Expert meeting on statistical methodologies for measuring illicit financial flows (IFFs) (SDG 16.4.1)

Geneva, 16-17 July 2019
Why is the AML toolbox so useful:

Following the money trail; It is an excellent witness

Confiscation; Helps to take the money away from the Criminals
Discover AML as an effective tool against drug traffickers

UN Convention against Illicit Traffic in Narcotic

1988

The Financial Action Task Force (FATF) established

2001

FATF: Revised set of recommendations

1989

The September 11 attacks

2003

1980s
Banks

Casinos

Lawyers

Accountants

Others

Collection

Reporting Entity

Report

Suspicious Transactions Reports

Other types of reports

Analysis

FIU Database

Government Databases

Foreign FIU

Other data

Financial Intelligence

Dissemination

Law enforcement agencies

Foreign FIU

Prosecutors
Suspicious Transaction Report (STR)

Cash transaction report

International Electronic funds transfers

Customs declaration
FIU analysis

The FIU’s own data:
  e.g. Earlier STRs, CTRs

Public information:
  e.g. Company registers

Police & Criminal Justice Database:
  E.g. Convictions, Investigations

Administrative Data:
  e.g. Property, Vehicles, births/marriages, Taxation,

Financial information (rarely direct info):
  e.g. Accounts or customer relationship or Transaction records

International information:
  Information from other FIUs or other counterparts
Threats

Risk

Vulnerability

Consequence
We want to look into what is available in Mexico, Peru, Ecuador, Colombia, and Panama.
What information will we look for

• Will look at 3 specific crime types
  I. Drugs
  II. Human trafficking
  III. Migrant Smuggling

• Will have focus on both income generation and income management

• Both Qualitative and quantitative data
Will check availability and quality of data relevant for the framework

Quantitative: we are mainly interested in what is available, e.g.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Drug type</th>
<th>Data available</th>
<th>Type of source</th>
<th>Information source</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total estimated area under illicit drug crop cultivations (in hectares)</td>
<td>Cannabis</td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Opium poppy</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Coca bush</td>
<td></td>
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</tbody>
</table>

Quantitative: confidence and the base for the estimate for these.

<table>
<thead>
<tr>
<th>IFF</th>
<th>Best estimate</th>
<th>Confidence in estimate</th>
<th>Base for estimate</th>
<th>Information source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approx. what % of producers income is sent abroad</td>
<td></td>
<td></td>
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<tr>
<td>Approx. what % of retail sellers income is sent abroad</td>
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<td></td>
</tr>
<tr>
<td>Approx. what % of wholesale traffickers income is sent abroad</td>
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</tbody>
</table>

Will also check what data is available from

- FIU
- Assets confiscation
- International cooperation
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