**Figures used from various public sources 2011/14**

**MONEY LAUNDERING (ML)**

- **2011/14 secreted by authorities 2 million Suspicious Activity Reports (approximately)**

**Source:** United Nations Office on Drugs and Crime (UNODC). 2011 issued/2009 figures. Figure excludes tax evasion.

- **2.1 trillion is the total annual criminal proceeds (3.6% Global GDP)**

**MONEY LAUNDERING**

- **1.6 trillion available for laundering**

- **Less than 1% seized by authorities**

**TOP 5 MONEY LAUNDERING CRIMES**

- **USD 690bn Counterfeit & Piracy**
- **USD 411bn Drug Trafficking**
- **USD 162bn Smuggling**
- **USD 140bn Illegal Gambling**
- **USD 150bn Human Trafficking**

- **5.5% Japan, 6.5% Mexico, 13% China, 20% EU, 35% North America, 20% Others**

**STAGES OF MONEY LAUNDERING**

1. **Placement**
2. **Layering**
3. **Integration**

**COCAINE TOTAL ANNUAL PROCEEDS 85% **

**LARGEST CRIMINAL MARKETS**

- **USD 85bn COCAINE TOTAL ANNUAL PROCEEDS**

**TOP 5 INHERENT ML RISK CATEGORIES**

<table>
<thead>
<tr>
<th>Category</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer risk</td>
<td>False identity, compromised identity, false documentation, employee fraud</td>
</tr>
<tr>
<td>Product &amp; channels risk</td>
<td>High-value goods, hotels, casinos, drug trafficking, international payments</td>
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<td>Geographies risk</td>
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<td>Behaviour risk</td>
<td>Impersonation, identity theft, money laundering, forgery, fraud</td>
</tr>
</tbody>
</table>

**MAJOR ML CONTROLS**

- **Name validation**
- **Customer Due Diligence (CDD)**
- **Training & awareness**
- **Independent assurance**

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**STAGES OF MONEY LAUNDERING**

1. **Placement**
   - Moving money into the financial system of criminal origin
2. **Layering**
   - Moving money in the financial system to disguise its criminal origin
3. **Integration**
   - Absorbing the illegal funds into the financial system

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**INHERENT ML RISK CATEGORIES**

**Examples**

- **Customer risk**
  - False identity, compromised identity, false documentation, employee fraud
- **Product & channels risk**
  - High-value goods, hotels, casinos, drug trafficking, international payments
- **Transaction risk**
  - Fraud, money laundering, theft, counterfeiting, money laundering schemes
- **Geographies risk**
  - North Korea, China, Russia, South Korea, Japan, Middle East
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**MAJOR ML CONTROLS**

- **Name validation**
- **Customer Due Diligence (CDD)**
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**BE DILIGENT. BE CURIOUS. BE VIGILANT.**

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**Source:** United Nations Office on Drugs and Crime (UNODC)