

15 May 2023

IRAN SEIZES THIRD TANKER

On 15 May, Seatrade Maritime News reported that Iran has detained a third tanker in the space of 19 days.

<https://www.seatrade-maritime.com/tankers/iran-seizes-third-tanker-us-boosting-military-presence>

US: \$5.4 MILLION FORFEIT FROM US SANCTIONED KONSTANTIN MALOFEYEV WILL BE TRANSFERRED DIRECTLY TO UKRAINE

On 15 May, the EU Sanctions blog reported that it is unclear exactly how the assets will be used, but the State Department has indicated that the proceeds will be used to “help rebuild Ukraine”.

<https://www.europeansanctions.com/2023/05/us-authorises-first-transfer-of-seized-russian-assets-to-ukraine/>

ANTI-DUMPING AND COUNTERVAILING DUTY ENFORCEMENT - INCREASED ACTIONS AGAINST US IMPORTS FROM BRAZIL

On 15 May, Baker McKenzie reported that, in the past 3 years, the US has initiated 5 investigations against imports from Brazil, having very recently initiated a case involving brass rods. Brazilian producers/exporters should be aware of the US activity in the anti-dumping and anti-subsidy space and, where there is a risk of such an action targeting a company's exports from Brazil to the US, consider taking steps to prepare in advance and implement a global trade remedies compliance, prevention, and action strategy.

<https://insightplus.bakermckenzie.com/bm/international-commercial-trade/united-states-and-brazil-antidumping-and-countervailing-duty-enforcement-increased-actions-against-imports-from-brazil>

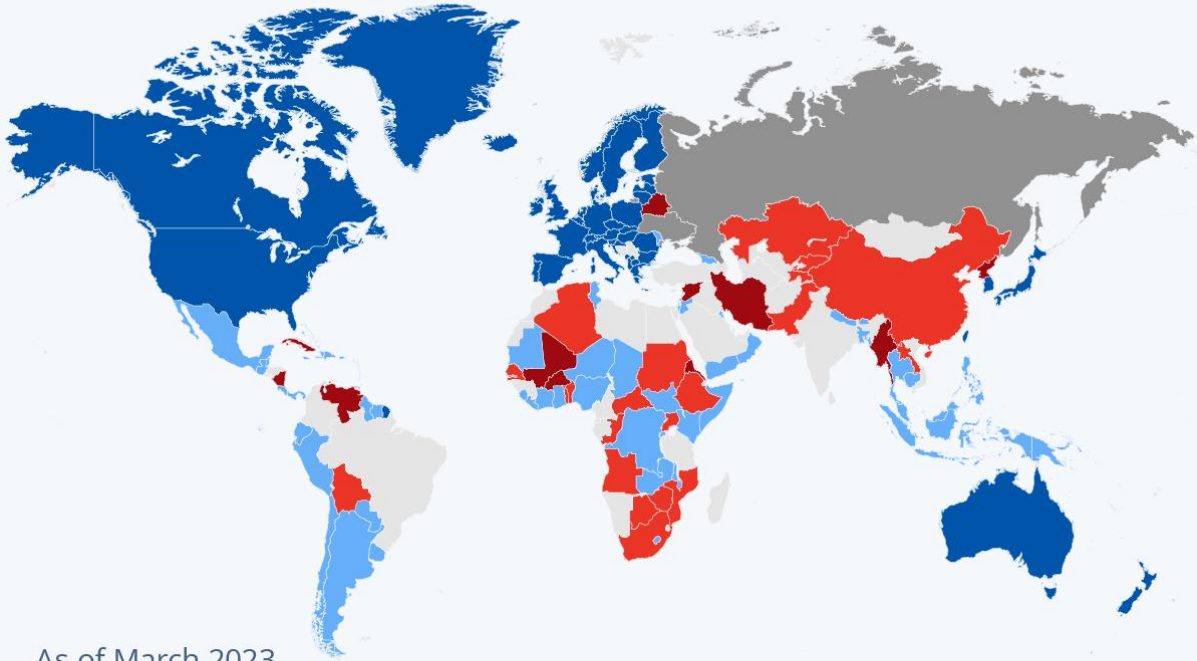
NORTH KOREAN CRYPTO THEFTS TARGET JAPAN, VIETNAM, HONG KONG

On 15 May, Nikkei Asia reported that a study has found Japan's \$721 million loss accounts for 30% of global total since 2017.

<https://asia.nikkei.com/Spotlight/Cryptocurrencies/North-Korean-crypto-thefts-target-Japan-Vietnam-Hong-Kong>

Where Countries Stand on Russia

■ Supports Russia ■ Russia-leaning ■ Neutral
■ West-leaning ■ Condemns Russia



As of March 2023
Source: EIU



statista

<https://www.statista.com/chart/29915/global-stance-on-russia>

SIZEABLE SUMS CONFISCATED FROM 4 BANKS IN MONACO

On 15 May, News MC reported that a long-running legal case has come back before the Monaco Criminal Court concerning a case of arms trafficking and money laundering. 4 Monaco banks were told they must respect the ruling of a court in Switzerland, with restitution of a total of €33 million to 346 victims of a fraud in Switzerland. The banks named are Credit du Nord, EFG Bank, Andbank and Credit Lyonnais, and a total of 6 accounts were held in the banks in the name of an Italian man in his fifties.

<https://news.mc/2023/05/15/sizeable-money-laundering-sums-confiscated-from-four-banks-in-monaco>

US: BANK LIABILITY FOR BUSINESS EMAIL COMPROMISES (BEC) AND FRAUDULENT PAYMENTS

On 15 May, an article from Burr and Forman published this Alert which says that BEC are rampant. According to Proof Point's *Threat Advice*, direct financial losses from successful phishing incidents increased by 76% in 2022.

<https://www.burr.com/newsroom/articles/bank-liability-for-business-email-compromises-and-fraudulent-payments>

MALICIOUS FALSEHOOD IN ENGLISH LAW

A briefing from Out-Law on 15 May says that such claims are sometimes made in tandem with, or as an alternative to, defamation claims. Although both malicious falsehood and defamation claims deal with publication of false statements the main difference between them is that a claimant in a malicious falsehood claim is not required to prove damage to reputation. Another advantage is that the 'single meaning' rule does not apply to malicious falsehood claims, so there may be tactical reasons for bringing a claim in malicious falsehood rather than defamation, although damages tend to be lower.

<https://www.pinsentmasons.com/out-law/guides/malicious-falsehood>

MORMON CHURCH HAS \$100 BILLION 'CLANDESTINE HEDGE FUND', SAYS WHISTLEBLOWER

On 15 May, the Guardian reported that a former investment manager for the Church of Jesus Christ of Latter-day Saints says that the organisation stockpiled more than \$100 billion in funding intended for charity work but never spent it on such projects.

<https://www.theguardian.com/world/2023/may/15/mormon-church-whistleblower-taxes-hedge-fund>

HOW SCRAP METAL BECAME A CRIMINAL ENTERPRISE IN VENEZUELA

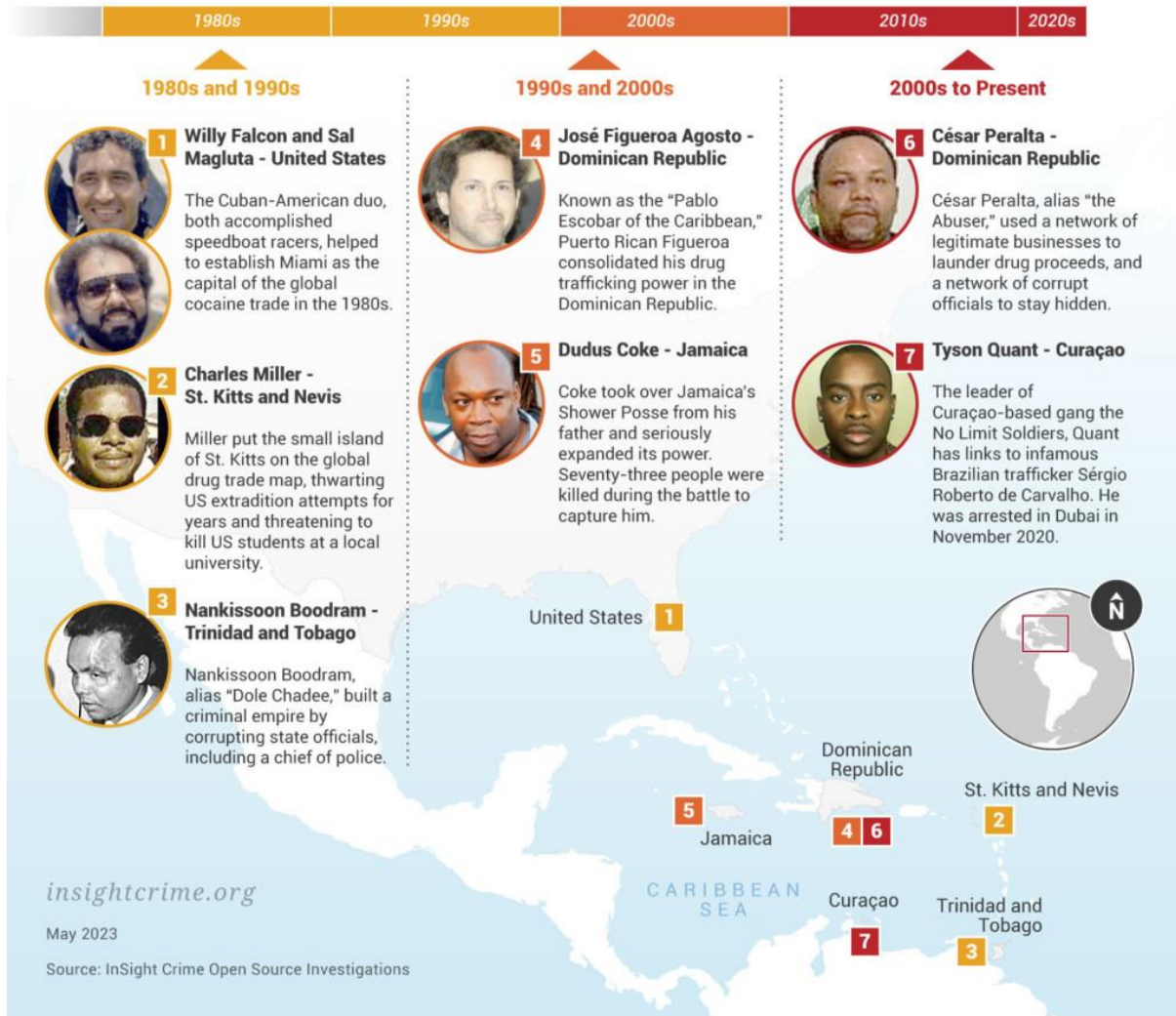
On 15 May, an article from Insight Crime said that nationalisation of the scrap metal industry opened the doors to a state-sponsored free-for-all, with public officials, private companies, military personnel, and criminal groups illegally trading the valuable commodity.

<https://insightcrime.org/news/how-scrap-metal-became-criminal-enterprise-venezuela/>

A HISTORY OF THE CARIBBEAN'S MOST POWERFUL DRUG KINGPINS

On 12 May, an article from Insight Crime says that the roots of the region's persistence as a key corridor for cocaine stretch back half a century. The article examines the legacies of some of the most influential Caribbean kingpins who helped to shape the region's current drug trade dynamics.

Caribbean Drug Kingpins: 1980s to Present



<https://insightcrime.org/news/history-caribbean-most-powerful-drug-kingpins/>

MEXICAN CARTELS' RECRUITMENT TACTICS UNVEILED IN NEW STUDY

On 11 May, Insight Crime reported that recruiters for Mexican criminal groups sway prospective members with promises of social belonging, according to a new study that highlights the omnipresence of criminal groups in the lives of the most susceptible recruits. The analyses the authors' findings, which provide a comprehensive look at recruits' motivations when joining Mexican criminal groups.

<https://insightcrime.org/news/mexican-groups-recruitment-tactics-unveiled-in-new-study/>

THE EU ANTI-MONEY LAUNDERING AUTHORITY

On 15 May, a briefing from the EU Parliament Research Service said that, in July 2021, the European Commission tabled a proposal to establish a new EU authority to counter money laundering and the financing of terrorism; as part of a legislative package aimed at implementing the 2020 action plan for a comprehensive EU policy on preventing money laundering and the financing of terrorism. One main role would be to support EU FIU and establish a cooperation mechanism among them.

[https://www.europarl.europa.eu/RegData/etudes/BRIE/2022/733645/EPRS_BRI\(2022\)733645_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2022/733645/EPRS_BRI(2022)733645_EN.pdf)

RUSSIA/BELARUS SANCTIONS UPDATE

On 11 May, Eversheds Sutherland provided an update as a briefing which summarises the key developments from 28 February 2023 and supplements the firm's previous briefings.

https://www.eversheds-sutherland.com/lists/article.html?ArticleID=Corporate_Crime_Keeping_you_up_to_speed_-_Russian_and_Belarusian_sanctions_updates

THE CFTC AND STATE REGULATORS IN CALIFORNIA AND HAWAII CHARGE LOS ANGELES AREA PRECIOUS METALS DEALER IN ONGOING \$61 MILLION FRAUD TARGETING THE ELDERLY

On 15 May, a release on Mondo Visione advised that the Commodity Futures Trading Commission and state regulators have announced they have filed a joint civil enforcement action in a US federal court in California against a precious metals dealer, its CEO, and a senior account executive for perpetrating a \$61.8 million nationwide fraudulent scheme.

<https://mondovisione.com/media-and-resources/news/the-cftc-and-state-regulators-in-california-and-hawaii-charge-los-angeles-area-p/>

HOW THE IRS SEIZED \$10 BILLION WORTH OF CRYPTO USING BLOCKCHAIN ANALYTICS

On 11 May, an article from the Coin Telegraph advised that a public-private partnership with blockchain analytics firm Chainalysis has played a key role in helping the Internal Revenue Service solve cryptocurrency-related crimes.

<https://cointelegraph.com/news/how-the-irs-seized-10b-worth-of-crypto-using-blockchain-analytics>

MINERALS ARE STILL FINANCING CONFLICT

A post from The Sentry on 11 May says that, with affiliated mines across the Central African Republic, Sudan, Angola and elsewhere and a history of looting minerals from poor African nations,

it is likely that Russia is financing its war effort in Ukraine with gold, diamonds, and other minerals — at least in part. The post proposes various moves to improve things, including that the EU Conflict Minerals Regulation (CMR) should be extended to include other minerals etc, and products made with conflict minerals, not just raw materials.

<https://thesentry.org/2023/05/11/7687/minerals-financing-conflict/>

RUSSIAN-SPEAKING MIGRANT SMUGGLERS ON THE US SOUTHERN BORDER

On 11 May, an article from the Global Initiative Against Transnational Organised Crime said that the invasion of Ukraine has prompted thousands of Russians to flee their country for fear of political persecution. Many seek refuge in the US, facilitated by Russian- and Uzbek-speaking smuggling networks operating in Turkey, Central America and Mexico.

<https://globalinitiative.net/analysis/russian-migrant-smugglers-us-southern-border/>

CORRUPTION THREATENS TIMBER TRACEABILITY IN GABON

On 11 May, an article from Mongabay said that whereas Gabon enjoys 88% forest cover, with selective logging helping protect this ecological and economic resource, a monitoring system meant to ensure the traceability of some wood was recently suspended.

<https://news.mongabay.com/2023/05/corruption-threatens-timber-traceability-in-nkok-gabon/>

HOW CANADA CAN DEVELOP A NATIONAL FINANCIAL CRIME AGENCY

On 11 May, Transparency International in Canada published its White paper, saying that the Government of Canada has stated its intention to establish a Canadian Financial Crimes Agency (CFCA). In the 2023 federal budget, the government indicated that the CFCA should focus on investigations, enforcement, convictions, and asset seizures, specifically related to money laundering.

<https://transparencycanada.ca/news/white-paper-on-establishing-a-canadian-financial-crime-agency>

IMF - COUNTERING THE FINANCING OF TERRORISM: GOOD PRACTICES TO ENHANCE EFFECTIVENESS

On 12 May, the IMF released this report which is said to offer valuable insights into identifying key challenges and implementing good practices that can enhance the effectiveness of counter-terrorism financing frameworks. 6 chapters cover crucial aspects of the fight against terrorism financing –

improving the understanding of terrorist financing risks;
the role of the private sector in detecting and disrupting terrorist financing activities;
the production and use of financial intelligence to counter terrorism and terrorist financing;
investigating, prosecuting, and sanctioning terrorism financiers;
terrorism-related targeted financial sanctions; and
international cooperation in combating the financing of terrorism.



<https://www.imf.org/en/Publications/Books/Issues/2023/05/12/Countering-the-Financing-of-Terrorism-Good-Practices-to-Enhance-Effectiveness-515493>

CYBERCRIME DISRUPTION THROUGH CIVIL LITIGATION AND EQUITABLE REMEDIES

On 10 May, a post from Lawfare is by a general manager at Microsoft in the Digital Crimes Unit and a technology litigation lawyer focusing on cybercrime and the global enforcement of legal rights. It is a reply to a previous post which criticised Microsoft's disruption strategy and the courts' application of centuries-old principles to contemporary misconduct; and argued that such remedies are an inadequate means to effectively counter cybercrime at scale and should be abandoned in favour of pursuing global governance frameworks that might be realized in the future. The post explains that Microsoft's Digital Crimes Unit works to protect Microsoft and its customers from digital threats. For several years, it has successfully pursued a strategy to disrupt cybercrime activity through civil litigation seeking injunctive relief by applying traditional common law tort and property principles to digital ecosystems.

<https://www.lawfareblog.com/cybercrime-disruption-through-civil-litigation-and-equitable-remedies>

<https://www.buymeacoffee.com/KoIvM842y>

