# The General Assemblies: Topic B Primary Sources

Money Laundering

*Here are primary sources that your moderator or legal chair thought would be helpful in gaining an understanding of the topic. These are by no means all of the sources available, just sources we wanted to highlight.*

Source #1: **Money Laundering**
This page comes from the United Nations Office on Drugs and Crime and describes and defines money laundering as well as includes links to other resources. The UN Vienna 1988 Convention defines money laundering as, "the conversion or transfer of property, knowing that such property is derived from any offense(s), for the purpose of concealing or disguising the illicit origin of the property or of assisting any person who is involved in such offense(s) to evade the legal consequences of his actions". The page also describes money laundering as typically, but not always, having 3 stage process, placement, layering, and integration. The United Nations estimates that money laundering is valued at $800 billion to $2 trillion worth each year.
https://www.unodc.org/unodc/en/money-laundering/overview.html

Sources #2: **Trade-Based Money Laundering Overview and Policy Issues**
This is a report from the Congressional Research Service and it discusses trade-based money laundering (TBML), which is a form of money laundering. The report defines TBML as "the exploitation of the international trade system for the purpose of transferring value and obscuring the true origins of illicit wealth. TBML schemes vary in complexity but typically involve misrepresentation of the price, quantity, or quality of imports or exports." According to the report, the United States is most concerned about TBML in its trade relationship with Latin America where transnational criminal organization involved in the drug trade will sell drugs in the United States and use TBML to launder the funds back to their home country in Latin America. But TMBL is not just an issue in the United States with TBML being used to help finance terror activities through the Hawala network and through trade between South Asia and the Middle East—running mainly through India, Pakistan, and the United Arab Emirates.
https://crsreports.congress.gov/product/pdf/R/R44541

Source #3: **United Nations Convention against Transnational Organized Crime**
This convention was adopted by the UN General Assembly in November 2000 but came into force in September 2003. It currently has 191 parties to the convention. This webpage includes the history of the convention as well as links to other relevant precursor documents. While the convention deals with the many issues of transnational organized crime, article 6 specifically focuses on money laundering and designates that countries need to implement domestic laws to penalize money laundering activities. Members are also obligated to apply anti-money laundering efforts to a wide range of criminal activities. Article 7 lays out specific measures that countries should adopt to combat money laundering such as comprehensive domestic regulatory and supervisory regimes for banks and non-bank financial institutions; the implementation of measures to detect and monitor the movement of cash and financial instruments across borders; and that countries should cooperate globally to facilitate efforts against money laundering.
https://www.unodc.org/unodc/en/organized-crime/intro/UNTOC.html

Source #4: **Anti-Money Laundering/Combating the Financing of Terrorism - Topics**
This report is from the International Monetary Fund (IMF) and intergovernmental financial organization. The report outlines efforts by the IMF to counter money laundering as it relates to the financing of terror groups, an effort that started in 2000 but was energized after the terror attacks on September 11, 2001. The IMF defines terror financing as involving, "the solicitation, collection or provision of funds with the intention that they may be used to support terrorist acts or organizations." Terror financing is linked to money laundering as terror groups want to conceal the sources and pathways of their funding to prevent governments from stopping the flow of money. In some cases, terror groups are not financed through illicit or criminal activity, but the money still needs to be laundered in order to prevent detection by legal authorities. The IMF outlines that many money laundering activities use existing financial institutions. This report argues that financial institutions can deter and detect money laundering through Customer Due Diligence (CDD) that requires institutions to be more transparent and ensure that their customer's funds come from legitimate sources and go to fund legitimate—non-terrorist— activities.
https://www.imf.org/external/np/leg/amlcft/eng/aml1.htm

Source #5: **Money laundering through cryptocurrencies**
This report comes from the United Nations and outlines how cryptocurrencies can be used in money laundering. Cryptocurrencies make money laundering easier because they are anonymous when they are created, this allows the money to already be obscured—a key step in money laundering. Cryptocurrencies can also be rapidly traded and exchanged with others, allowing for a large number of cross-border transfers with minimal effort by those laundering the funds. Additionally, because the value of many cryptocurrencies is volatile, an individual or organization can easily explain rapid increases in wealth as being linked to the change in value of the cryptocurrency rather than linked to illicit activities.
https://syntheticdrugs.unodc.org/syntheticdrugs/en/cybercrime/launderingproceeds/moneylaundering.html

Source #6: **Global Ranking in 2022**
This source is a ranking of money laundering in different countries and is compiled by the Basel Institute on Governance, a non-profit that works to fight corruption and strengthen governing institutions globally. Nations with higher scores are considered to be more vulnerable to money laundering and money laundering activities due to a weakness of capacity to detect and stop money laundering, the prevalence of corruption within the country; and the amount of political and financial transparency. The Democratic Republic of the Congo, Haiti, Myanmar, and Mozambique are considered the least equipped to combat money laundering, while Finland, Sweden, New Zealand, and Slovenia are among the best equipped to fight it.
https://index.baselgovernance.org/ranking