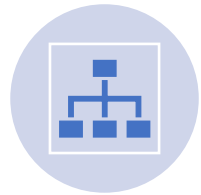




GLOBAL TRENDS AND TYPOLOGIES

COMMON MONEY LAUNDERING SCHEMES



Smurfing or structuring. ...



Round tripping. ...



Money laundering through cryptocurrency. ...



Trade-based money laundering. ...



Online gambling. ...



Reselling assets. ...



Unusual transaction patterns. ...



Large amounts of cash or wire transfers.

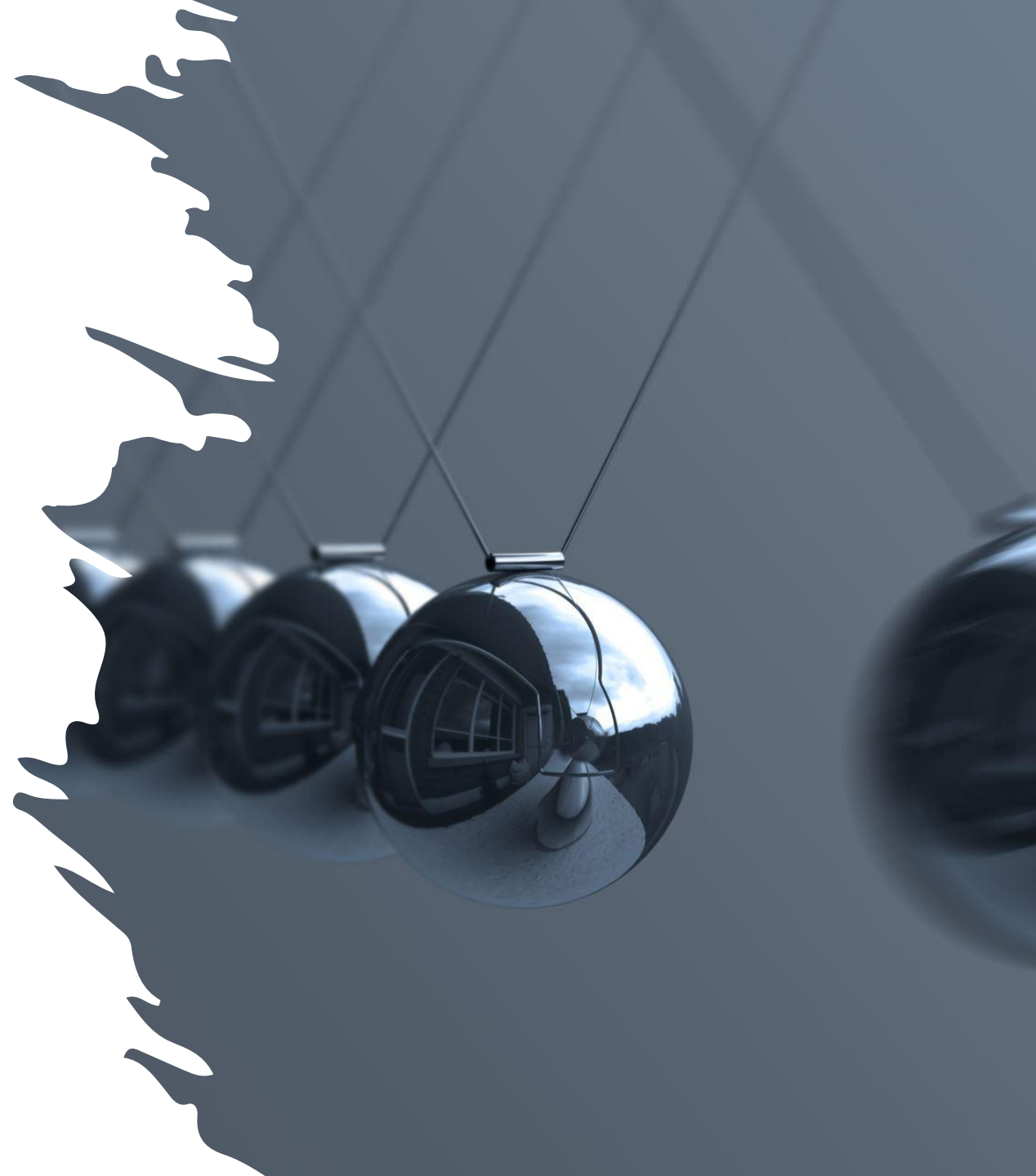
A Newton's cradle with five silver spheres. The fourth sphere from the left is in motion, having just struck the fifth sphere, which is now swinging towards the right. The background is a dark, textured blue.

GLOBAL AML TRENDS FOR 2023

- Transaction Monitoring & Screening
- Information Sharing Systems
- Real Time Payment Rails (Cross Border Payments)
- Crypto Regulations
- Artificial Intelligence-Based Smart AML Solutions
- Machine Learning Integration
- Enhanced Scrutiny for Ultimate Beneficial Ownership
- AML Regulations in Metaverse

GLOBAL AML TRENDS FOR 2023

- Instant Payments Will Need Instant Monitoring
- Growth of Data and AI Solutions for AML
- Emerging technologies pose new AML and TF risks which require greater regulation



2023 GLOBAL AML TYPOLOGIES FOR DNFBPs

- **Use “gatekeepers” professional services (lawyers, accountants, brokers etc):** to obscure identity of beneficiaries and the source of illicit funds. May also include corrupt professionals who offer ‘specialist’ money laundering services to criminals.
- **Identity fraud / false identification:** used to obscure identification of those involved in many methods of money laundering and terrorist financing.
- **Use of offshore banks/businesses, including trust company service providers:** to obscure the identity of persons controlling funds and to move monies away from interdiction by domestic authorities.
- **Use of foreign bank accounts:** to move funds away from interdiction by domestic authorities and obscure the identity of persons controlling illicit funds.
- **Virtual assets:** exploitation of regulatory gaps in AML/CFT and lack of supervisions of virtual asset service-providers to launder illicit proceeds and fund terrorist activities.
- **Gaming activities (casinos, horse racing, internet gambling etc):** Used to obscure the source of funds – eg buying winning tickets from legitimate players; using casino chips as currency for criminal transactions; using online gambling to obscure the source of criminal proceeds.
- **Enhanced regulation of the Non-Financial Industry Participants** which are being targeted by criminals. regulators mandating KYC-AML reporting for non-financial industry participants like jewelers and art traders, above certain transaction thresholds

2023 GLOBAL AML TYPOLOGIES FOR DNFBS

- **New Payment technologies:** use of emerging payment technologies for money laundering and terrorist financing. Examples include cell phone-based remittance and payment systems.
- **Use of shell companies/corporations:** a technique to obscure the identity of persons controlling funds and exploit relatively low reporting requirements.
- **Romance Fraud/Scam:** a scheme used to target vulnerable female groups by purporting romantic entanglements via online social networks with the aim of defrauding the individual.

Citations

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- *Canada's Anti-Money Laundering and Anti-Terrorist Financing Regime Strategy 2023-2026 (2023). https://www.canada.ca/en/department-finance/programs/financial-sector-policy/canadas-anti-money-laundering-and-anti-terrorist-financing-regime-strategy-2023-2026.html#_Toc87276425.*
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