

3. International cooperation against transnational organized crime: the practical experience of the European Union [Electronic resource] Accessmode: [https://www.unafei.or.jp/publications/pdf/RS\\_No59/No59\\_29\\_VE\\_Joutsen3.pdf](https://www.unafei.or.jp/publications/pdf/RS_No59/No59_29_VE_Joutsen3.pdf)

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### **COMBATING MONEY LAUNDERING: REGULATION AND LAW ENFORCEMENT PERSPECTIVES ON REFORM**

Each country has a duty to combat money laundering and to prevent terrorist financing or any other threats that can compromise the integrity of the international financial system. The impact by economic crime, organized criminal groups and terrorism continued to be felt in USA and other parts of the world during 2018-2019. Money laundering has been a crime in the United States since 1986, making the United States one of the first countries to criminalize money laundering conduct.

Generally, it is a crime which engages virtually any type of financial transaction. Criminal activity can be a violation of any criminal law – federal, state, local, or foreign. Money laundering requires an underlying, primary, profit-making crime (such as corruption, drug trafficking, market manipulation, fraud, tax evasion), along with the intent to conceal the proceeds of the crime or to further the criminal enterprise. These activities generate financial flows that involve the diversion of resources away from economically and socially-productive uses and these diversions can have negative impacts on the financial sector and external stability of member states. They also have a corrosive, corrupting effect on society and the economic system as a whole.

Money laundering generally involves three steps: placing illicit proceeds into the financial system; layering, or the separation of the criminal proceeds from their origin; and integration, or the use of apparently legitimate transactions to disguise the illicit proceeds. Once criminal funds have entered the financial system, the layering and integration phases make it very difficult to track and trace the money. Anti-money laundering (AML) is a term mainly used in the financial and legal industries to describe the legal controls that require financial institutions and other regulated entities to prevent, detect, and report money laundering activities. The approach in the United States to stopping money

laundering is usually broken into two areas: preventive (regulatory) measures and criminal measures [1].

In an attempt to prevent dirty money from entering the U.S. financial system in the first place, the United States Congress passed a series of laws known as the Bank Secrecy Act. These laws require financial institutions include a broad array of entities, including banks, credit card companies, life insurers, money service businesses and broker-dealers in securities, to report certain transactions to the United States Department of the Treasury. Cash transactions in excess of a certain amount must be reported on a currency transaction report (CTR), identifying the individual making the transaction as well as the source of the cash. The financial database created by these reports is administered by the U.S.'s Financial Intelligence Unit (FIU), called the Financial Crimes Enforcement Network (FinCEN). The reports are made available to U.S. criminal investigators, as well as other FIU's around the globe, and FinCEN conducts computer assisted analyses of these reports to determine trends and refer investigations. A bank must verify a customer's identity and, if necessary, monitor transactions for suspicious activity. By knowing one's customers, financial institutions can often identify unusual or suspicious behaviour, termed anomalies, which may be an indication of money laundering [2].

Money laundering has been criminalized in the United States since the Money Laundering Control Act of 1986. The law prohibits individuals from engaging in a financial transaction with proceeds that were generated from certain specific crimes, known as "specified unlawful activities" (SUA). The law requires that an individual specifically intend in making the transaction to conceal the source, ownership or control of the funds. There is no minimum threshold of money, and no requirement that the transaction succeeded in actually disguising the money. A "financial transaction" has been broadly defined, and need not involve a financial institution, or even a business. Merely passing money from one person to another, with the intent to disguise the source, ownership, location or control of the money, has been deemed a financial transaction under the law. The investigation of money laundering usually goes hand in hand with the investigation of the original crime generating the proceeds. Financial investigations aim to identify the origins, flows and whereabouts of illicit income and unmask the networks involved. Illegally acquired assets can then be frozen or confiscated and the perpetrators of both the original offences and the subsequent money laundering prosecuted and arrested [2].

Controls, when effectively implemented, mitigate the adverse effects of criminal economic activity and promote integrity and stability in financial markets. All financial institutions, from large banks to small credit

unions, need to be on the lookout for money launderers. By integrating due diligence technology with people training and a robust partnership with law enforcement, banks can more effectively combat the increasingly sophisticated money launderers in the United States and abroad, helping prevent criminal activity from continuing on their watch.

#### ***Список використаних джерел***

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URL: <https://gettingthedealthrough.com/area/50/anti-money-laundering/>
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### **ORGANIZED CRIME IN THE WORLD: DEVELOPMENT AND COUNTER MEASURES**

Modern organized crime poses a threat to the national interests of individual states and the international security and becoming transnational in nature. Organized crime creates particular danger for countries with unstable socio-political and economic conditions, which are in a state of economic and political transformation to which Ukraine belongs.

Organized crime such as piracy, trafficking in human beings, human organs, cybercrime, sexual exploitation of children, environmental crime and illicit trafficking weapons have become widespread recently crime in many countries of the world. There has been a slight increase in violent crime in the world for 15 years. These trends are not the same in different regions of the world.

For example, robberies and killings have increased on the American continent, motor vehicle thefts and drug trafficking have declined. In Europe, during the specified period, a significant increase in drug possession crimes has been recorded, the remaining crimes tend to be reduced: motor vehicle theft, theft, robbery and murder. The number of vehicle thefts and vehicle thefts decreased over the specified timeframe in Asia and Oceania, the number of cases of drug trafficking, rape and robbery has increased. The reasons for the listed forms of crime are globalization, social inequality, imbalance of the law enforcement system, development of modern information technologies.[1]