



OECD International Academy for Tax Crime Investigation

Asset Recovery: Freezing and Seizing Assets



MONEY LAUNDERING TYPOLOGIES

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Session Objectives

The aim of this session is to:

- Explain money laundering theory
- Identify different types of money laundering
- Provide examples of money laundering schemes using case examples



In the news...



2016

Source: Mossack
Fonseca
Files: 11.5m



2017

Source: Appleby
Files: 13.4m



2020

Source: US
Treasury
Files: 2,500



2021

Source: 14
Financial Service
Providers
Files: 11.9m

<https://offshoreleaks.icij.org/pages/about>



Purpose of Money Laundering

Why money launder?

Please type suggestions in the chat

**To perpetrate
the crime**

**Avoid
detection**

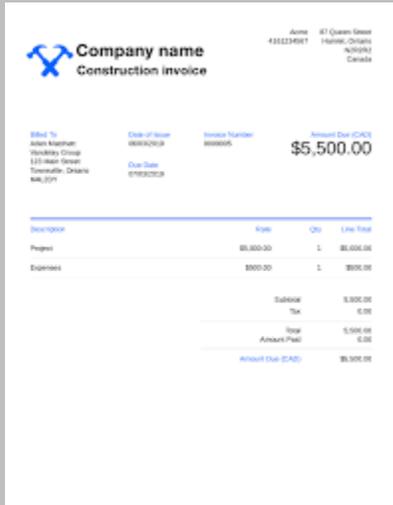
**Benefit from
the crime**

**Retain the
benefit from
the crime**



Money Laundering Models

Traditional Model - Placement, Layering and Integration
Platt's model – Enable, Distance, Disguise



PLACEMENT
ENABLE



LAYERING
DISTANCE



INTEGRATION
DISGUISE



International Treaty Obligations

UN Convention against Transnational Organised Crime, Art 6:

Each State Party shall adopt, in accordance with fundamental principles of its domestic law, such legislative and other measures as may be necessary to establish as criminal offences, when committed intentionally:

(a) (i) The conversion or transfer of property, knowing that such property is the proceeds of crime, for the purpose of concealing or disguising the illicit origin of the property or of helping any person who is involved in the commission of the predicate offence to evade the legal consequences of his or her action;

(ii) The concealment or disguise of the true nature, source, location, disposition, movement or ownership of or rights with respect to property, knowing that such property is the proceeds of crime;

(b) Subject to the basic concepts of its legal system:

(i) The acquisition, possession or use of property, knowing, at the time of receipt, that such property is the proceeds of crime;

(ii) Participation in, association with or conspiracy to commit, attempts to commit and aiding, abetting, facilitating and counselling the commission of any of the offences established in accordance with this article.



Money Laundering Explained





Money Laundering Typologies

Common Typologies:

- Trade based money laundering
- Strawmen, shell companies, false invoicing, loans and secrecy jurisdictions
- Controller-led syndicates
- Cuckoo smurfing
- Informal funds transfer systems
- Virtual currencies



Trade based money laundering





TBML: Strawmen, shell companies, trusts false invoicing, loans and secrecy jurisdictions



The long read

Offshore in central London: the curious case of 29 Harley Street

▲ Michael Kirkham 29 Harley Street illustration journal Illustration: Michael Kirkham

On a central London street renowned for high-class healthcare sits a property that houses 2,159 companies. Why has this prestigious address been used so many times as a centre for elaborate international fraud?
by [Oliver Bullough](#)





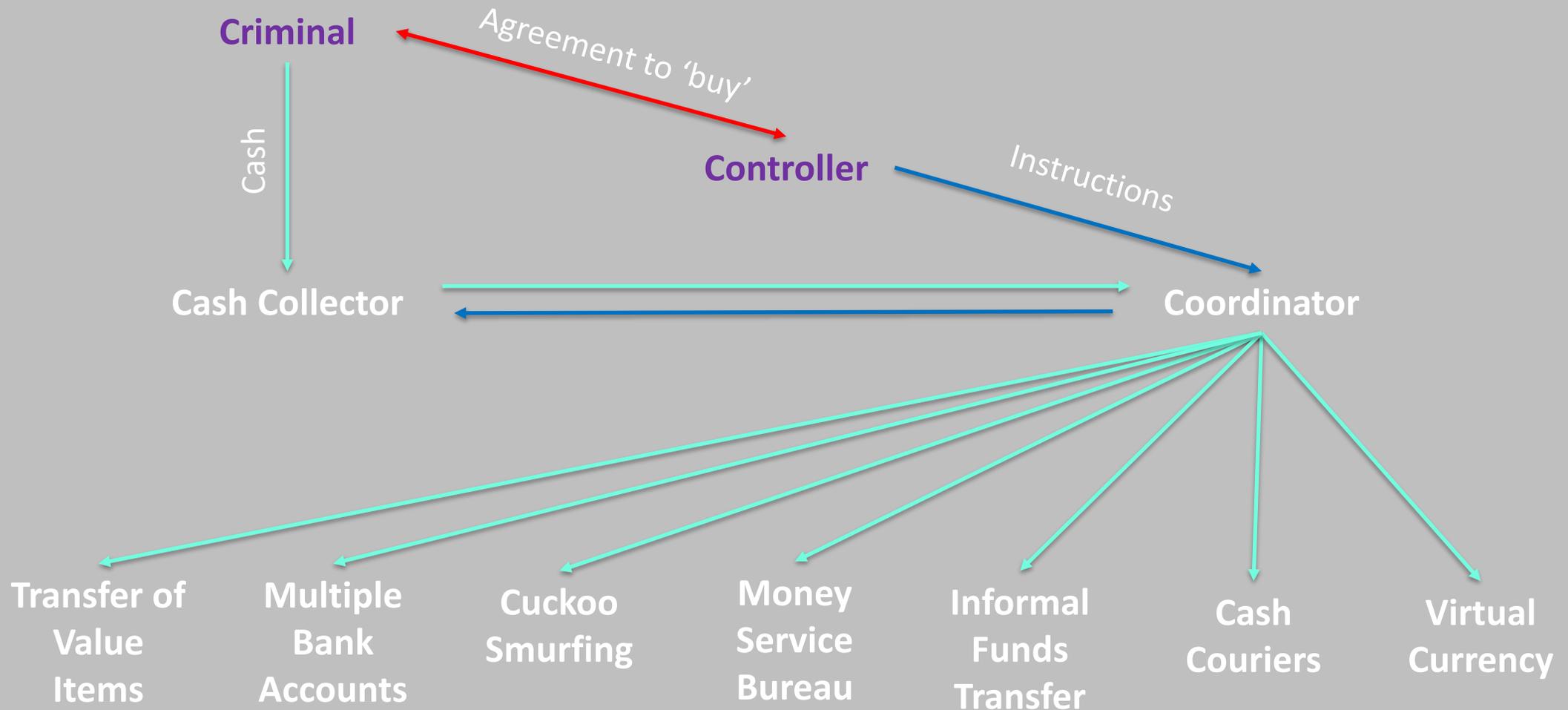
Example: Simple VAT Fraud

VAT FRAUD £5m (R100m)





Controller-Led ML Syndicates





Transfers of Value, Cash Couriers and Multiple Bank Accounts



Wrinkly raiders



Brian Reader, 76
Pleaded guilty
Known as 'the guv'nor'. Said to be suffering from cancer



Terry Perkins, 67
Pleaded guilty
Career criminal whose boasts about the heist were recorded by police. Diabetic



John Collins, 74
Pleaded guilty
Fell asleep on lookout duty then drove his own car to the scene. Described as 'wombat thick'



Carl Wood, 58
Convicted at trial
Got cold feet halfway through the heist. Inflammatory bowel disease sufferer



Daniel Jones, 58
Pleaded guilty
Drilling expert who provided the tools to break into the vault; hid his share in a cemetery



Hugh Doyle, 48
Convicted at trial
London plumber who never went to Hatton Garden but helped the gang dispose of the proceeds



William 'Billy the Fish' Lincoln, 60
Convicted at trial
Billingsgate fish market regular, helped move the loot. Bladder problems left him incontinent

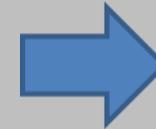
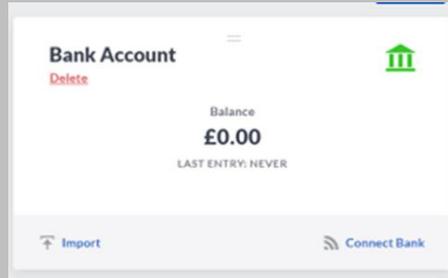
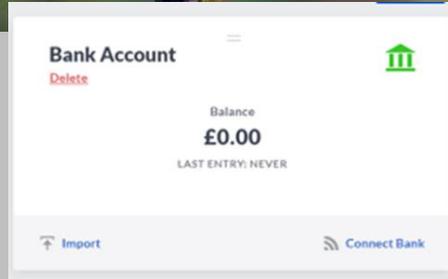
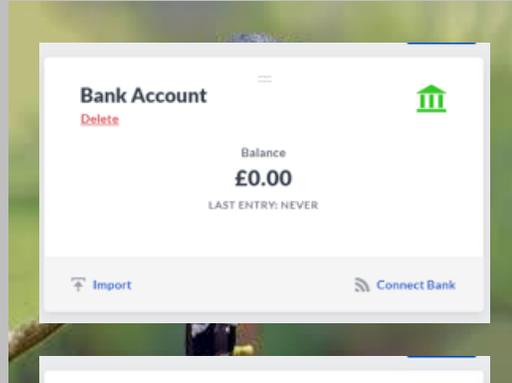
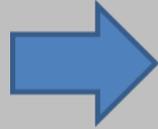
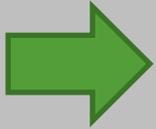


'Basil', age and whereabouts unknown
The missing eighth man got away with gold and foreign currency





Cuckoo smurfing





Informal funds transfer systems



Hawaladar A



X



Hawaladar B



Y



Virtual Currencies





Useful links

FATF Publications on ML Methods and Trends

[https://www.fatf-gafi.org/publications/methodsandtrends/?hf=10&b=70&s=desc\(fatf_releasedate\)](https://www.fatf-gafi.org/publications/methodsandtrends/?hf=10&b=70&s=desc(fatf_releasedate))

FATF Trade-Based Money Laundering Webinar (on YouTube)

<https://www.fatf-gafi.org/publications/methodsandtrends/documents/webinar-trade-based-money-laundering.html>



ANY QUESTIONS?