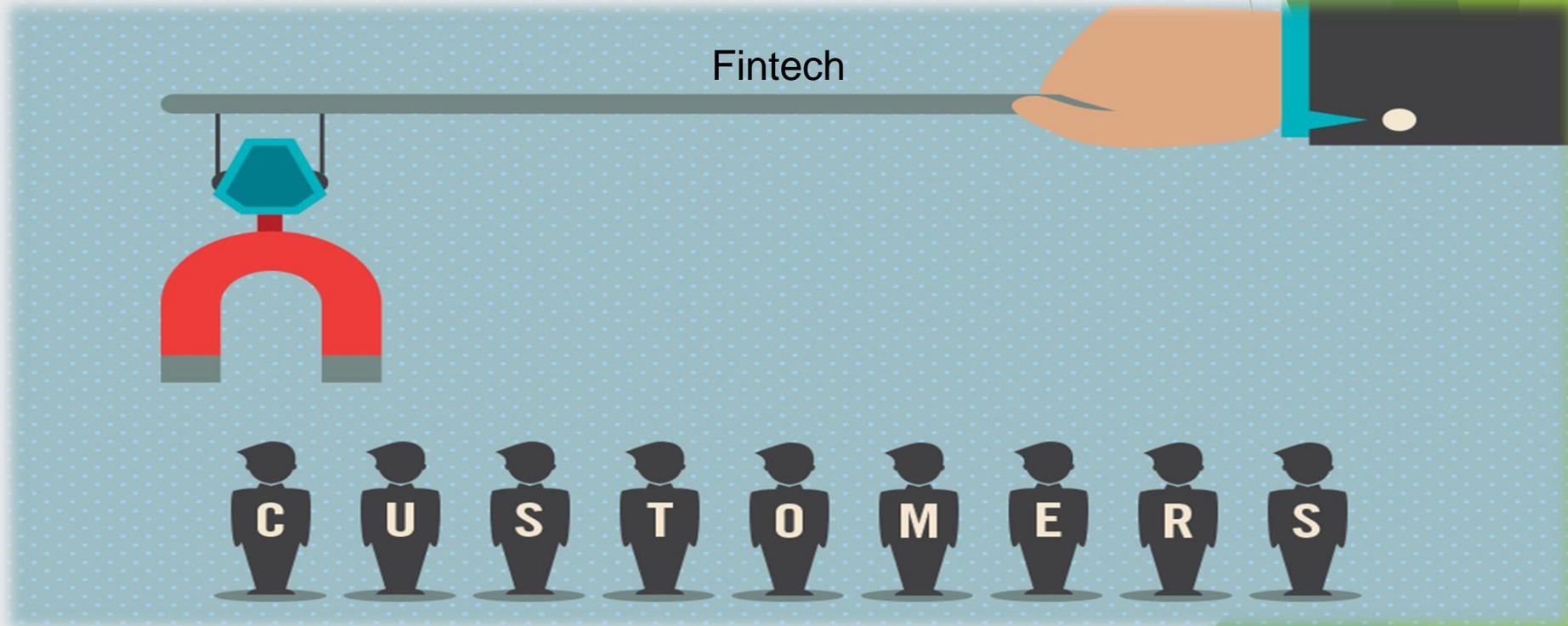مواجهه عمليات غسل الأموال و تمويل الإرهاب المرتبطة بال Fintech
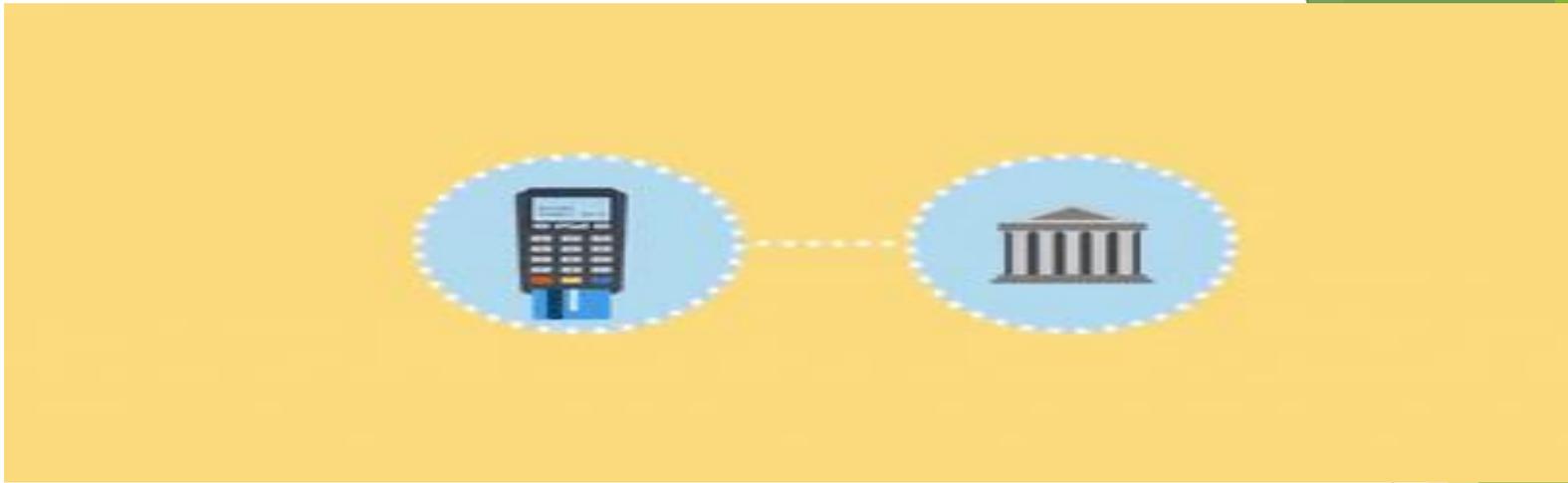
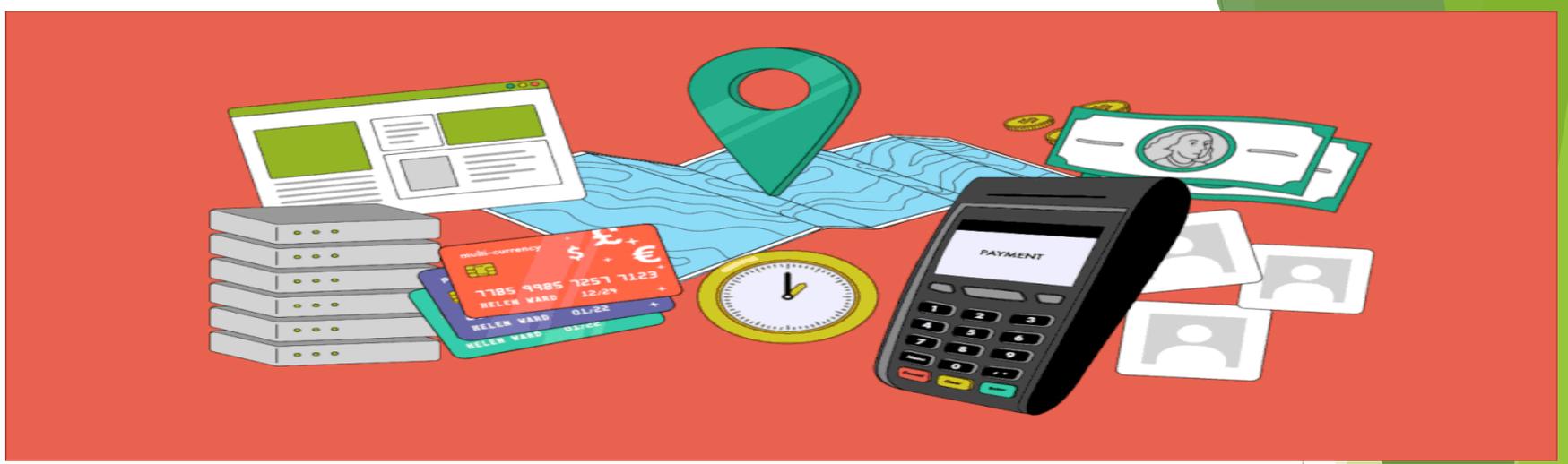# The attractive factors for electronic methods usage in money-laundering processes:

Easy execution of the financial transactions without much effort

No need to visit the financial entity and the possibility to execute the financial transactions and payments remotely

Execution any financial transaction from anywhere in the world through various ways of communication.
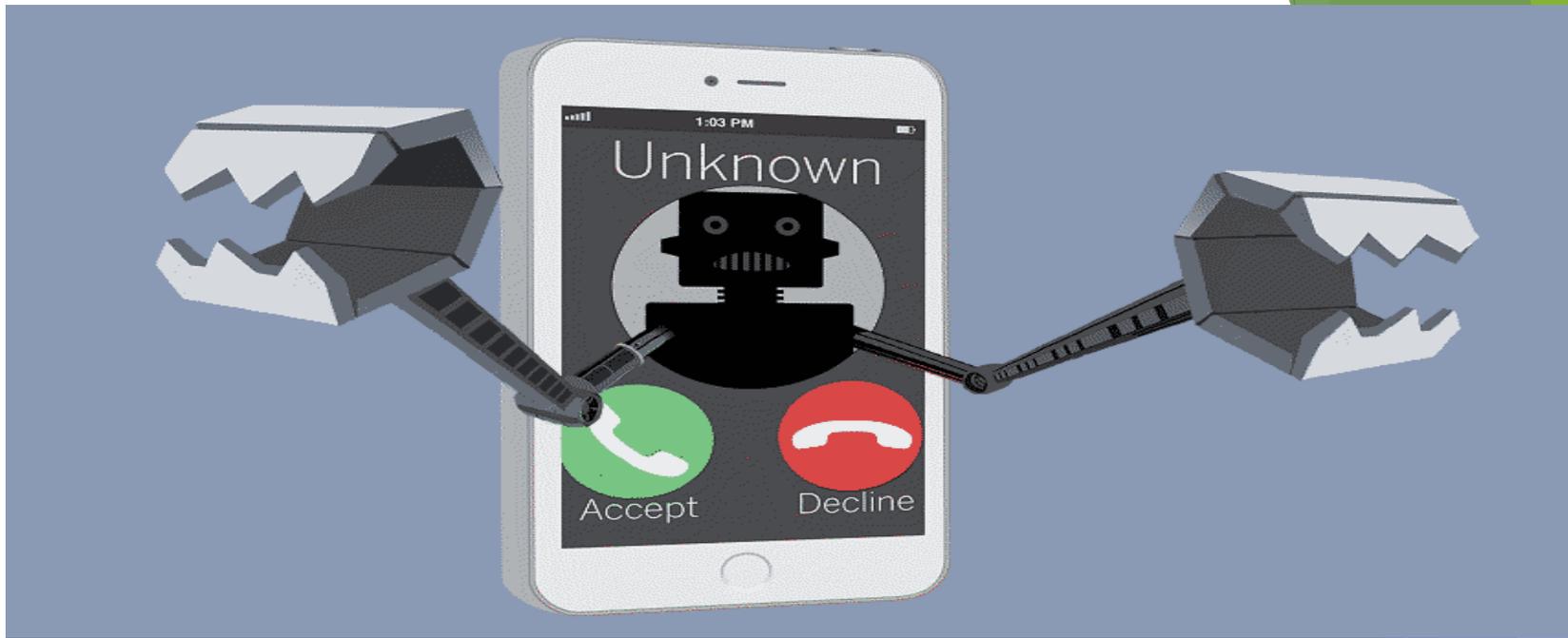
The possibility of conducting many transactions very quickly regardless of the transaction numerousness or value.

Easy and quick issuing and receiving the funds without any restrictions for the time or the location.

The possibility of multiple people dealing on behalf of the original person when transferring, receiving or executing financial transactions through various electronic methods.

The possibility of conducting financial transactions using electronic methods with fake names and fake accounts (the usage of Dark Net without identifying the real user)

UBER

UBER Case Study

Fraudster controlling

Driver benefitted from the bonus paid by Uber

Driver paid to fraudster his share

Uber Reconcile

Driver reconcile with Uber

Fake trip request by Fraudster

Fraudster accept trip request

thru driver phone

GPS spoofing

By fraudster

Cards to be debited

with the trip fees

Airbnb Case Study

Fraudster controlling

Hacked Credit card.

Owners involved with the fraudster

Fake booking on Airbnb by Fraudster using the hacked credit cards

Fake likes and comments

For the lovely place
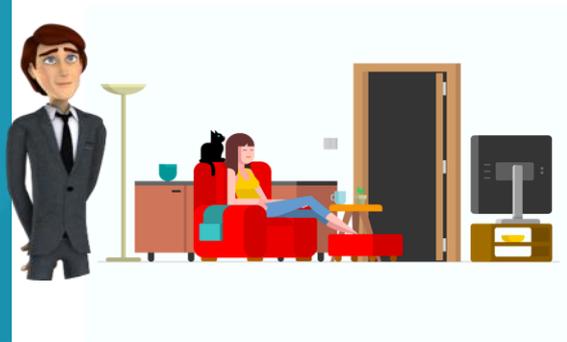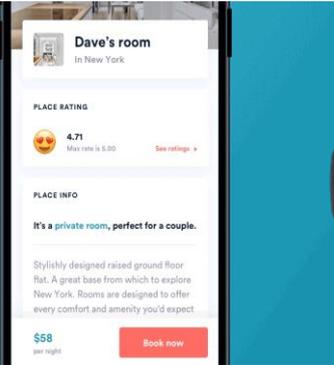
owner paid to fraudster his share

Reconcile

Owner

Owner reconcile with Airbnb

After the Cards debited with the booking bills

Dave's room
In New York

PLACE RATING

4.71
Max rate is 6.00   See ratings

PLACE INFO

It's a private room, perfect for a couple.

Stylishly designed raised ground floor flat. A great base from which to explore New York. Rooms are designed to offer every comfort and amenity you'd expect

$58
per night   Book now

Uber & Airbnb Cases study

Actions taken by Uber

- Uber first educated about the money laundering and has taken several steps to fight this type of fraud
- Uber enhanced its fraud detection techniques in 2016
- The company frequently works with U.S. law enforcement including one case involving a fake-passenger scheme that led to 13 arrests in New York in 2017

Actions taken by the airbnb

- Airbnb has developed sophisticated models, systems and processes to detect and prevent all forms of misuse and illegal activity
- Airbnb also works with several parties to spot new trends in potential misuse and illegal activity and share information to combat illicit activity

Uber to Pay $148 Million Penalty to Settle 2016 Data Breach

Settlement relates to $100,000 payment Uber said it made to hackers to conceal a November 2016 data breach affecting some 57 million

The challenges and risks associated with electronic methods usage in money-laundering processes:

The most important challenges are:

▶ The difficulty of identifying the source of funds or the source of feeding certain electronic methods.

▶ The difficulty to identify the involved parties in the financial transactions due to the superior flexibility and the speed of handling and transferring the funds.

▶ The usage of a third party in executing the transaction, that makes follow-up, validation and investigations of these transactions are more complicated.

▶ Rapid technological growth is considered one of the main factors that make the process of money laundering more accessible.

Recommended actions to mitigate the risks of FinTech in Money Laundering:

▶ Communicating with companies that work in the technological services field associated with (FinTech), to obtain a better understanding of the associated money laundering and terrorist financing risks by electronic methods.

▶ Raising awareness among all parties in general through specialized trainings

▶ Updating and spreading new patterns used for money laundering through the related AML tools.

▶ Establishing specific controls and limits for the financial transactions done through electronic methods

▶ Paying more attention to monitor and follow up of financial transactions carried out through electronic methods

▶ Machine Learning

 ▶ Using algorithms instead of traditional scenarios.

 ▶ Using technology to minimize manual processes and human input

Thank You