-resident PEPs from 100 to 120. During the same period, OPFML disseminated 12 cases involving PEPs, and high-profile criminal investigations (bank fraud, Metalferos, passports) confirmed typologies of corruption and laundering. Transaction analysis shows a preference for cash withdrawals and external transfers, as well as intensive use of bank cards.</p> |
| <p>Risk description:</p> <p>The risk associated with PEPs is high. Access to public funds and the decision-making process, combined with systemic corruption and the use of dispersal instruments (cash, relatives, shell companies), increases the likelihood of their involvement in money laundering. Documented criminal cases confirm major financial and reputational impact, justifying the consistent application of EDD measures, rigorous monitoring of flows, and inter-institutional cooperation for the rapid investigation of suspicious transactions.</p> |

3.4. Foreign Residents (legal entities, natural persons, foreign legal forms)

According to 2024 data, non-residents represent approximately 3.9% of the population residing in the Republic of Moldova; however, their role in the financial system is broader due to the cross-border nature of their activities and the diversity of income sources. The number of non-resident natural persons with bank accounts increased significantly between 2021 and 2024, from 21 048 to 35 689, an increase of almost 70%. The number of accounts doubled, indicating intensified use of the banking system, even though non-residents account for only 1% of total bank clients.

The growth was decisively influenced by the war in Ukraine, which generated a large inflow of Ukrainian citizens into Moldova. They required access to financial services to receive assistance, make payments, or manage their income. International organizations (UNHCR, IFC) supported the financial inclusion of refugees, contributing to the expansion of the non-resident client base. Banks accelerated digitalization, introducing multi-currency products and facilitating remote account opening, which further stimulated growth in this segment.

Financially, non-resident natural persons recorded steady increases in cash balances (from 832 million MDL to over 1.5 billion MDL) and cross-border transactions. Incoming transfers nearly quadrupled, reaching 2.79 billion MDL in 2024, while outgoing transfers exceeded 1.17 billion MDL. For non-resident legal entities, although the number of clients decreased sharply in 2022, the transaction volumes remained high: incoming transfers of 31.4 billion MDL and

outgoing transfers of 22.4 billion MDL in 2024, confirming their role as a major vector of international financial flows.

Money laundering risks associated with non-residents are considered low, as their share in the system is small, and their activity in Moldova is limited in duration and scale. Nevertheless, the cross-border nature and the difficulty of verifying documents from other jurisdictions generate specific vulnerabilities. Between 2021 and 2024, 18 criminal cases involving non-resident legal entities and 7 cases involving non-resident natural persons were recorded, with total damages amounting to approximately 568 million MDL – relatively low values compared to the national total.

In conclusion, the non-resident segment remains numerically small but exhibits intensive financial dynamics and specific cross-border risks, which require rigorous due diligence measures, international cooperation, and continuous monitoring.

| Element | Probability assessment | Consequence assessment | Risk rating |
|--|------------------------|------------------------|-------------|
| Foreign residents (legal entities, natural persons, foreign legal forms) | low | low | low |
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - small numerical segment (≈1% of total bank clients) but rapidly growing, particularly in the number of accounts held by non-resident individuals; - difficulties in verifying identity and source of funds, given documents issued in other jurisdictions; - multiple accounts per person, facilitating fragmentation of flows; - high exposure to cross-border transactions, with significant incoming/outgoing volumes (natural persons: >2.7 billion MDL incoming in 2024; legal entities: >31 billion MDL incoming). | | | |
| <p>Threats:</p> <ul style="list-style-type: none"> - massive increase in non-resident natural person clients in 2022–2024, influenced by the war in Ukraine and humanitarian assistance; - potential use of non-resident accounts for layering and transit of illicit funds; - involvement of non-resident legal entities in major commercial flows (22.4 billion MDL outgoing, 31.4 billion MDL incoming in 2024), which may generate money laundering risks through fictitious import/export transactions; - risk of using Moldova as a transit point for funds of uncertain origin. | | | |
| <p>Event description:</p> <p>Between 2021 and 2024, the number of non-resident natural persons increased from 21 048 to 35 689 (+70%), with a more pronounced increase in accounts (from 24 129 to 58 651). Non-resident legal entities decreased numerically (1 694 to 504) but maintained their accounts (approximately 1 600) and significant financial flows. The geopolitical context (war in Ukraine) generated both an influx of refugees and the need to open accounts for assistance and humanitarian payments.</p> | | | |
| <p>Risk description:</p> <p>The risk associated with non-residents is low. Key factors include the rapid growth in the number of accounts, the high share of cross-border transactions, and difficulties in verifying identity/source of funds. Although numerically a small segment, the intensity of operations and exposure to international networks make this group an important vector for money laundering</p> | | | |

and terrorist financing risk. Strengthening KYC/EDD measures and cross-border data exchange remain critical to mitigating these risks.

4. Money Laundering Risk Assessment by Economic Sectors

In order to determine the predicate crimes most frequently associated with certain sectors of the national economy and their overall criminalization rate, the financial investigation activities conducted by the Financial Intelligence Unit of the Republic of Moldova (OPFML) were analyzed. The analysis of financial investigations and the related criminal cases for the period 2021–2024 reveals that several economic sectors exhibit significant vulnerabilities to money laundering and the use of illicit proceeds.

The Information Technology (IT) sector, particularly residents of IT parks, has experienced accelerated growth due to fiscal incentives and an export-oriented focus. At the same time, the cross-border nature of transactions, low traceability of services, complex ownership structures, and the possibility of establishing shell companies have made the sector an attractive environment for layering and integrating illicit funds. OPFML analysis identified multiple typologies, including: large cash withdrawals following receipt of external transfers, use of disguised intermediary telecommunication companies, fictitious loans between associated entities, existence of residents with no real activity, and involvement of companies in international fraud schemes or cyberattacks. In some cases, entities were used as layering vehicles for funds originating from scams, crypto schemes, or „proxy” activities for DDoS attacks.

The agricultural sector presents systemic vulnerabilities, particularly due to high cash dependency, low formalization, and the difficulty of verifying the origin and actual quantities of agricultural products. A frequent typology is the use of fictitious purchase documents, which justify large cash withdrawals and introduce funds into the legal circuit without verifiable origin. Analyses have identified cases with very large cash withdrawals based on incomplete or false documentation. Logistical discrepancies, overvaluations, use of individuals as suppliers, transaction fragmentation, and involvement of companies in the grain export chain – sometimes linked to unjustified VAT refund claims – were observed. Although the number of suspicious reports is relatively low, recent cooperation with banking entities has improved the identification of such schemes.

The construction sector is one of the areas with the highest risk of money laundering, due to the high value of transactions, prevalence of cash payments, and low transparency. Real estate acquisitions – apartments, parking spaces, commercial premises—are frequently used for integrating illicit funds. Practices such as repeated cash deposits, superficial financial justifications (loan agreements, supplementary acts, promises of sale), use of intermediaries, and difficult-to-verify documentation allow the concealment of fund origins. The sector shows a low level of suspicious transaction reporting, and the verification of beneficial owners is often formal. Real estate transactions in successive stages (reservation, pre-contract, final contract) facilitate the obfuscation of fund flows and the loss of traceability.

The three sectors analyzed – IT, agriculture, and construction – present significant money laundering risks, each through specific mechanisms: IT through transaction complexity, cross-border activity, and the possibility of creating shell entities; agriculture through intensive cash use and fictitious documentation; construction through integration of funds into real estate assets and lack of payment traceability. Overall, these vulnerabilities highlight the need to strengthen monitoring and the implementation of proportional preventive and countermeasures against money laundering and terrorist financing according to the identified risk level.

| Element | Probability assessment | Consequence assessment | Risk rating |
|---|------------------------|------------------------|-------------|
| Economic sectors (IT, construction, agriculture) | high | high | high |
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - high cash dependency in multiple sectors (agriculture, construction, trade); - deficient application of customer due diligence and beneficial owner verification measures; - low transaction traceability, including the use of incomplete or fictitious supporting documents; - low reporting levels to the OPFML from non-financial sectors; - economic activities difficult to verify (intangible services – IT, consultancy, advertising); - use of intermediaries in executing transactions; - complex ownership structures; - extensive commercial relationships with high-risk jurisdictions; - possibility of operating companies without real economic activity; - limited capacity to identify the link between economic activity and the funds used. | | | |
| <p>Threats:</p> <ul style="list-style-type: none"> - use of shell companies and artificial transaction chains; - international transfers with opaque sources and destinations; - operationalization of illicit funds through legal entities across various sectors; - repeated, rapid, or unjustified purchases; - extensive use of cash to give an appearance of legality to the funds. | | | |
| <p>Event description:</p> <p>Significant economic transactions conducted across various sectors without clear economic justification or with incomplete documentation; large-volume cash deposit and withdrawal operations; international transfers carried out without direct connection to declared economic activity; apparently legitimate economic activities used to mask illicit financial flows; difficulty in identifying the generating sector of funds in numerous criminal cases, indicating a high level of opacity and systemic vulnerability in the economy.</p> | | | |
| <p>Risk description:</p> <p>The national economic system exhibits vulnerabilities that allow sectors to be used for the placement, layering, and integration stages of funds derived from illegal activities. This generates a medium systemic risk, affecting market integrity, facilitating the legalization of illicit proceeds, and limiting authorities' capacity to effectively prevent and combat money laundering and terrorist financing.</p> | | | |

5. Money laundering risk assessment by sector

The assessment of money laundering and terrorist financing risks at sectoral level reveals that, although each sector has its own specific characteristics, there are several common features that shape the overall vulnerability profile of the Republic of Moldova. These include intensive use of cash, exposure to cross-border transactions, lack of transparency regarding beneficial ownership, diversity and complexity of customer, as well as varying degrees of regulation and supervision.

Accordingly, a concentration can be observed between sectors with high volumes, strict regulation and a high level of reporting (such as the banking sector), and sectors with lower

volumes, limited regulation and low levels of reporting (such as notaries, lawyers, etc.). This concentration results in an uneven distribution of risks: sectors with a systemic role generate the greatest impact, while smaller but vulnerable sectors act as “gateways” for sophisticated schemes.

The comparative analysis of the assessed sectors highlights interconnected risks. Each sector presents specific vulnerabilities, as well as common factors that may generate money laundering and terrorist financing risks. Overall, the assessment shows that the level of risk is influenced by three main factors: the volume and complexity of transactions, the presence of cash and cross-border flows, and the capacity for supervision and reporting.

The banking sector stands out as the core of financial flows in the Republic of Moldova and, consequently, as the main channel for the entry, circulation and integration of funds of illicit origin. The associated risks are very high, due both to the substantial volume of national and international transactions and to the diversity of products and services offered. Although the banking system benefits from more advanced monitoring mechanisms, the complexity of criminal typologies and the pressure of international transactions place it in the highest priority risk area. Currency exchange units represent a medium-risk sector, vulnerable to the use of cash and fragmented transactions, but with lower volumes and more limited traceability compared to banks.

Non-bank credit institutions (NBCOs and SLAs) are less developed than the banking sector but display increased vulnerabilities due to their reliance on cash and the absence of monitoring systems as sophisticated as those in banks. The risk is assessed as medium for NBCOs and low for SLAs, and these sectors require the strengthening of preventive measures.

The real estate sector represents one of the main gateways for the integration of illicit funds, through high-value transactions frequently carried out in cash or through intermediaries. Transparency regarding beneficial ownership is low, and investment in real estate remains a classic money laundering typology. This sector is classified as high risk, close to that of the banking sector, and requires special attention.

Notaries play an intermediary role in loan agreements and real estate transactions. Although they are subject to regulation and reporting obligations, the low number of reports compared to actual exposure indicates a lack of proactivity and risk awareness. Consequently, the risk of the notarial sector is classified as medium.

Lawyers, through their involvement in legal consultancy, company structuring or intermediation of commercial transactions, may become facilitators of money laundering. However, reporting levels are limited, and the authorities’ supervisory capacity over the profession is reduced. Therefore, the risk is classified as medium, comparable to that of notaries.

The insurance and capital market sector has a more modest size within the economy and a limited exposure to money laundering typologies. Although there are cases of its use for fictitious investments or disguised transfers, their scale and frequency are low. Consequently, the risk is assessed as low to medium.

The voluntary pensions sector is still at an early stage, representing a low risk. With regard to investment management companies, there are no active licenses at the time of the assessment, and therefore the risk is currently assessed as low.

| Sectors | NRA 2017 | NRA 2022 | NRA 2025 |
|---------------------------|-------------|-------------|-------------|
| Banking sector | Medium–high | Medium–high | Medium–high |
| Currency exchange offices | Medium | Medium–high | Medium–high |
| Capital market | Medium–low | Medium | Low |

National Money Laundering and Terrorist Financing Risk Assessment

| | | | |
|--|-------------|-------------|-------------|
| Insurance | Low | Medium-low | Low |
| Leasing companies | Medium | - | - |
| Non-bank credit organizations (microfinance organizations) | Medium-low | Medium-high | Medium-high |
| Savings and loan associations | Medium-low | Low | Low |
| Real estate agents | Medium-high | Medium | Medium-high |
| Payment institutions, electronic money issuers and postal service providers | Medium-low | Medium | Medium-high |
| Lawyers | Low | Medium-high | Medium-high |
| Notaries | Medium | Medium-high | Medium-high |
| Natural and legal persons dealing in precious metals | Medium | Medium | - |
| Gambling organizers | Medium | Medium-high | Medium |
| Auditors | Low | Medium | Medium |
| Natural and legal persons trading goods for an amount of at least MDL 200 000 | | Medium | Medium-high |
| Virtual assets | | High | High |
| Legal persons and sole proprietors providing accounting and tax consultancy services | | | Medium |
| Natural/legal persons carrying out fiduciary activities | | | Low |
| Persons storing, trading or acting as intermediaries in the trade of works of art | | | Low |
| Crowdfunding service providers | | | Medium-low |
| Trust and company service providers | | | Low |
| Bailiffs | | | Medium |
| Administrators of voluntary pension funds | | | Low |
| Authorized administrators | | | Medium |
| Investment management companies | | | Low |
| Mediators | | | Low |

| Element | Probability assessment | Consequence assessment | Risk rating |
|-----------------------|------------------------|------------------------|-------------|
| Banking sector | medium | high | medium–high |

Vulnerabilities:

- systemic importance: the banking sector concentrates nearly 90% of total financial assets in the Republic of Moldova, being the primary channel through which illicit funds may be integrated;
- identifying and assessing money laundering and terrorist financing risks specific to banking activities requires sustained effort to achieve a sufficient level of understanding for the effective deterrence of potential illegal activities;
- identifying and verifying the identity of customers’ beneficial owners creates challenges in the effective application of customer due diligence requirements;
- massive cross-border transactions: 73% of total incoming payments and 77% of outgoing payments involve non-residents; in 2024, the volume of international transfers exceeded MDL 312 billion, largely to/from the EU;
- cash operations: cash withdrawals and deposits amounted to approximately MDL 90 billion in 2024, constituting a major vulnerability for the placement and liquidation of illicit funds;
- high complexity and difficulties in individual monitoring of transactions and customers (3.4 million customers and 6.1 million active accounts);
- use of foreign cards: cash-out operations exceeding MDL 7.4 billion in 2024 via cards issued outside the country;
- accelerated lending growth, particularly in the consumer and mortgage segments; certain loans may be used to disguise the origin of funds or as a method of integration;
- underdeveloped payment monitoring systems for the identification of suspicious transactions and activities related to money laundering;
- insufficient and uneven employee training across banks, while internal control systems require additional resource allocation to achieve a high level of effectiveness.

Threats:

- cross-border operations used to conceal funds derived from tax evasion, corruption, smuggling, and embezzlement;
- incoming/outgoing cross-border transactions used predominantly for the transit of funds from one jurisdiction to another, including high-risk jurisdictions;
- cash operations manifested through deposits into current accounts for unauthorized/undeclared or unlicensed activities or services, including for the financing of drug trafficking and unrecorded sales or services;
- cash operations involving withdrawals from current accounts without clear economic justification;
- illicit financing of various criminal activities through the use of multiple payment instruments and methods: cards, MIA, P2P, other instant payment types, money remittances, online platforms, and crypto-assets;
- lending/borrowing operations used for embezzlement, fraud, and the concealment of the origin or destination of funds;
- cyber fraud creating conditions for increased transactions through the banking system and unauthorized use of accounts;

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| - use of bank accounts for the conversion or withdrawal of funds derived from cryptocurrencies. |
| <p>Event description: During 2021–2024, banking assets increased steadily, exceeding MDL 120 billion, while deposits reached record levels. Incoming and outgoing international transfers grew rapidly, reflecting the Republic of Moldova’s integration into the EU market, but also increased exposure to cross-border risks. At the same time, cash operations remained high, confirming the persistence of a cash-based culture and a shadow economy. In 2024, OPFML received 198 STRs from banks (the largest category of reporting entities); however, the quality of reports remains uneven across the system, largely due to insufficient employee training within banks.</p> |
| <p>Risk description: The risk level of the banking sector is assessed as medium–high, given the high transaction volumes, its systemic role, and typologies already confirmed in practice. On the one hand, the strengthening of the prudential framework, process digitalization, and active cooperation with OPFML contribute to risk mitigation. On the other hand, the persistence of cash operations, the use of offshore companies and foreign cards, as well as exposure to online fraud, keep the sector highly attractive to criminal networks. Consequently, despite having the most advanced control mechanisms, the banking sector remains the primary channel used for money laundering and terrorist financing.</p> |

| Element | Probability assessment | Consequence assessment | Risk rating |
|----------------------------------|------------------------|------------------------|-------------|
| Currency exchange offices | medium | high | medium–high |

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| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - high exposure to cash and occasional transactions; - structured and/or repeated transactions aimed at concealment; - customers who are predominantly natural persons, occasional and unidentified; - insufficient customer identification and due diligence (below the MDL 10 000 threshold/equivalent; absence of a national CSV (currency exchange office) client registry); - involvement of PEPs, non-residents, and customers from high-risk jurisdictions; - difficulties in identifying and verifying the beneficial owner; - deficient internal control system, lack of automated monitoring mechanisms; - deficiencies in suspicious transaction reporting; - low level of employee training. |
| <p>Threats:</p> <ul style="list-style-type: none"> - use of currency exchange offices for money laundering and terrorist financing; - deliberate complicity of employee in money laundering operations. |
| <p>Event description:</p> <ul style="list-style-type: none"> - frequent cash-based foreign currency purchase and sale operations, sometimes fragmented to avoid reporting thresholds; - increase in the number of licensed currency exchange offices (415 in 2024 compared to 384 in 2021); - increase in the turnover of foreign exchange operations; |

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| <ul style="list-style-type: none"> - lack of customer and beneficial owner identification; - deficient application of customer due diligence measures; - low level of identification and justification of suspicious operations. |
| <p>Risk description:</p> <p>The currency exchange office sector is characterized by a medium–high risk of money laundering and terrorist financing, driven by the high volume of cash transactions, occasional customers, and compliance deficiencies. Although the regulatory framework has been strengthened and the number of NBM inspections has increased, the low level of suspicious transaction reporting and the insufficient implementation of AML/CFT requirements increase the sector’s exposure to illicit use.</p> |

| Element | Probability assessment | Consequence assessment | Risk rating |
|---|------------------------|------------------------|-------------|
| Capital market participants | low | low | low |
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - low stock market liquidity and modest transaction volumes, with dependence on a few large occasional trades; - predominance of equity transactions, some conducted in cash (≈10% of total); - difficulties in identifying the beneficial owner, especially for non-resident clients and complex structures; - limited knowledge of money laundering and terrorist financing risks among small and medium-sized entities; - incomplete internal rules and insufficient employee training; - lack of centralized databases to verify beneficiary information. | | | |
| <p>Threats:</p> <ul style="list-style-type: none"> - potential use of the market for laundering through occasional large transactions, donations, or inheritances between unrelated persons; - exploitation of cash and over-the-counter (OTC) transactions; - risk of involvement of PEPs and non-resident clients with non-transparent sources; - potential predicate offenses: insider trading, market manipulation, securities fraud. | | | |
| <p>Event description:</p> <p>Over-the-counter transactions remained numerically dominant but recorded decreases in volume. Supervision by the NCFM (on-site and off-site) identified compliance deficiencies, lack of proper reporting of beneficial owners, and suspicious transactions.</p> | | | |
| <p>Risk description:</p> <p>The capital market presents a low risk of money laundering and terrorist financing, determined by structural vulnerabilities (low liquidity, occasional large transactions, cash), compliance deficiencies, and limitations in verifying beneficial owners. Although the direct economic impact is low, the nature of operations and the potential use of the sector for layering and integration increase exposure to risks.</p> | | | |

| Element | Probability assessment | Consequence assessment | Risk rating |
|---------|------------------------|------------------------|-------------|
|---------|------------------------|------------------------|-------------|

| | | | |
|---|-----|-----|-----|
| Insurers or reinsurers and insurance and/or reinsurance intermediaries carrying out activities within life insurance classes, including those with an investment component | low | low | low |
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - 88–89% of activity intermediated through brokers (98% through a single broker), posing increased risk due to reliance on a single channel; - lack of product diversification (only standard policies, without an investment component); - clients formally classified as high-risk (3–4% of the total) solely due to exceeding threshold values; - absence of STR and SAR reports to OPFML during the analyzed period. | | | |
| <p>Threats:</p> <ul style="list-style-type: none"> - potential use of distribution channels (brokers) for placement of funds with unclear origin; - transactions exceeding the thresholds set by Law no. 308/2017, which may not reflect real risks but formally trigger enhanced due diligence measures; - possible involvement of high-risk clients (PEPs, legal entities with opaque structures), even if their number is low. | | | |
| <p>Event description:</p> <p>Between 2021–2024, the sector remained marginal in the economy, with modest contribution to GDP and stagnation of the portfolio (~26 000 active contracts). No contracts with non-residents or cross-border flows were registered. Policy distribution was overwhelmingly concentrated through a single broker. A few PEP clients and 3–4% high-risk clients were identified, but these resulted solely from exceeding legal threshold values. No suspicious transaction reports were submitted to OPFML.</p> | | | |
| <p>Risk description:</p> <p>The life insurance sector presents a low risk of money laundering and terrorist financing, being domestic in nature, with modest volume and a predominantly low-risk clientele (resident individuals). The main vulnerabilities are reliance on distribution channels (brokers) and lack of reporting, requiring continuous monitoring.</p> | | | |

| Element | Probability assessment | Consequence assessment | Risk rating |
|--|------------------------|------------------------|-------------|
| Administrators of voluntary pension funds | low | low | low |
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - emerging sector, with limited practices and experience; - uneven application of customer and beneficial owner due diligence measures; - possibility of contributions from third parties and complex transfers, including cross-border; - need to strengthen transaction monitoring and internal controls; - lack of extended operational history to assess the effectiveness of supervisory mechanisms. | | | |
| <p>Threats:</p> <ul style="list-style-type: none"> - potential use of voluntary pension funds for integration or layering of illicit funds; | | | |

- exploitation of any gaps in operational supervision until the regulatory framework is fully consolidated;
- risk of using cross-border schemes to conceal the origin of funds.

Event description:

In 2024, the NCFM developed the secondary regulatory framework for the operation of voluntary pension fund administrators, including the approval of the Regulation on Measures to Prevent and Combat Money Laundering and Terrorist Financing. In October 2024, the first license was issued for a pension fund administrator, marking the effective launch of this sector in the Republic of Moldova. However, the sector is at an early stage, with procedures still in the process of consolidation, which generates exposure to operational risks.

Risk description:

The overall risk is low, stemming from operational vulnerabilities and the regulatory framework still being consolidated. It manifests in the potential use of pension fund administrators for money laundering through indirect contributions, complex transfers, or layering, in the absence of robust supervision and control mechanisms.

| Element | Probability assessment | Consequence assessment | Risk rating |
|---------------------------------|------------------------|------------------------|-------------|
| Investment management companies | low | low | low |

Vulnerabilities:

- lack of licensed entities reduces the practical experience of supervisory authorities (NCFM) in monitoring this sector;
- absence of applicable procedures and guidelines on compliance for anti-money laundering and counter-terrorist financing at the level of investment fund administrators.

Threats:

- investment funds and their administrators may be used for layering and integration of illicit funds through complex investment vehicles;
- risk of attracting non-resident investors through investment management companies without verification of the source of funds;
- potential use of collective investments to conceal transactions with affiliated parties.

Event description:

În prezent (2024), nu există organisme de plasament colectiv alternative constituite în Republica Moldova și nici societăți de administrare a investițiilor licențiate. Totuși, cadrul legal a fost instituit prin Legea nr. 2/2020, iar NCFM este autoritatea competentă pentru licențiere și supraveghere.

Currently (2024), there are no alternative collective investment schemes established in the Republic of Moldova, nor licensed investment management companies. However, the legal framework was established through Law no. 2/2020, and the NCFM is the competent authority for licensing and supervision.

Risk description:

The current risk is low, as the sector is not operational. However, with the emergence of investment management companies, the risk is expected to rise to medium, due to the high potential for using investment instruments for layering of funds, attracting foreign investors,

and creating opaque structures. The lack of practical experience and secondary AML/CFT regulatory framework reinforces this potential vulnerability.

| Element | Probability assessment | Consequence assessment | Risk rating |
|---|------------------------|------------------------|-------------|
| Non-bank credit organizations | medium | high | medium–high |
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - intensive use of cash in the granting and repayment of loans; - low number of reports submitted to the OPFML; - limited institutional capacities and resources of non-bank credit organizations (NCBOs), especially smaller ones; - formal application of a risk-based approach; - lack of controls and sanctions during the evaluation period; - diversity of payment methods (ATMs, terminals, online platforms) creates difficulties in ensuring payment traceability; - exposure to high-risk clients (PEPs, individuals from the Transnistrian region, and third-party payers) requires enhanced due diligence and intensified monitoring of associated transactions. | | | |
| <p>Threats:</p> <ul style="list-style-type: none"> - potential use of NCBs for money laundering through placement, layering, and integration stages; - early repayments from unclear or unknown sources; - frequent and rapid transactions over short periods; - submission of false or incomplete documents; - client connections to persons listed on international sanctions lists. | | | |
| <p>Event description:</p> <ul style="list-style-type: none"> - significant cash repayments without documentary justification; - use of third parties for loan repayments; - rapid consumer and mortgage lending; - increased share of loans to legal entities; - insufficient monitoring of transactions to identify potential money laundering or terrorist financing; - decline in STR/SAR reporting to the OPFML (from 8 in 2021 to 1 in 2024). | | | |
| <p>Risk description:</p> <p>The NCBO sector presents a medium–high risk of money laundering and terrorist financing, due to structural vulnerabilities, limited institutional resources, and formal application of AML/CFT measures. Although the legal framework has been strengthened through the transfer of supervisory powers to the National Bank of Moldova and adoption of new regulations, risks persist due to exposure to cash transactions, diversity of payment methods, and the low level of suspicious transaction reporting.</p> | | | |

| Element | Probability assessment | Consequence assessment | Risk rating |
|--------------------------------------|------------------------|------------------------|-------------|
| Savings and loan associations | low | low | low |

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| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - limited institutional capacity and resources compared to other reporting entities; - simplified application of member-based due diligence measures; - manual monitoring and deficiencies in documenting the source of funds; - intensive use of cash for loan disbursement and repayment, as well as for savings deposits; - lack of self-assessment and identification of inherent risks; - absence of documentation regarding the source of funds from remittances; - low number of reports submitted to the OPFML; - limited supervision and a small number of inspections conducted. |
| <p>Threats:</p> <ul style="list-style-type: none"> - potential use of SLAs for money laundering through frequent deposits and rapid withdrawals; - early repayments of large sums without justification; - loans guaranteed by unrelated third parties; - exploitation of the limited member base to evade controls; - use of SLAs in rural areas to integrate illicit funds. |
| <p>Event description:</p> <ul style="list-style-type: none"> - repeated cash deposits and withdrawals; - rapid disbursement of loans for consumption, agriculture, and real estate with simplified checks; - lack of reporting of suspicious transactions (only 4 STRs in 2024); - deficiencies in the application of AML/CFT measures; - low number of comprehensive inspections conducted by the National Bank of Moldova. |
| <p>Risk description:</p> <p>SLAs present a relatively low risk of money laundering and terrorist financing compared to other entities, due to a business model based on known members and a predominantly rural focus. However, structural vulnerabilities, simplified AML/CFT procedures, and limited institutional resources may expose the sector to illicit activities and potentially affect its stability in the absence of strengthened supervision.</p> |

| Element | Probability assessment | Consequence assessment | Risk rating |
|--|------------------------|------------------------|-------------|
| Payment institutions, electronic money issuers and postal service providers | medium | high | medium-high |

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| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - rapid expansion and innovation: turnover increased by over 37% between 2021–2024, with sector assets exceeding MDL 2.5 billion; accelerated service growth increases the risk of money laundering and terrorist financing; - e-wallets funded with cash: allow introduction of funds with low traceability, followed by conversion and withdrawal, providing opportunities for integrating illicit funds; - structural imbalance between inflows and outflows: in 2024, the e-money load/withdrawal ratio was 5.6:1, suggesting accumulation and circulation of funds without economic justification; |
|--|

- extensive network of agents and terminals: over 3 000 agents and approximately 21 million transactions annually, creating challenges for monitoring and controlling AML/CFT compliance;
- exponential growth of high-risk clients: between 2021–2024, their number increased nearly tenfold, and PEP eightfold, indicating direct exposure to high-risk categories;
- delayed implementation of e-KYC: until 2024, there was no complete framework for remote identification;
- international transfers and remittances with deficient compliance;
- reporting deficiencies: only 192 SARs were submitted to the OPFML between 2021–2024, insignificant relative to the sector’s materiality;
- role as intermediary in complex schemes;
- involvement in virtual assets transactions.

Threats:

- involvement in drug trafficking through cash-loaded e-wallets followed by transfer/withdrawal;
- illegal operations with e-money linked to Russia and Lithuania;
- exploitation of NPOs: approximately 86 non-profit organizations used PSP/EME, exposing the sector to the risk of terrorist financing via donations;
- risky international connections: transactions with Russia, Uzbekistan, Malta, UAE – jurisdictions with high ML/TF exposure;
- use of PSP agents for rapid cash-out, dispersing funds across multiple accounts, complicating traceability.

Event description:

In 2024, PSP/EME processed transactions equivalent to roughly 6% of Moldova’s GDP. The client portfolio was dominated by individuals (98.5%), while legal entities (1.5%) generated nearly half of the transaction volumes. The OPFML documented 61 ML cases through PSP/EME, totaling approximately €7.6 million, with dominant typologies: drug trafficking, illegal e-money operations, and mixed schemes involving banks or gambling. NBM inspections identified deficiencies in all supervised entities: improper application of KYC/EDD, weak transaction monitoring, lack of effective internal audit, and insufficient reporting.

Risk description:

The risk associated with PSP/EME is assessed as medium–high. The sector’s rapid expansion, cash-funded e-wallets, and exposure to cross-border transactions and virtual assets make it vulnerable to money laundering and terrorist financing. Documented involvement in drug trafficking schemes and illegal e-money operations confirms the nature of the risk. However, mitigating factors include the sector’s relatively modest size (~0.15% of GDP), predominance of low-value transactions, and the fact that many operations are intermediated through banks with more robust AML/CFT controls. Overall, the sector remains a vulnerable point in the financial system, requiring strengthened supervision and reporting.

| Element | Probability assessment | Consequence assessment | Risk rating |
|--------------------|------------------------|------------------------|-------------|
| Real estate agents | medium | high | medium–high |

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| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - absence of a regulatory framework and licensing regime; - lack of an official database/registry of agents; - low level of reporting to the OPFML; - deficient application of KYC measures; - frequent use of cash; - lack of training and internal procedures; - limited supervision. |
| <p>Threats:</p> <ul style="list-style-type: none"> - use of the sector to integrate illicit funds; - transactions conducted through intermediaries, including PEPs; - use of falsified documents and over/undervaluation of assets; - repeated and rapid purchases and sales; - transfers from offshore jurisdictions; - use of cryptocurrencies. |
| <p>Event description:</p> <ul style="list-style-type: none"> - high-value real estate transactions carried out in cash or through third parties; - lack of client verification (both buyers and sellers), of beneficial owners, and of source of funds; - absence of suspicious transaction reporting; - sharp decline in reporting to the OPFML. |
| <p>Risk description:</p> <p>The real estate sector is used for concealing and integrating illicit funds through investments, repeated transactions, over/undervaluation, and international transfers, which reduces the authorities' ability to detect and prevent money laundering and terrorist financing..</p> |

| Element | Probability assessment | Consequence assessment | Risk rating |
|--|------------------------|------------------------|-------------|
| Lawyers | medium | high | medium-high |
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - difficulty in monitoring and uniformly applying standards due to the large number of lawyers, mostly organized in individual offices or small associations; - limited institutional capacity of the Union of Lawyers of Moldova (ULM) and lack of genuine supervision; - uneven or non-existent application of client due diligence measures; - abusive invocation of professional secrecy to avoid reporting suspicious activities; - complete absence of reports to the OPFML during the analyzed period. | | | |
| <p>Threats:</p> <ul style="list-style-type: none"> - use of the profession for high-risk transactions: real estate (over/undervaluations, intermediaries), corporate transactions (shares, social parts, opaque complex structures); - creation and management of bank accounts for shell companies or intermediaries; - establishment and administration of companies/foundations to conceal illicit funds; - lawyers acting as direct intermediaries for clients, masking beneficial owners; - potential abuse of professional secrecy to justify non-compliance with AML/CFT obligations. | | | |

Event description:

Between 2021–2024, lawyers in the Republic of Moldova did not submit any suspicious transaction reports to the OPFML, despite participating in high-risk operations (real estate, corporate, financial). The ULM did not update internal regulations according to the legal framework and did not apply disciplinary sanctions. This systemic inactivity created a false impression that the sector was not exposed to risks, although vulnerabilities remained high.

Risk description:

The lawyers sector presents a medium–high risk of money laundering and terrorist financing due to the nature of activities (real estate, corporate, financial), lack of reporting, absence of effective supervision, and abusive use of professional secrecy. This creates a grey area within the sector, making it susceptible to illicit use.

| Element | Probability assessment | Consequence assessment | Risk rating |
|----------|------------------------|------------------------|-------------|
| Notaries | medium | high | medium–high |

Vulnerabilities:

- absence of IT systems enabling continuous monitoring of business relationships and transactions;
- clients’ reluctance to provide documentation on the source of funds and difficulties in verifying its authenticity;
- discrepancies between market value of real estate and values recorded in official registers;
- limited capacity of the Notarial Chamber to impose sanctions – supervision is more ethical than coercive;
- insufficient employee training and outdated internal regulations of the Notarial Chamber (last updated in 2021).

Threats:

- use of notaries to authenticate fictitious transactions (e.g., repeated loans between individuals without economic justification);
- rapid buying and selling of real estate with overvalued or undervalued prices;
- excessive use of cash in high-value transactions;
- involvement of shell and offshore companies to conceal real beneficiaries and for international transfers;
- exploitation of legislative gaps and absence of up-to-date centralized registers;
- money laundering through real estate transactions, luxury goods trade, construction companies, NPOs, or non-commercial sectors.

Event description:

Between 2021–2024, the number of notaries remained stable at approximately 285 active notaries, but exposure to money laundering and terrorist financing risks increased. The rise in non-resident clients and notaries’ revenues (+45% over four years) indicates intensified real estate and commercial transactions, as well as more complex risks. The OPFML and the Notarial Chamber conducted inspections, identifying deficiencies such as the absence of internal policies and non-application of measures to identify beneficial owners.

Risk description:

The notarial sector presents a medium–high risk, reflecting both structural vulnerabilities (lack of IT infrastructure, limited access to data, weak supervision) and concrete threats

(complex real estate transactions, fictitious loans, use of offshore companies and cash). This sector can be used to integrate and conceal illicit funds, undermining the integrity of the financial and legal system.

| Element | Probability assessment | Consequence assessment | Risk rating |
|---|------------------------|------------------------|-------------|
| Authorized administrators | medium | medium | medium |
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - limited institutional capacity of the Union of Authorized Administrators of Moldova to supervise and sanction violations; - low and uneven employee training in AML/CTF matters; - absence of suspicious transaction reporting; - exposure to complex operations: debtor asset management, asset realization, and corporate reorganizations. | | | |
| <p>Threats:</p> <ul style="list-style-type: none"> - use of insolvency procedures for introducing and layering illicit funds (over/undervaluation of assets, fictitious claims, manipulation of creditors); - asset realization through auctions or direct sales – risk of fraudulent arrangements; - management of debtors’ bank accounts and assets – potential use for money laundering; - possible connections with non-transparent jurisdictions via creditors/debtors. | | | |
| <p>Event description:</p> <p>Reporting of suspicious transactions and activities was nonexistent, reflecting the lack of practical implementation of legal obligations. The major risks are associated with asset management, reorganizations, and realization of debtor assets.</p> | | | |
| <p>Risk description:</p> <p>The profession of authorized administrator carries a medium risk, driven by structural vulnerabilities (limited supervisory capacity, lack of reporting, insufficient training), the nature of complex operations managed, and the potential for manipulation of insolvency procedures.</p> | | | |

| Element | Probability assessment | Consequence assessment | Risk rating |
|--|------------------------|------------------------|-------------|
| Bailiffs | medium | medium | medium |
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - management of large financial flows: bailiffs handle substantial sums from garnishments, enforced collections, public auctions, and asset realizations, increasing the risk of misuse; - lack of reporting to the OPFML: between 2023–2024, no reports were submitted, indicating low awareness and compliance with AML/CFT obligations; - historical role in illicit schemes: reports on bank fraud and the “Billion Theft” revealed the central involvement of bailiffs in large-scale money laundering, highlighting structural vulnerabilities; - misperception of risks: surveys show that bailiffs consider their profession low-risk, potentially leading to underestimation of real threats; | | | |

- the National Union of Bailiffs has limited institutional capacity, provides training and regulations, but lacks effective sanctioning and strict control mechanisms.

Threats:

- potential integration of illicit funds through public auctions, or immovable/movable assets sold via enforced execution that may be purchased with funds of unclear origin;
- use of intermediary companies and individuals participating in auctions, obscuring ultimate beneficiaries;
- absence of verification regarding the source of funds involved;
- reputational and institutional risk as the profession is associated with large-scale frauds (e.g., bank theft), affecting system credibility.

Event description:

Bailiffs became reporting entities in 2023 following recommendations from the 2014 bank fraud and money laundering report, in which they played a key role. Although the sector is strictly regulated under Law no. 113/2010 and the Enforcement Code, the lack of reporting to the OPFML in 2023–2024 raises questions about awareness and compliance with AML/CFT obligations. Bailiffs’ revenues steadily increased, surpassing MDL 204 million in 2024 (+54% compared to 2021), reflecting intensified enforced collections and public auctions. However, the low reporting level and the general perception of low risk may constitute a structural vulnerability.

Risk description:

The sector is assessed as medium risk, driven by the large volume of financial flows managed and the historical involvement in illicit financial schemes (e.g., “Billion Theft”), even though the legal framework and formal supervision mitigate abuse opportunities. The risk manifests through the potential use of enforcement procedures and auctions for laundering illicit funds, in conditions of low reporting and compliance.

| Element | Probability assessment | Consequence assessment | Risk rating |
|------------------|------------------------|------------------------|-------------|
| Mediators | low | low | low |

Vulnerabilities:

- low utilization of mediation;
- perception of mediation as a secondary procedure;
- limited awareness among the general public and legal professionals;
- small number of active mediators and uneven geographic distribution;
- limited experience of mediators in applying AML/CFT measures, given the recent inclusion of the profession as a reporting entity.

Threats:

- potential use of mediation to conceal or disguise transactions involving illicit funds;
- involvement of individuals with uncertain legal status;
- exploitation of the confidential nature of mediation to avoid reporting;
- lack of compliance culture in AML/CFT among mediators.

Event description:

- cases where conflicts resolved through mediation may conceal suspicious asset transfers;
- failure to apply CDD measures;

- nonexistent or limited reporting to the OPFML;
- lack of inspections and sanctions for non-compliance.

Risk description:

The mediation profession is assigned a low risk due to its recent inclusion as a reporting entity, within the context of a fragile institutional framework, which may create exposure to money laundering through the exploitation of structural vulnerabilities and lack of oversight.

| Element | Probability assessment | Consequence assessment | Risk rating |
|----------------------------|------------------------|------------------------|-------------|
| Gambling organizers | medium | medium | medium |

Vulnerabilities:

- low level of connection to the unified electronic monitoring system, with currently only the National Lottery being connected;
- frequent use of cash, especially in casinos and gaming halls, with a high risk of concealing illicit funds;
- deficient reporting: only a few STRs and CTRs submitted between 2022–2024, despite massive financial flows;
- insufficient internal procedures and employee training at the level of gambling operators;
- insufficient capacity to monitor transactions and verify customers;
- existence of an unauthorized sector (over 2 300 foreign websites accessible from Moldova) that is not subject to supervision by the authorities.

Threats:

- use of casinos and gaming halls for the integration of illicit funds through the purchase of chips, minimal betting, and subsequent cash withdrawal;
- possible collusion between players and casino operators to simulate winnings and justify funds.

Descrierea evenimentului:

Between 2021–2024, the sector recorded declines in the offline lottery segment, but a significant increase in online transactions (over 16 million deposits on the 7777.md platform). Gaming halls and casinos processed hundreds of millions of MDL annually, with frequent use of cash. The existence of an unauthorized parallel market (improvised casinos, foreign online platforms) amplifies the risks.

Risk description:

The risk is assessed as medium, driven by the use of cash and virtual assets, insufficient reporting by operators, the existence of an unauthorized market, and the lack of full connectivity to the electronic monitoring system. These elements make the sector vulnerable to the integration and concealment of illicit funds, particularly through casinos and online gambling.

| Element | Probability assessment | Consequence assessment | Risk rating |
|-----------------|------------------------|------------------------|-------------|
| Auditors | medium | medium | medium |

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| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - the framework adopted by Public Audit Supervisory Council (PASC) Decision no. 05/2022 no longer reflects recent amendments to Law no. 308/2017 and international standards, leaving auditors without up-to-date practical guidance; - the majority of audit entities are micro-structures (1–3 auditors), with limited resources to effectively implement AML/CFT requirements; - formal AML/CFT policies and procedures – many companies have documents adopted only at a declarative level, without practical implementation, which reduces the effectiveness of compliance; - insufficient training: lack of practical knowledge on identifying suspicious indicators, combined with the incorrect perception that banks are solely responsible for detecting money laundering; - limited supervisory capacity: PASC has constrained institutional resources, lacks a centralized data system, and does not carry out regular inspections in the AML/CFT field. |
| <p>Threats:</p> <ul style="list-style-type: none"> - use of audit services for legitimization purposes: illicit entities may engage auditors to validate falsified financial statements, thereby concealing the origin of funds; - concealment through fictitious dividends; - companies with no real economic activity may contract auditors solely to create an appearance of compliance; - indirect risks related to the management of public funds and grants: auditors involved in verifying the use of public resources may contribute, even unintentionally, to concealing misappropriation; - near-absence of reporting to the OPFML indicates an increased risk of underreporting. |
| <p>Event description:</p> <p>At the end of 2024, approximately 250 certified auditors and 135 active audit entities were registered. The sector experienced growth in activity volumes: annual turnover increased from MDL 217 million in 2021 to over MDL 312 million in 2024. Nevertheless, the low number of reports submitted to the OPFML and the absence of AML/CFT inspections reveal a gap between the regulatory framework and its practical implementation.</p> |
| <p>Risk description:</p> <p>The risk associated with the audit sector is assessed as medium, but it may evolve toward medium–high if current vulnerabilities persist. Although auditors do not directly manage funds, their role is essential in certifying entities’ financial statements. Such certification provides credibility and can be exploited by companies involved in illicit activities to conceal the origin of their revenues. In the absence of effective controls, adequate training, and a genuine culture of compliance, auditors risk becoming an indirect tool for disguising suspicious transactions or justifying fictitious dividends.</p> |

| Element | Probability assessment | Consequence assessment | Risk rating |
|---|------------------------|------------------------|-------------|
| Legal entities and individual entrepreneurs that provide accounting | medium | medium | medium |

| | | | |
|--|--|--|--|
| <p>and tax consultancy services as their main economic or professional activity</p> | | | |
| <p><i>Vulnerabilities:</i></p> <ul style="list-style-type: none"> - lack of mandatory certification and the existence of a large number of non-specialized accountants compared to a few certified professionals; - market fragmentation: the vast majority are small entities or individuals, with limited resources to implement AML/CFT programs; - lack of training and superficial approach to legal obligations (KYC, STR, client monitoring); - absence of a centralized system for recording accounting professionals and statistical data necessary for risk analysis; - limited institutional capacity for supervision and control, reducing the effectiveness of implementing Law no. 308/2017. | | | |
| <p><i>Threats:</i></p> <ul style="list-style-type: none"> - accountants may be involved in registering and managing companies with no real economic activity, used for fictitious transactions; - through complex structures and incomplete accounting records, accountants can conceal the beneficial owner; - via artificial accounting entries (e.g., false invoices, unjustified expenses), illicit funds are transformed into apparently legitimate income; - transaction fragmentation: accountants may assist clients in making payments below reporting thresholds to avoid detection by banks and reporting to the OPFML; - risky cross-border transactions: use of offshore companies and external accounts formally recorded in accounting but difficult to verify in practice; - indirect involvement in tax evasion and fraud: underreporting of income and “tax optimization” may actually mask money laundering operations; - lack of reporting to the OPFML by accountants indicates a systemic risk, as it is unlikely that among thousands of clients no suspicious cases exist. | | | |
| <p><i>Event description:</i></p> <p>Between 2021–2024, the accounting sector remained essential for the overall business environment, but with deficiencies in implementing AML/CFT measures. Professional associations (ACAP and AFAM) attempted to provide support, but participation is not mandatory and coverage is limited. Due to the lack of centralized data, the exact number of active accountants cannot be determined, but estimates indicate several hundred certified professionals and tens of thousands of technicians. The OPFML did not receive STRs/SARs from accountants during the analyzed period, suggesting either the absence of cases or systemic underreporting.</p> | | | |
| <p><i>Risk description:</i></p> <p>The accounting sector is assessed as medium risk, with factors that could elevate it to medium-high. Accountants manage the financial architecture of enterprises and, even if they do not directly handle funds, their accounting entries can facilitate the concealment of the origin of money. Lack of training and resources for compliance, combined with the absence of reporting to the OPFML, renders the sector vulnerable to abuse. Small and medium entities, particularly those with non-resident clients or large cash volumes, present higher exposure. Without</p> | | | |

rigorous controls and a culture of compliance, accountants may, even inadvertently, become a vector for money laundering and terrorist financing.

| Element | Probability assessment | Consequence assessment | Risk rating |
|---|------------------------|------------------------|--------------------|
| <p>Natural and legal persons who trade goods (including natural and legal persons dealing in precious metals and gemstones) with a value of at least 200 000 MDL</p> | <p>medium</p> | <p>high</p> | <p>medium-high</p> |
| <p><i>Vulnerabilities:</i></p> <ul style="list-style-type: none"> - intensive use of cash: in high-value transactions (real estate, vehicles, precious metals/stones), cash payments dominate. Many transactions are deliberately split below the legal threshold to avoid reporting; - almost non-existent KYC/EDD implementation: reporting entities (car dealers, construction companies, jewelry stores) have significant gaps in verifying client identity and source of funds; - most entities lack AML/CFT policies; - extremely low reporting: the precious metals and stones sector submitted only one SAR between 2021–2024, indicating lack of legal implementation; - limited supervision of the respective sectors; - possibility of transactions between individuals outside the regulated system: car and real estate sales are often conducted without reporting entities, using only simple contracts between parties; - portability and high value of assets: gold, diamonds, and other precious stones can easily substitute cash, making them difficult to trace. | | | |
| <p><i>Threats:</i></p> <ul style="list-style-type: none"> - multiple cash purchases of real estate by the same person or affiliated group; - use of PEP relatives to register properties to conceal the beneficial owner; - over/undervaluation of sales contracts to justify financial flows; - import of second-hand cars undervalued, followed by resale at real price; - frequent cash payments with lack of traceability; - repeated use of the same source documents to justify funds; - pawnshops accepting jewelry as collateral for loans and making rapid repayments, potentially serving as a mechanism to liquidate illicit funds; - lack of verification of the origin of metals, contributing to the introduction of smuggled goods; - use as a payment method for criminal activities (e.g., drugs, bribery). | | | |
| <p><i>Event description:</i></p> <p>Between 2021–2024, entities in this sector reported over 7 000 cash transactions to the OPFML, but only 2 financial investigations and a single dissemination resulted. At the same time, the OPFML documented 11 money laundering cases involving construction companies (tax evasion, cash use, and overvaluations). In the precious metals/stones sector, reporting was</p> | | | |

almost entirely absent, although State Marking Chamber inspections detected goods sold without legal marking. In the car trade, repeated cash purchases were recorded, financed by unjustified loans and repaid in very short terms.

Risk description:

The sector is assessed as medium–high risk. The predominance of cash, lack of reporting, and major deficiencies in implementing AML/CFT obligations make these activities attractive to criminal networks. Real estate and luxury goods are used to integrate and conceal funds, while pawnshops and car dealers represent vulnerable points through which illicit money is laundered. Mitigating factors include restrictions on cash payments between legal entities, the role of notaries in real estate transactions, and OPFML access to state registries. Nonetheless, in the absence of effective supervision and consistent reporting, the sector remains one of the most exposed to money laundering and terrorist financing risks in the non-financial area.

| Element | Probability assessment | Consequence assessment | Risk rating |
|---|------------------------|------------------------|-------------|
| Natural/legal persons carrying out fiduciary activities | low | low | low |

Vulnerabilities:

- lack of a detailed regulatory framework and dedicated supervision mechanisms for fiduciary services;
- possibility of concealing beneficial owners through complex legal structures (trusts, foundations, nominal directors);
- inability to identify these natural/legal persons.

Threats:

- with market development and increasing cross-border flows, such instruments may be increasingly used in Moldova;
- risk that unregulated providers offer services to create shell companies or conceal beneficial owners for non-resident clients.

Event description:

Between 2021–2024, fiduciary activity in the Republic of Moldova was very limited, limited to a small number of providers, with no documented cases of abuse for money laundering or terrorist financing purposes.

Risk description:

The overall risk of fiduciary activities in the Republic of Moldova is low, due to the small size of the sector, limited demand, and absence of documented cases. Nonetheless, the vulnerability remains: as the country integrates into the European financial market and access to international instruments grows, there is a risk that these services could be exploited to channel illicit funds. For this reason, the risk could increase in the future if clear regulations and supervision mechanisms are not developed.

| Element | Probability assessment | Consequence assessment | Risk rating |
|---------|------------------------|------------------------|-------------|
|---------|------------------------|------------------------|-------------|

| | | | |
|--|-----|-----|-----|
| Persons storing, trading or acting as intermediaries in the trade of works of art | low | low | low |
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - lack of a clear national definition of “artwork”; - absence of mandatory registers at the level of economic operators (no registration requests until August 2024); - limited supervision – OPFML is the sole competent authority, without additional control mechanisms; - lack of reporting from the sector to OPFML; - possibility that intermediaries or dealers could be used to conceal the origin of goods or funds. | | | |
| <p>Threats:</p> <ul style="list-style-type: none"> - internationally, the art market is frequently used for money laundering through under/overvalued sales and auction house transactions; - in Moldova, although the market is small, there is a risk that artworks could be used to transfer or hide illicit funds, especially through unregulated intermediaries; - potential use of movable cultural heritage for disguised transactions, with values difficult to verify; - risks increase if the sector begins to attract foreign investors or international transactions. | | | |
| <p>Event description:</p> <p>For the period 2021–2024, the Ministry of Culture reported no requests for the registration of mandatory records. Additionally, no reports were submitted to OPFML. Nevertheless, globally, artworks are frequently used to conceal the value and origin of goods, making the theoretical vulnerability relevant.</p> | | | |
| <p>Risk description:</p> <p>The sector’s risk is considered low, due to the small market size, absence of reported transactions, and lack of requests to register mandatory records.</p> | | | |

| Element | Probability assessment | Consequence assessment | Risk rating |
|--|------------------------|------------------------|-------------|
| Crowdfunding service providers | low | medium | medium–low |
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - until 2023, the sector operated in an unregulated framework, without compliance obligations in AML/CFT field; - lack of standardized requirements for identifying and verifying contributors and beneficiaries; - absence of automated transaction monitoring in the sector; - possibility of mixing legitimate funds with those of unclear origin; - incomplete supervision – NCFM is designated as the competent authority but has not yet approved secondary regulations in the field. | | | |
| <p>Threats:</p> | | | |

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|--|
| <ul style="list-style-type: none"> - the cross-border nature of payments facilitates rapid inflows and outflows from high-risk jurisdictions; - anonymity of contributors on donation or reward platforms allows masking the source of funds; - potential use of platforms to finance illegal activities under the cover of social campaigns; - international typologies demonstrate the use of crowdfunding for terrorism financing and cryptocurrency fundraising. |
| <p>Event description:</p> <p>Although a law regulating the sector and the relevant secondary acts have been adopted, operational regulations on anti-money laundering and counter-terrorism financing obligations have not yet been approved or implemented, limiting practical application of the law. Previously, crowdfunding operated mainly through donation and reward campaigns, often via cross-border channels, without supervision, which increased exposure to risks.</p> |
| <p>Risk description:</p> <p>The sector’s risk is assessed as medium–low. Operational vulnerabilities (lack of standardized KYC, insufficient monitoring, absence of reporting) and the cross-border nature of payments create a favorable environment for fund concealment. In the absence of secondary regulations and supervision, there is potential for the use of platforms for money laundering or terrorism financing. With the authorization of the first platforms, the likelihood of suspicious flows has increased, and the lack of institutional experience in oversight amplifies the risks.</p> |

| Element | Probability assessment | Consequence assessment | Risk rating |
|--|------------------------|------------------------|-------------|
| Trust and company service providers | low | low | low |

| |
|--|
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - absence of a licensing/registration regime for service providers – any person can offer similar activities; - possibility for the activity to be carried out by liberal professions (lawyers, accountants, tax consultants), where oversight is fragmented; - lack of economic-financial indicators and fiscal data to assess the sector; - nonexistence of a registry or centralized record of these service providers. |
| <p>Threats:</p> <ul style="list-style-type: none"> - international experience shows that corporate and fiduciary service providers are frequently used to create shell companies, mask beneficial owners, and transfer illicit funds; - unregistered operators may provide services for non-residents, including through cross-border schemes; - risk of involvement of these providers in tax evasion and money laundering transactions through international networks. |
| <p>Event description:</p> <p>Currently, the sector is not clearly defined, and there are no licensing or supervision mechanisms. State Tax Service data do not allow precise identification of providers, and the absence of secondary regulations makes the implementation of anti-money laundering and counter-terrorism financing obligations still nonexistent.</p> |
| <p>Risk description:</p> |

The current risk is low due to the small size and underdeveloped market. However, with the inclusion of the sector as a reporting entity and the possible emergence of specialized providers, vulnerabilities could increase rapidly. In the absence of a registration, licensing, and supervision mechanism, there is a risk that providers of fiduciary or corporate services could be exploited to create shell companies, mask beneficial owners, and integrate illicit funds.

| Element | Probability assessment | Consequence assessment | Risk rating |
|---|------------------------|------------------------|-------------|
| Virtual assets | high | high | high |
| <p>Vulnerabilities:</p> <ul style="list-style-type: none"> - lack of a comprehensive regulatory framework for VA/VASP; - absence of licensing and a national supervision mechanism; - limited institutional capacity for monitoring; - difficulties in identifying individuals and entities engaging in prohibited activities; - absence of effective mechanisms to enforce restrictions. | | | |
| <p>Threats:</p> <ul style="list-style-type: none"> - use of virtual assets for money laundering and terrorism financing; - circumvention of international economic sanctions; - geographic proximity to conflict zones; - involvement of cross-border criminal networks; - transactions via offshore platforms or VASPs in other jurisdictions. | | | |
| <p>Event description:</p> <ul style="list-style-type: none"> - access by residents of the Republic of Moldova to VA exchange platforms and wallets from other jurisdictions; - occasional transactions exceeding thresholds; - lack of effective monitoring of restrictions; - use of informal channels; - limited reporting and control by national institutions. | | | |
| <p>Risk description:</p> <p>High exposure to money laundering and terrorism financing risks through virtual assets, amplified by the absence of regulation, supervision, and enforcement capacity; interactions with external VASPs create major vulnerabilities for the financial system and compromise the effectiveness of national mechanisms for preventing and combating money laundering and terrorism financing.</p> | | | |

5.1. Transsectoral Risk

The analysis shows that, although each sector has specific vulnerabilities, there are common points that cut across fields and create risk interdependencies. A comparative view highlights five major dimensions: cash, cross-border transactions, identification of the beneficial owner, level of regulation/supervision, and financial innovations (including cryptocurrencies).

Cash

Cash is present in almost all sectors with high or medium risk levels. Banks handle a considerable volume of cash-in/cash-out operations, making them attractive for placement of illicit funds.) NBCOs and SLAs rely heavily on cash, and the absence of sophisticated controls increases their vulnerability. The real estate sector frequently uses cash for high-value

transactions, often involving intermediaries. Currency exchange offices are defined by cash transactions, which exposes them to transaction structuring and lack of traceability. The intense circulation of cash in gaming halls can be exploited to legitimize amounts as if they originate from winnings. By contrast, insurance and capital markets have a much lower cash profile, as do PSPs/EMEs, which operate predominantly electronically – however, other vulnerabilities arise here (instant payments, incomplete identification). Accordingly, to limit cash payments and encourage the use of modern payment methods, Law no. 34/2024 *on cash settlements* was adopted, entering into force on 1 April 2025. This law established clear thresholds and rules for cash transactions. At the same time, the act provides for the adoption of related legal frameworks and introduces sanctions for non-compliance.

Cross-border transactions

These constitute another critical dimension. The banking sector has the highest exposure: international transactions, reliance on correspondent banking relationships, and exposure to high-risk and sanctioned jurisdictions. The real estate sector is closely linked to external flows, either through acquisitions by non-residents or the use of offshore companies. PSPs/EMEs facilitate rapid cross-border transfers, sometimes to high-risk jurisdictions, and KYC oversight is not uniform. Notaries and lawyers may be indirectly involved through the authentication or structuring of transactions with international components. By contrast, traditional gambling and currency exchange offices have a more limited exposure in this dimension, although not entirely absent (cash remittances converted locally).

Beneficial ownership and transparency

The difficulty in identifying the person who controls the funds is a cross-cutting vulnerability. Real estate and notaries are the most sensitive areas: large transactions are often conducted through intermediaries, companies with complex ownership structures, or non-resident individuals. Lawyers play a critical role here: through corporate structuring, they can conceal the real beneficiaries. The capital market also faces challenges in identifying beneficial owners. Banks have stronger KYC mechanisms but remain exposed to incomplete or misleading information provided by clients.

Degree of regulation and supervision

Differences in regulatory frameworks amplify risks. Banks are the most strictly regulated and supervised, but this does not eliminate inherent risk. Currency exchange offices and PSP/EME are regulated, yet practical gaps (reporting, thresholds, remote identification) leave room for abuse. Notaries and lawyers are supervised more at the level of professional ethics than through robust anti-money laundering and counter-terrorist financing mechanisms. Some reporting entities do not even benefit from a clear and/or updated regulatory framework in the field.

Virtual assets

Crypto-assets appear as a transversal vulnerability. Banks have reported attempts to convert/withdraw funds originating from virtual currency transactions. Payment service providers are indirectly connected to trading platforms. The real estate sector has begun accepting crypto-assets for certain transactions. The issue is that there is still no national regulatory framework for VASPs, which places the risk at a high, emerging, and difficult-to-control level.

Thus, the comparative overview shows that banks, real estate, exchange offices, and PSPs are the sectors with common vulnerabilities and the highest systemic impact, while legal

professions amplify risks through their role as facilitators, and insurance and capital markets remain at the periphery.

6. Terrorist financing risk

Moldova is located in a complex geopolitical region, situated between the European and Eurasian spaces, which makes it a transit area for individuals from multiple countries and with diverse profiles. Although no active terrorist organizations or logistical structures supporting operational cells have been identified within the country, regional instability – particularly the military conflict in Ukraine – has intensified the movement of individuals with potential extremist tendencies. Security authorities have reported an increase in the number of individuals exhibiting suspicious behavior, intercepted at the border, or found to possess propaganda materials or ideological links to extremist groups. Additionally, events in the Transnistrian region, including explosions or false bomb alerts, fall within the spectrum of hybrid actions, creating a climate conducive to residual risks.

From a demographic perspective, massive population migration and structural dependence on remittances significantly influence the country's financial profile. Tens of thousands of individual transfers are carried out monthly between Moldova and other countries, predominantly in small, fragmented amounts, which are difficult to monitor. Naturally, these transfers do not indicate criminal behavior, however, the same type of instruments – repeated transfers, modest sums, alternative financial routes – are globally used to finance terrorist activities. This structural parallel creates an inherent vulnerability: legitimate flows can conceal illicit ones when opportunistically exploited by radicalized individuals or recruitment networks.

The informal economy, still extensive in sectors such as agriculture, services, and construction, generates a high degree of financial opacity. The predominance of cash in transactions, the lack of rigorous accounting documentation, and the difficulty in verifying income sources provide opportunities for these mechanisms to be used in financing illegal activities. While there is no evidence that these vulnerabilities have been systematically exploited for terrorist purposes, the potential risk is present and recognized in national assessments.

At the level of financial infrastructure, the banking system remains the strongest line of defense against terrorist financing, benefiting from a robust supervisory framework and advanced monitoring procedures. However, the increase in the number of non-residents – particularly during the humanitarian crisis triggered by the war in Ukraine – introduces new financial behavior patterns and raises challenges related to the verification of clients' documentary background. Small but frequent cross-border transactions, carried out through alternative payment systems or via cards issued abroad, require close monitoring, as they may serve both legitimate and illicit purposes.

Outside the banking sector, other reporting entities, such as non-bank credit organizations, savings and loan associations, law companies, notaries, and real estate agents, although presenting a lower level of direct exposure, may function as intermediary links within transactional chains used for informal financing. Their uneven level of compliance and, in some cases, limited capacity to identify suspicious transactions represent an additional vulnerability. The virtual assets domain, which remains unregulated, constitutes a particular risk, as terrorist groups have globally demonstrated an interest in cryptocurrencies and anonymization technologies.

The actual terrorist threat in the Republic of Moldova is assessed as low, but not non-existent. Assessments by national institutions indicate risks arising mainly from online radicalization, propaganda disseminated by organizations such as ISIL or Al-Qaida, attempts to attract young people into ideological support activities, as well as from the transit of individuals

linked to conflict zones who may use the territory of the Republic of Moldova as a transit point. The identification of individuals possessing extremist materials on personal devices, as well as the interception of several Moldovan citizens who attempted to reach Syria in previous years, demonstrate the existence of a latent threat.

The funding required by radicalized groups or individuals in relation to the Republic of Moldova is relatively modest and does not involve large amounts, covering expenses such as travel, access to informal meeting spaces, communications, logistics, or micro-donations to ideological structures abroad. These limited financial needs make the identification of suspicious transactional patterns even more difficult.

Throughout the period under review, the Republic of Moldova did not record terrorist attacks, attempted attacks, or active operational cells. The only incidents that raised concerns were related either to acts of violence without extremist motivation (such as the armed incident at Chişinău International Airport) or to hybrid operations, including false bomb threats or attempts at information destabilization. Nevertheless, continuous monitoring of these phenomena remains essential, as individual radicalization behaviors may evolve rapidly, and the regional context remains volatile.

Overall, the assessment indicates that the risk of terrorist financing in the Republic of Moldova is low; however, structural vulnerabilities – dependence on cash, the informal economy, increased international transit, the proliferation of new financial technologies, and the lack of effective control over the Transnistrian region – require heightened vigilance and the continuous adaptation of measures to prevent and combat terrorist financing. Strengthening inter-institutional cooperation, enhancing international information exchange, modernizing financial analysis tools, and regulating emerging markets, such as virtual assets, are essential elements for maintaining a low-risk profile.

| Element | Probability assessment | Consequence assessment | Risk rating |
|--|------------------------|------------------------|-------------|
| Terrorism financing | low | low | low |
| <p>Vulnerabilities: high dependence on cash, a moderate level of the informal economy, a large volume of remittances, extensive use of money transfer services, an increasing number of cross-border transactions, the possibility of bank accounts being used by non-residents, the lack of a comprehensive regulatory framework for virtual assets and VASPs, uneven capacity across certain sectors to identify terrorist financing indicators, the potential vulnerability of NPOs in light of international abuse typologies, as well as the geographical position of the Republic of Moldova which, in the regional context, may facilitate the transit of individuals posing risk. In addition, the accelerated digitalization of payments, the existence of informal transfer channels, and access to international online platforms generate a residual technological risk.</p> | | | |
| <p>Threats: there are no active terrorist groups on the territory of the Republic of Moldova, no cells, organized sympathizers, or support structures, and the Security and Intelligence Service (SIS) and OPFML confirm the complete absence of terrorist financing cases, attempts, or any associated financial flows. The threat is predominantly external and derives from the regional context (the conflict in Ukraine, geopolitical tensions), the possible transit of individuals originating from conflict zones, as well as the risk of online radicalization. Although internationally terrorist financing has evolved through micro-transfers, crypto-assets, crowdfunding, and informal networks, no such manifestations have emerged in Moldova, and terrorist entities have no direct links to the national financial environment.</p> | | | |
| <p>Event description:</p> | | | |

the execution of repeated low-value transfers through formal or informal channels directed to individuals located in areas with extremist activity, the use of cash or remittance systems for individual support, fundraising through digital or crypto platforms, the transmission of financial resources, goods, or logistical support to terrorist entities in other jurisdictions, or the incidental use of the Republic of Moldova's financial infrastructure for the transit of funds toward conflict zones. In the absence of real cases, the event is modeled exclusively on theoretical scenarios used by FATF.

Risk description:

the risk of terrorist financing in the Republic of Moldova is overall low, determined by the absence of any incidents, investigations, suspicious transactions, or operational links with terrorist entities, the lack of internally radicalized structures, and the strengthened capacity for inter-institutional cooperation. Nevertheless, a residual risk persists due to the country's geopolitical position, economic vulnerabilities (cash, remittances), rapid digitalization, and the existence of global vulnerabilities (crypto-assets, crowdfunding) which, although currently irrelevant at the local level, may become risk factors in the future.

7. Risk Treatment

The management of money laundering and terrorist financing risks in the Republic of Moldova represents an essential process for safeguarding economic and financial stability, as well as for maintaining the country's credibility at the international level. The national approach is based on the recognition that money laundering and terrorist financing risks are dynamic, evolve in line with geopolitical and economic developments, and require countermeasures that are flexible, coordinated, and continuously adapted. In this context, periodic risk assessments constitute the foundation for updating policies, and the outcomes of these assessments directly feed into the strategic planning process.

The Republic of Moldova has strengthened its normative and institutional framework in recent years in the field of prevention and combating of money laundering and terrorist financing, aligning its legislation with FATF standards and European Union directives. However, experience gained during the implementation of the National Strategy 2020–2025 has shown that, beyond regulation, effectiveness largely depends on available resources, inter-institutional cooperation, and the involvement of the private sector. In many sectors, such as non-bank credit organizations and DNFBPs, the lack of qualified human resources, limited technological tools, and a low level of awareness regarding AML/CFT obligations constitute major constraining factors. At the same time, key authorities, including the OPFML, the NBM, and the NCFM, have demonstrated the capacity to direct existing resources toward the most vulnerable areas and to implement supervisory mechanisms proportionate to the level of risk.

The Republic of Moldova's approach acknowledges that risk treatment must be multidimensional. Public policies set the strategic directions, legislation and regulations translate these directions into enforceable norms, and institutions ensure their implementation through operational and supervisory measures. In practice, this entails a coordinated set of interventions: updating Law no. 308/2017 and the related secondary legislation; extending compliance obligations to new areas, such as virtual asset service providers; applying risk-based monitoring mechanisms to sectors with higher exposure; and leveraging data registers (in particular, the beneficial ownership register) to address corporate opacity.

At the operational level, the approach places strong emphasis on the use of data analytics technologies and on the establishment of early warning mechanisms aimed at identifying and mitigating emerging risks. At the same time, risk-based supervision is implemented through thematic reviews, targeted inspections, and effective, proportionate, and dissuasive sanctions. These measures are further reinforced by the timely exchange of information among national

authorities and by international cooperation, in particular within networks such as the Egmont Group and with European partners.

A forward-looking element is the need to adopt a new National Strategy for the prevention and combating of money laundering and terrorist financing covering the period after 2025. This strategy will serve as the core public policy document in the field and will integrate the conclusions of the present National Risk Assessment. The new strategy should explicitly reflect the lessons learned from the implementation of the previous document, establish clear and measurable objectives, define the responsibilities of each institution, and ensure the allocation of resources proportionate to the level of risk. At the same time, it will need to address emerging risk typologies, including those related to virtual assets, fintech developments, the use of shell companies, and cross-border phenomena, as well as to incorporate recommendations formulated by external partners.

From this perspective, the future strategy will not be just a formal document, but a governance tool designed to ensure coherence and strategic direction for the entire AML/CFT regime. It should ensure a balance between public policy measures, legislative reforms and sectoral regulations, institutional strengthening, operational actions, and supervisory tools. In addition, the document should provide for clear monitoring and evaluation mechanisms for implementation, allowing effectiveness to be measured and adjusted over time.

In conclusion, the Republic of Moldova addresses the management of money laundering and terrorist financing risks through a comprehensive, integrated, and forward-looking vision. By combining available resources, strengthening the normative framework, enhancing inter-institutional cooperation, and engaging the private sector, the country aims not only at formal compliance with international standards, but at building a functional and resilient system. The adoption of a new National Strategy for the prevention and combating of money laundering and terrorist financing will mark a transition to a higher level of system maturity, transforming risk assessment into a practical public policy tool and ensuring the implementation of risk mitigation measures tailored to both national vulnerabilities and cross-border risks.