

PAYBITOPRO

ENVIRONMENTAL CRIME

(United States of America)

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Environmental crime

Introduction

Environmental crime, a highly profitable illicit enterprise, generates an estimated USD 140 to 360 billion annually through various unlawful activities like illegal logging, wildlife trafficking, and waste smuggling. These criminal gains, often laundered, perpetuate further environmental degradation, posing significant risks to ecosystems, economies, public health, and safety. Unfortunately, many law enforcement agencies, environmental bodies, financial institutions, and lenders remain unaware of their susceptibility to such financial crimes. The Financial Action Task Force (FATF) has been instrumental in shedding light on the methods used by criminals to launder proceeds from environmental crimes and in raising awareness among both public and private sectors, as well as environmental criminal networks.

Money Laundering from Environmental Crime

Environmental crime, including forestry crime, illegal mining, and waste trafficking, is an extremely profitable criminal enterprise, generating billions in illicit gains annually. It fuels corruption and intersects with many other serious and organized crimes, such as tax fraud, drug trafficking, and forced labor. PayBitoPro does not support or promote any form of environmental crime.

This FATF report identifies methods that criminals use to launder proceeds from environmental crime, as well as tools that governments and the private sector (such as PayBitoPro) can use to disrupt this activity. When properly implemented, the FATF Recommendations provide effective tools to target these illicit financial flows.

Environmental crime is considered a "low risk, high reward" crime. In many countries, lenient sanctions for environmental crimes and limited efforts to trace and confiscate the profits make this a lucrative but safe source of income for criminals. The FATF conducted this study to increase understanding of the scale and nature of money laundering threats from environmental crime and to strengthen the response across public and private sectors. The G20 Finance



Ministers and Central Bank Governors have similarly recognized the need for enhanced action and the importance of the FATF's role in supporting biodiversity aims.

Building on the FATF's 2020 report on Money Laundering and the Illegal Wildlife Trade, this report shows that criminals are making enormous profits by using front companies to mix legal and illegal goods and payments early in the resource supply chains. They also rely on corruption, trade-based fraud, and offshore corporate structures to conceal the ultimate beneficiaries of these crimes.

As a priority, countries should:

1. Assess the risks of criminals exploiting their domestic financial and non-financial sectors to hide proceeds from environmental crimes. This is crucial even for countries without domestic natural resources, as FATF research indicates that criminals conceal proceeds from these crimes across various regions, including trade and financial hubs.
2. Enhance inter-agency cooperation between financial investigators and environmental crime agencies to identify and conduct financial investigations into environmental crimes. This includes collaborating with international counterparts to exchange information, facilitate prosecutions, and recover assets that have been transferred and held overseas.

The private sector plays a vital role in detecting financial flows from environmental crimes. PayBitoPro employs efficient methodologies to identify such crimes. The FATF study outlines best practices and risk indicators to assist financial and non-financial sectors in detecting potential cases.

Looking ahead, the FATF will maintain its focus on environmental crime and explore whether further policy work is necessary. In September 2021, the FATF plans to hold a public webinar for non-government stakeholders to discuss the findings of this new study.

FATF Standards mandate that countries criminalize money laundering for a range of environmental crimes. In 2021, the FATF added several examples of environmental crimes to its glossary to clarify the types of offenses within this category. However, addressing environmental crime requires coordinated action and collaboration.

For the first time, the FATF's focus on environmental crime brought together heads of international organizations, including the UN Office on Drugs and Crime (UNODC), the UN Environment Programme (UNEP), and the Convention on International Trade in Endangered



Species of Wild Fauna and Flora (CITES), to discuss developing partnerships to combat the dirty money fueling environmental crimes.

PayBitoPro seeks to unite representatives from civil society, and the private and public sectors in a webinar to discuss how to address gaps in our systems and modern society to protect the environment and preserve the world's natural resources.

The illegal wildlife trade is a major transnational organized crime, generating billions in criminal proceeds each year. One of the most effective ways to dismantle broader criminal networks and remove the profit from this crime is to follow the financial trails of wildlife traffickers. The FATF's 2020 report stressed the need for every country to assess their money laundering risks related to the illegal wildlife trade and to ensure a robust legal framework to target the finances of wildlife traffickers and conduct financial investigations.

Money Laundering, Statistics, and Illegal Wildlife Trade

The illegal wildlife trade stands as a significant transnational organized crime, generating billions in criminal proceeds annually. In response, the Financial Action Task Force has undertaken a new study to offer guidance to countries on measures they can implement to combat money laundering associated with this illicit trade.

Wildlife traffickers exploit vulnerabilities within both financial and non-financial sectors to move, conceal, and launder their proceeds, facilitating further wildlife crimes and undermining financial integrity. Following the financial trails of wildlife traffickers emerges as one of the most effective methods to identify broader criminal networks and disrupt the profitability of this illicit activity.

Despite the substantial criminal gains involved, countries and the private sector have yet to prioritize efforts to trace and combat financial flows from this trade commensurate with the associated risks. However, PayBitoPro actively engages in measures to combat the mentioned environmental crimes. To effectively combat the financial flows stemming from the illegal wildlife trade, countries and private entities should therefore make it a priority to:

- Identify and evaluate the money laundering risks associated with the illegal wildlife trade.
- Ensure that national legislation and law enforcement capabilities empower authorities to target the finances of wildlife traffickers and conduct thorough financial investigations.



The private sector also holds a critical role in combating financial flows stemming from the illegal wildlife trade. This study consequently identifies best practices and risk indicators to aid both the private sector and countries in recognizing potential suspicious financial activities linked to the illegal wildlife trade.

Illegal wildlife smuggling encompasses various crimes, including the trafficking of Rosewood Timber, Elephant tusks, Rhinoceros horns, Pangolin scales, live reptiles, and wild birds, as well as the associated illicit financial flows from the ivory trade. The top countries involved in wildlife smuggling are:

- **Ecuador:** situated in Latin America, faces significant vulnerability to wildlife smuggling due to its rich biodiversity. The country is renowned for its diverse ecosystems, particularly notable in northern Ecuador, where the Yasuní National Park and the surrounding Waorani Ethnic Reserve span approximately 1,770 square miles. These areas are home to an impressive array of flora and fauna, including around 4,000 plant species, numerous animals such as the giant river otter, over 400 fish species, and more than 500 bird species. To provide context, the United States, by comparison, hosts around 900 bird species.

Among the commonly smuggled species are birds like the scarlet macaw, prized for its vibrant plumage featuring bright red, brilliant blue, yellow, and white feathers, making it highly sought after as a pet. Unfortunately, animals pilfered in Latin America often find their way to markets in Europe, the United States, or Japan. Despite existing laws against wildlife smuggling, the lack of resources often results in conservation efforts being relegated to a lower priority.

- **United States:** The U.S. is also one of the leading countries in wildlife-related crimes. The Lacey Act of 1900 is a U.S. federal law that prohibits trade in wildlife, fish, and plants that have been illegally taken, possessed, transported, or sold, including endangered species. In 2022, the Big Cat Public Safety Act was enacted, requiring licenses to keep large exotic cats such as lions and tigers and banning cub petting, a lucrative enterprise that incentivized an illegal underground endangered animal trade publicized by the popular documentary miniseries **Tiger King**.
- **China:** The utilization of Traditional Chinese Medicines (TCM) dates back to the 10th century BCE. Employing a diverse array of plants and animals, TCM was revered as a fundamental means of treating ailments and ameliorating the effects of aging. However, approximately 200 years following the discovery of the germ theory of disease, TCM



encountered resistance from younger, more educated demographics. Nevertheless, despite this pushback, TCM persists as a vital component of cultural identity for many within the Chinese nation, contributing significantly to the economy, with an infusion of \$10 million recorded in 2005.

Regrettably, the utilization of animal derivatives in traditional medicines has emerged as a significant catalyst for the global wildlife trafficking trade. Numerous species commonly employed in these practices are now classified as threatened or endangered by the International Union for Conservation of Nature (IUCN), while populations of other species are witnessing alarming declines.

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- **Africa:** Wild meat is often illegally sourced, a consequence of political and economic instability prevalent in many nations across the continent. In rural areas, bushmeat serves as a means of survival amid poverty and food insecurity. Conversely, urban residents consume bushmeat for its perceived status as a luxury item. Furthermore, wild meat from Africa is exported to international markets annually.

The demand for ivory remains substantial in international markets, leading to an estimated 100 African elephants being killed daily for their tusks.

To counteract wildlife smuggling, PayBitoPro implements robust measures. Any suspicious transactions, particularly those exceeding \$10,000, originating from or directed towards the aforementioned countries, trigger immediate red flags by the company. PayBitoPro boasts a highly skilled Compliance team that conducts thorough background checks on all aspects of the transaction, including the individuals involved, the transaction's origin, and destination zones, among others. It's important to note that PayBitoPro vehemently opposes and does not condone any form of wildlife smuggling.

- **Tanzania and Kenya:** Due to the vast range of forest of about 35,257,000 hectares which is spread through the Country, these countries take a leading part in deforestation, and Ivory smuggling also. CEN (Customs Enforcement Network of the World Customs Organisation) and CEN (Customs Enforcement Network of the World Customs



Organisation,(includes CITES, INTERPOL, UNODC, World Bank, and WCO)) are taking ample steps to stop and protect the Wildlife Crimes.

PayBitoPro is deeply committed to combatting wildlife smuggling and has implemented rigorous measures to achieve this goal. Any suspicious transaction, particularly those exceeding \$10,000 and involving the above-mentioned countries, triggers an immediate red flag within the company's system. PayBitoPro boasts a highly competent Compliance team equipped with advanced tools to conduct thorough background verifications on all aspects of the transaction, including the individuals involved, the transaction's origin and destination zones, and more. It's important to emphasize that PayBitoPro unequivocally opposes and condemns all forms of wildlife crimes, including wildlife smuggling.

Environmental Crimes Related to Narcotics Trafficking

Comprising five distinct booklets, the World Drug Report 2022 offers a comprehensive analysis of global drug markets and explores the intersection between drugs and the environment within the broader context of Sustainable Development Goals, climate change, and environmental sustainability.

Nearly all countries worldwide are focused not only on fostering greater international cooperation to combat the impact of the global drug issue on health, governance, and security but also on providing valuable insights to assist Member States in anticipating and addressing threats arising from drug markets and mitigating their repercussions.

The international community confronts both challenges and opportunities in drug control, prevention, and treatment in the digital age, as highlighted in this chapter. It delves into the interaction between international drug control treaties and the challenges posed by the Internet, particularly focusing on the evolving landscape of online drug trafficking. Law enforcement agencies encounter obstacles in monitoring and prosecuting online drug activities due to encryption technologies and jurisdictional complexities, necessitating global collaborative efforts.

Social media platforms are increasingly utilized as local marketplaces for illicit drugs, raising concerns about heightened accessibility for children and adolescents. Nevertheless, these platforms also present opportunities for prevention and awareness-raising initiatives, facilitating communication among drug users, coordinating community responses, and providing drug-checking services to support public health efforts.

The chapter further addresses the misuse of legitimate e-commerce platforms for drug trafficking and underscores efforts to foster cooperation between governments and online industries.



Criminal organizations exploit online platforms for trafficking narcotic drugs, psychotropic substances, precursor chemicals, and new psychoactive substances. The proliferation of fentanyl and synthetic opioids online poses significant concerns due to their potency and the risk of overdose deaths.

Initiatives by the International Narcotics Control Board (INCB) to combat the exploitation of the Internet for drug trafficking include Operation Acronym, the GRIDS Programme, and tools like IONICS for real-time information exchange. INCB stresses the need for further development of public-private partnerships, enhanced international cooperation, and legislative measures to address evolving challenges posed by Internet-driven drug trafficking.

Some countries involved in importing, exporting, consuming, or providing travel routes for narcotics trafficking include:

- **Colombia/Peru/Bolivia:** Coca bush cultivation appears to be experiencing a resurgence primarily in Colombia, Brazil, and Venezuela. The coca plant is grown on farms and later processed using various chemicals, resulting in the production of cocaine, a potent stimulant in the form of a white powder.

Trafficking routes for cocaine to Europe primarily involve transportation by sea and air, with Colombia, Brazil, and Venezuela serving as key departure points. The Caribbean and West Africa play crucial roles as transit areas, while Central America is emerging as a significant transit route.

Cocaine trafficking often intersects with routes used for other drugs, such as cannabis through North Africa and heroin through East Africa. Multiple methods are employed to smuggle cocaine into Europe, including air couriers, express packages, private yachts, and jets. The use of maritime containers is a growing concern due to its effectiveness in concealing large quantities of drugs.

A wide range of concealment techniques is utilized, including those requiring chemical extraction, underscoring the sophistication and adaptability of drug trafficking operations in evading detection and interception.

- **Mexico:** The Sinaloa Cartel, widely regarded as the largest and most influential drug trafficking organization in the Western Hemisphere, comprises a network of Mexico's most



prominent drug lords. Its members collaborate closely to safeguard their interests and operations.

- **Afghanistan:** Afghanistan stands as the primary global producer of cannabis resin, commonly known as hashish. This is primarily attributed to Afghanistan's exceptionally high resin yields, which measure at 145 kg per hectare, four times greater than those observed in Morocco, another significant producer, where resin yields were measured at 36 kg per hectare in 2005.

Cannabis consumption has been a subject of widespread interest and debate on a global scale for many years. In recent decades, there has been a notable shift in attitudes toward cannabis, resulting in increased consumption and legalization efforts in various countries. Leading the forefront of this movement are the United States and Canada.

Several countries worldwide, such as Uruguay, and various European nations including Luxembourg and Albania, have also pursued legalization initiatives to varying extents. Additionally, countries like the Netherlands, Nigeria, Czechia, Uruguay, Chile, and Argentina rank among the largest consumers of cannabis globally.

- **United States:** Drug abuse remains a prominent challenge for the United States. Despite a slight decrease compared to previous years, over 106,000 Americans lost their lives due to drug overdose between July 2022 and July 2023. The country witnessed a steady increase in overdose deaths until 2021 when the toll surpassed the grim milestone of 100,000 deaths.

However, overdose deaths represent just one facet of the multifaceted issue of drug abuse in American society. Its impact extends far beyond individual tragedies, affecting various aspects such as the economy and public health. Substance abuse imposes a staggering cost on the American economy, amounting to nearly \$3.73 trillion annually. Addressing drug abuse requires comprehensive strategies that tackle its root causes and provide support for prevention, treatment, and recovery efforts.

PayBitoPro unequivocally opposes any involvement in the production, trafficking, or consumption of illegal narcotics in any country worldwide. Given the modern trend of electronic currency facilitating transactions between drug dealers across borders, PayBitoPro has implemented



stringent measures to combat such activities. Specifically, the company has designated a RED FLAG for transactions exceeding \$10,000 USD involving the countries mentioned.

Whenever a RED FLAG is triggered, PayBitoPro conducts a comprehensive background verification process to ensure compliance with anti-money laundering and counter-terrorism financing regulations. These proactive measures underscore PayBitoPro's commitment to preventing illicit activities and maintaining the integrity of its platform.

Environmental Crimes Related to HUMAN TRAFFICKING

Absolutely, the global community agrees that human trafficking is abhorrent and unacceptable. While traditional approaches have made some progress, they've often fallen short of effectively addressing the scale and complexity of the issue. There's a growing recognition of the need for more comprehensive and innovative strategies that tackle the root causes of trafficking, strengthen protection for victims, and enhance law enforcement efforts to bring traffickers to justice. Collaboration between governments, NGOs, law enforcement agencies, and international organizations is essential to create a more robust response to this pervasive human rights violation.

UN.GIFT indeed represents a significant international effort to combat human trafficking. Its establishment reflects a collective acknowledgment of the severity of this issue and the necessity for coordinated action on a global scale. By bringing together governments, civil society, the private sector, media, and individuals, UN.GIFT aims to raise awareness, mobilize resources, and facilitate collaboration to effectively prevent trafficking, protect victims, and prosecute perpetrators.

The ratification of the Protocol to Prevent, Suppress, and Punish Trafficking in Persons, Especially Women, and Children, by 116 nations demonstrates a commitment to establishing a common framework for addressing trafficking and underscores the importance of international cooperation in this endeavor. However, while such initiatives are crucial steps forward, ongoing efforts are needed to ensure the effective implementation of anti-trafficking measures and the protection of human rights for all individuals affected by this crime.

The identification of the five worst-scoring countries for human trafficking can vary depending on the criteria and methodology used by different organizations and reports. However, some countries consistently appear in rankings due to their significant challenges in combating human trafficking. These countries often face issues such as weak law enforcement, corruption, lack of



resources, and social inequalities that contribute to the prevalence of trafficking. Some of the countries that have frequently been identified as among the worst for human trafficking include:

- **Afghanistan:** The situation you described is deeply troubling and underscores the urgent need for action to protect vulnerable children in Afghanistan from exploitation and trafficking. Children forced into various forms of labor, including carpet making, brick kilns, domestic servitude, and sex trafficking, are subjected to unimaginable suffering and exploitation.

The recent increase in trafficking of Afghan children, particularly since the Taliban takeover, highlights the heightened risks faced by children in the country's unstable and insecure environment. Reports of children being smuggled across borders and subjected to sexual violence by traffickers further illustrate the urgent need for effective measures to prevent and combat human trafficking in Afghanistan.

Efforts to address this issue must prioritize the protection of children, including through measures to strengthen law enforcement, enhance support services for victims, and address the root causes of trafficking, such as poverty, conflict, and lack of education. Additionally, international cooperation and support are crucial in providing assistance to victims and holding traffickers accountable for their crimes.

The situation in Afghanistan regarding human trafficking is deeply concerning and multifaceted. The country serves as a source, transit point, and destination for human trafficking, with men, women, and children subjected to exploitation in various sectors, both within the country and across international borders.

The socioeconomic impacts of the COVID-19 pandemic, natural disasters, and political instability, compounded by reduced international aid and financial sanctions against the Taliban regime, have exacerbated economic hardships and increased the risk of bonded labor and trafficking.

Boys and men are particularly vulnerable to forced labor in agriculture, construction, and other sectors, often being trafficked to neighboring countries such as Iran, Pakistan, and the Gulf. The practice of Bacha Bazi, in which young boys are sexually exploited for entertainment, remains a grave concern.

Forced marriage continues to pose a significant threat to Afghan women and girls, especially in the wake of the Taliban's takeover. Even those who have fled the country face risks of exploitation and trafficking in forced labor markets.



Addressing human trafficking in Afghanistan requires comprehensive and coordinated efforts, including strengthened law enforcement, improved access to education and economic opportunities, enhanced protection and support for victims, and targeted interventions to address the root causes of trafficking and exploitation. International cooperation and support are also essential in addressing this complex and challenging issue.

The human smuggling market in Afghanistan is a lucrative industry for criminals and has a negative impact on society. Many Afghans, including professionals and former government employees, are seeking to leave, leading to expanded security measures at neighboring country borders, in Turkey and in the EU.

- **Eritrea:** The prevalence of modern slavery in North Korea and Eritrea, as indicated by the figures you provided, is indeed alarming. Both countries have been consistently ranked among those with the highest rates of modern slavery by various reports and organizations.

In North Korea, the government's use of forced labor, particularly in agricultural and industrial sectors, as well as in military service, is well-documented. The pervasive control exerted by the government over its citizens, coupled with severe repression and lack of freedoms, contributes to the vulnerability of individuals to exploitation and forced labor.

Similarly, in Eritrea, reports have highlighted the widespread use of forced labor, including in national service programs, where conscripts are often subjected to harsh conditions and exploitation. The government's tight control over society and limited freedoms exacerbate the risk of exploitation and contribute to the high prevalence of modern slavery in the country.

Efforts to address modern slavery in both North Korea and Eritrea require a multifaceted approach, including increased international pressure on governments to respect human rights, improved access to education and economic opportunities, strengthened legal frameworks, and enhanced support for victims of exploitation. Additionally, international cooperation and engagement are crucial in addressing the root causes of modern slavery and promoting human rights and dignity for all individuals.

- **Yemen:** The situation described in Yemen is deeply concerning and reflects the significant challenges faced by children in the country, particularly in the context of ongoing civil conflict and humanitarian crisis. The trafficking of children, mostly boys, for forced begging, unskilled labor, or street vending highlights the vulnerability of children to exploitation and abuse in Yemen.



The civil conflict in Yemen has led to widespread displacement, economic instability, and breakdown of social services, creating conditions conducive to trafficking and exploitation. The COVID-19 pandemic has further exacerbated the crisis, straining government and NGO resources and hindering efforts to address the needs of vulnerable populations, including trafficked children.

Efforts to combat human trafficking in Yemen require a comprehensive and coordinated approach, including strengthened law enforcement, improved access to education and economic opportunities for children, and enhanced support and protection for victims of trafficking. Additionally, addressing the root causes of trafficking, such as poverty, conflict, and lack of governance, is crucial to preventing exploitation and promoting the rights and well-being of children in Yemen. International cooperation and support are essential in addressing the complex challenges facing Yemen and in ensuring the protection of children from trafficking and other forms of exploitation.

- **United Arab Emirates:** The exploitation of migrant workers, particularly women from various countries like India, Sri Lanka, Bangladesh, Indonesia, Ethiopia, Eritrea, Sudan, Pakistan, and the Philippines, in the United Arab Emirates (UAE) and other Gulf states is a serious human rights issue. While many of these women travel willingly to work as domestic servants, they often find themselves in situations of involuntary servitude, where they face exploitative working conditions and abuse from their employers.

Some common forms of exploitation experienced by these migrant workers include excessive work hours without pay, unlawful withholding of passports, restrictions on movement, non-payment of wages, and physical or sexual abuse. These abuses often go unreported due to fear of retaliation, lack of awareness of their rights, and limited access to legal assistance and support.

Additionally, reports of young boys being trafficked from countries like Pakistan to the UAE for the purpose of working as camel jockeys highlight the vulnerability of children to exploitation and forced labor. These boys are often subjected to harsh conditions, including underfeeding and crash diets to reduce weight, as well as inadequate pay.

Efforts to address the exploitation of migrant workers and trafficking in the UAE and Gulf states require comprehensive measures, including strengthened labor laws, improved monitoring of working conditions, enhanced support services for victims, and increased awareness-raising and training for both employers and



workers. International cooperation and collaboration are also essential in holding perpetrators accountable and ensuring the protection of the rights and dignity of all migrant workers.

- **Burundi:** The situation of human trafficking in Burundi is deeply concerning, with various factors exacerbating the issue and leaving vulnerable populations at risk of exploitation. The impact of the COVID-19 pandemic, regional political and security dynamics, weak governance, and limited resources all contribute to the prevalence of trafficking within the country.

Burundi primarily serves as a source country for human trafficking, with internal operations posing a significant threat. Labor and sexual exploitation are widespread, and traffickers often target women and girls, particularly for forced labor as domestic workers in Gulf countries. The closure of informal recruitment agencies and diplomatic negotiations to formalize labor immigration are positive steps, but they remain vulnerable to exploitation by political figures.

The return of large numbers of refugees in recent years has further compounded vulnerabilities, as returnees and internally displaced persons often struggle to find employment and are susceptible to exploitation.

Efforts to combat human trafficking in Burundi require a comprehensive approach that addresses the root causes of vulnerability, strengthens law enforcement, enhances support services for victims, and promotes awareness-raising and prevention initiatives. International cooperation and assistance are also crucial in addressing the complex challenges facing Burundi and in ensuring the protection of human rights and dignity for all individuals.

PayBitoPro does not support any form of Human trafficking in any form in any country in the world. In the modern day, most of the transactions between the trafficking of various countries take place through electronic currency, PayBitoPro has assigned a RED-FLAG for any sort of transaction (above 10,000\$ USD) from/to the above-mentioned Countries. PayBitoPro conducts a thorough background verification whenever a RED FLAG is raised.

