

MONEY LAUNDERING WITH DIGITAL CURRENCIES: WORKING GROUP ESTABLISHED

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[Press Release](#)

Today, Europol, INTERPOL, and the Basel Institute on Governance have formalised the establishment of a tripartite partnership for a working group on money laundering with digital currencies. The working group will aim to:

- gather, analyse, and exchange non-operational information regarding the use of digital currencies as a means of money laundering, and the investigation and recovery of proceeds of crime stored in the same form;
- organise annual workshops and meetings for the representatives of the above mentioned Law Enforcement Agencies and institutions to increase the capacity to successfully investigate crimes in which virtual currencies are involved;
- create a network of practitioners and experts in this field, who can collectively establish best practices and provide assistance and recommendations inside and outside the working group;

Threat for money laundering and terrorism financing

Internet technologies become continuously more advanced, and so do the ways in which criminals utilise them for their illicit and illegal activities. Among these technologies, digital currencies are already transforming the criminal underworld.

There is a clear consensus that digital currencies pose a money laundering and terrorism financing threat. A small number of cases have already shown Law Enforcement Agencies that money laundering and terrorism financing can easily take place inside virtual environments, offering high levels of anonymity and low levels of detection removing many of the risks associated with real-world money laundering and terrorism financing activities.

Increasing use of digital currencies – information exchange needed

Europol, INTERPOL, and the Basel Institute on Governance are concerned about the seriousness of these threats and note the increasing use of new kinds of currencies. They are decentralised in their creation and use. In addition cryptography is used to secure transactions and to control the creation of new units.

To trace assets transferred, laundered, exchanged or stored through the use of cryptocurrencies poses new and distinctive challenges to investigators and prosecutors, as does the seizure and confiscation of the proceeds of crime in cryptocurrencies.

Europol, INTERPOL, and the Basel Institute on Governance recognise that Law Enforcement Agencies worldwide could benefit from the exchange of information and knowledge with peers from other jurisdictions. Therefore Europol, INTERPOL, and the Basel Institute on Governance established the tripartite partnership on money laundering with digital currencies.

[Left] Manuel Navarrete Paniagua, Head of Europol's European Counter Terrorism Centre [Middle] Mr James Anderson, Head of INTERPOL's Anti-Corruption and Financial Crimes unit [Right] Federico Paesano, Basel Institute on Governance, Senior Financial Investigation Expert

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