

ANNEX E

The inverted reporting cascade

An important part of a well functioning and efficient AML/CFT-system is the inverted reporting cascade, meaning that from the lowest level, the cases investigated because of an unusual pattern, to the top level, sentencing by the court, legal conditions become stricter and stricter, leading to not all unusual cases that are being investigated leading to the reporting of an SAR/STR, not every SAR/STR being forwarded to prosecutors, the prosecutors then not opening criminal proceedings in all cases of an SAR/STR, not all criminal proceedings that have been opened leading to an accusation and of course not every accusation leading to a sentence. The picture one gets is that of a fir tree, hence the cascade is an inverted one.

