



Money Laundering

Drew Sullivan
 Editor
drew@occrp.org

Sp. Ost.	Idr. /Eid. /Ref. #	Surabaha / Sapatayay / Sapatayay	Idr. Sapatayay	Os Suraba	Bilance
7/09/07	10741345	Wanda ceļa WAFK18653 TRAF VE BENDI BAKARIZ A.S., PUNA LEMBA 3802154 INDI-REINE AND SAN A.S. INDI-REINE AND SAN A.S. CEMANTEN BAKARIZ KOLKATA 3, KISHIN GARIL	40 029.00		142 753.55-
7/09/07	10741343	Wanda ceļa CITYBEEZ CREDIT ADV H.A. 810410ST L AND 1 INTERNATIONAL INC 602 20TH ST 2500ET, BROOKLYN NY 11210 USA	2 036.83		144 753.55-
7/09/07	10749585	Wanda ceļa TIZIT728 YAEZ KREDE BANKKEL TOL1809678109020091427209 MOUTAER LET CRUSAIA HERRES MANALLAOT ATATUAE OSO-8023,8088R/SHIALISA	32 009.81		136 753.55-
7/09/07	10737166	Wanda ceļa WENO AS 311011740 14416118320008729001 1907489 TURKEX LIMITED USD=KEM = 0.1066641822	32 839.18		189 991.73-
7/09/07	10748168	Wanda ceļa WENO AS 311011740 14416118320008729001 1907489 TURKEX LIMITED USD=KEM = 0.1052184122	15 314.43		204 906.13-
7/09/07	10748160	Wanda ceļa WENO AS 311011740 14416118320008729001 1907489 TURKEX LIMITED USD=KEM = 0.1052184122	40 368.47		245 274.60-
7/09/07	10748170	Wanda ceļa WENO AS 311011740 14416118320008729001 1907489 TURKEX LIMITED USD=KEM = 0.1052184122	11 262.47		256 367.07-
7/09/07	10748168	Wanda ceļa WENO AS 311011740 14416118320008729001 1907489 TURKEX LIMITED USD=KEM = 1.6100909622		69 223.18	187 041.87-
7/09/07	10750131	Kred. Avizo no 918 FARMER BANK LV ALS-COT SELECT LLC OS		18 809.00	170 541.87-
7/09/07	10750131	Kred. Avizo no 918 THE BANK OF NEW YORK OS SKL ACKNOWLEDG GROUP NO		149 798.99	12 742.98-
7/09/07	10750149	Kred. Avizo no 918 AS KOMERCIJENY BALTIZKONS FIDA LV TORRELY SERVICES LIMITED LONDON UK		24 401.60	1 038.82-
7/09/07	10750132	Kred. Avizo no 918 HELLERICH BANK NIGOSIA CT INTERAFA TRADING LTD COMPLEX MUSGALOU CT		11 843.98	33 024.40-
7/09/07	10750145	Kred. Avizo no 918 UNIO BANKAS BANKAS LF ELIAB PEGUOPKES I A TUPTOLA VG		899 980.00	813 304.60-
7/09/07	10750143	Kred. Avizo no 918		18 115.00	851 219.60-

Tormex

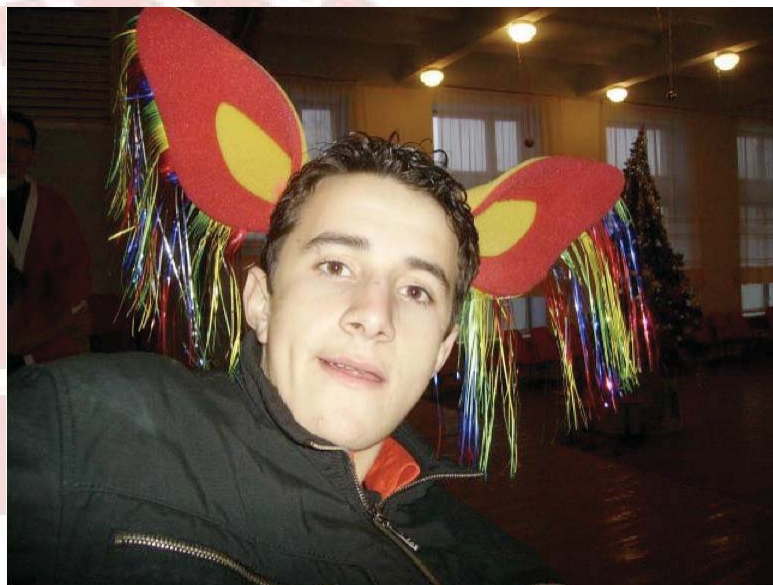
- Deposits received from:
 - Mexican Sinaloa Drug Cartel
 - Regional Organized Crime
 - Government Officials
 - Asian Triad Crime Groups
 - Private Businesses and Individuals
- Payments made to:
 - State company vendors
 - Private businesses and individuals

Tormex

- Received more than \$700 million
- Opened and closed in 11 months
- Many transfers were between offshore banks and companies
- Never investigated
- Set up by the GT Group

Who are the
masterminds behind
this \$700 million
laundering empire

Boris Devdier – Age 19



Devdier's Mansion in Telenesti



➤ Stella Port Louis



Laundering Efficiency

- There are hundreds of Tormex-like firms
- They open and close regularly
- Most are registered in offshore locations
- All use proxy ownership
- Law enforcement can't keep up. Takes hours to register a company – months to request information on it.

Laundering Magnitude

- About \$1.6 trillion, or 3 percent of the world's Gross Domestic Product was laundered in 2009, according to the United Nations Office on Drugs and Crime (UNODC).

Laundering Magnitude

- Mafia organizations including the Calabrian 'Ndrangheta, Sicilian Cosa Nostra and the Neapolitan Camorra taken together have become Italy's 'largest bank,' with €65 billion (US\$ 82.7 million) in liquidity, according to SOS Impresa.

Where Laundering Occurs

- 70 percent of laundering goes through commercial banks
- Hedge funds
- Investment Banks and investment firms
- Casinos
- Money exchanges
- Cash businesses

Law Enforcement is Ineffective

- 20-25 percent opiates produced are being seized.
- 40 percent of cocaine seized
- 0.2 percent of laundered money seized
 - Thomas Pietschmann, UNODC report on global money laundering.

Why this Can Happen

- Offshore intermediaries
- Criminal services industry
 - Stolen Asset Recovery Initiative (StAR), a joint project of the World Bank and the UNODC, recently analyzed 150 case studies of “grand-scale corruption” and found that almost all had employed “professional intermediaries” to obscure the origins and destinations of ill-gotten funds.

Why this Can Happen?

- Poor coordination and cooperation among governments and law enforcement
- Slow legal processes
- Lack of dedicated, transnational task forces for organized crime and money laundering
- Bad laws dedicated to protecting business

Eliminating the Problem

- Money Laundering can be mostly wiped out in one year if governments really cared. It's a problem that doesn't need to exist.
 - Easy to track money flows
 - Offshores can be eliminated

What needs to happen

- Better international cooperation
- Consensus in international organizations
- Coordinated strengthening of legal regulatory framework
- Prosecution of criminal services industry

Role of Journalism

- Government does most anti-corruption work
- What happens when that doesn't work
- There is not a natural constituency for anti-corruption work except media
- Journalism holds government accountable
- Must promote high standards
- Protect against consolidation



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