



OF FINANCIAL INTELLIGENCE UNITS



THE ROLE OF FIUS
IN FIGHTING
**ENVIRONMENTAL
CRIMES**

Public Summary | July 2025

1.0 Introduction

This project aims to enhance awareness among FIUs and generate a better global understanding of the illicit financial activity associated with environmental crimes, the interlinkages among them and with organized crime, as well as corruption as a facilitating factor. To ensure a consistent approach to data gathering and analysis, the project team conducted a survey to assess the domestic and international role of FIUs in the prevention, detection and deterrence of environmental crime and the associated laundering of proceeds from it. The survey also aimed to gather relevant cases that FIUs have investigated or supported with financial intelligence, to provide FIUs with knowledge, tools, guidance and best practices for combatting the following environmental crimes:

- 1) Illegal wildlife trade
- 2) Illegal/unregulated fishing
- 3) Illegal logging and trade in timber
- 4) Illegal mining/natural resource extraction
- 5) Pollution crimes

This report summarizes the key findings derived from the survey responses by Fifty-four (54) Egmont Financial Intelligence Units (FIUs), representing just over 30% of the total FIUs across all regions. This response rate allowed for a moderate analysis of the insights provided by these FIUs. Moreover, the majority (74%) of survey respondents were Administrative type FIUs, followed by Law-enforcement and Hybrid. The report also offers recommendations and next steps, including concrete deliverables to implement the recommendations, either as part of a second phase of the project or gradually over time, as resources allow.



© 2025 Egmont Group of Financial Intelligence Units. All rights reserved.

Intended Audience: General Public



2.0 Key Findings

- **Key Finding 1:** FIUs face challenges detecting, monitoring, reporting, and/or investigating financial activity associated with environmental crimes, namely: lack of awareness and/or understanding and/or experience, lack of resources, regulatory constraints, inadequate cooperation and complexities associated with data analysis and interpretation.
- **Key Finding 2:** Multiple FIU jurisdiction's National Risk Assessment (NRA) considers environmental crime. The environmental crime topics and their ratings differ from jurisdiction to jurisdiction. Both consideration and lack thereof of environmental crime in a jurisdiction's NRA can affect a FIUs role in combating environmental crime.
- **Key Finding 3:** FIUs desire environmental crime focused resources, such as red flags/indicators, a catalogue of typologies and case studies, to support their efforts to combat environmental crime
- **Key Finding 4:** Strategies proposed to enhance FIUs ability to combat environmental crime include: strengthening international, public, private and non-government cooperation, automating processes, investing in continuous training, conducting sectoral risk assessments, increasing information sharing and establishing clear communication channels

2.1 Detailed Overview of Key Finding 1 - Challenges

2.1.1 LACK OF RESOURCES (FINANCIAL, TECHNOLOGICAL, HUMAN)

The most commonly reported challenge by FIUs was lack of resources. Limited resources can hinder the ability to collect, analyse data and in turn detect financial activity associated with environmental crimes. FIUs face limitations in staffing, training, and technology. The absence of sophisticated tools for financial analysis, such as data analytics, limit an FIU's ability to analyse large volumes of data to detect signs for environmental crime. Additionally, environmental crimes may be a lower priority when compared to other types of crimes, leading to fewer resources being allocated to investigating this type of financial activity.

2.1.2. COMPLEXITIES IN DATA ANALYSIS AND INTERPRETATION

FIUs reported that environmental crimes that do not have an immediate, direct, financial trail are difficult to identify using traditional financial crime investigative methods. For example, illegal logging or illegal wildlife trade may involve payments through informal networks, barter transactions, or cash payments that leave little financial trail. FIUs reported difficulties connecting these activities to larger financial crimes or linking the financial transactions to the broader criminal operations involved in environmental exploitation. Further, similar to other types of crimes, criminal organizations involved in environmental crimes may use complex schemes and structures, such as shell companies, offshore accounts, or trade-based money laundering, to disguise illegal profits, making it difficult for FIUs to trace suspicious transactions back to the criminal activity.

2.1.3. LACK OF AWARENESS AND/OR EXPERIENCE AND/OR UNDERSTANDING OF ENVIRONMENTAL CRIMES

An absence of awareness among financial institutions, regulators and even FIUs themselves of how financial activities are associated with environmental crimes or how criminal networks operate within environmental related sectors can impede abilities to design strategies and protocols for detecting, monitoring, and investigating financial activities tied to environmental crimes. Financial institutions may not easily recognize financial transactions related to illegal environmental crimes without a clear pattern of unusual behaviour linked to an environmental offence. Financial institutions may lack training on how to detect signs of financial activity related to environmental offences, such as bribes, movement of funds linked to illegal resource extraction or payments for illegal wildlife trade products. Further, FIUs may lack the expertise required to identify financial activities associated with environmental crimes. Environmental crimes can involve industries with complex supply chains, and understanding the financial indicators of



these crimes can require a nuanced understanding of sectors like forestry, fisheries, mining and agriculture. Without training or consultation of experts familiar with these industries, FIUs may have difficulty recognizing patterns of suspicious financial activity associated with illegal activities like illegal logging or illegal wildlife trade.

2.1.4. REGULATORY CONSTRAINTS

Environmental crimes may be investigated and enforced by multiple laws and regulations in a jurisdiction and in some instances these legal frameworks may not align with anti-money laundering or anti-terrorist financing standards. Additionally, environmental laws may be weak, poorly enforced, or difficult to link directly to financial crime detection in certain jurisdictions. This can lead to difficulties establishing legal links between illicit financial activity and environmental crimes, hindering FIU's ability to act on suspicious transactions. Some FIUs also face limitations imposed by regulations that restrict their ability to collect or share certain data or conduct specific activities with respect to environmental crimes.

2.1.5. INADEQUATE COOPERATION FROM OTHER AGENCIES/INSTITUTIONS

Environmental crimes can occur across borders, involving criminal syndicates operating in multiple jurisdictions. This can create challenges for FIUs, as jurisdictions have varying standards for financial crime detection, reporting and enforcement. In some jurisdictions, environmental crimes may not be a priority for local law enforcement, making international cooperation difficult. FIUs reported difficulties tracking financial flows related to environmental crimes that move across national borders, especially when corruption or lack of resources impedes cooperation with international counterparts.

2.2 Detailed Overview of Key Finding 2 - National Risk Assessments

Out of the 54 FIU respondents, 31 (57 %) indicated that environmental crimes are taken into consideration in their National Risk Assessments (NRAs) on money laundering and terrorist activity financing. In their respective NRAs, the environmental crime topics and their ratings differed between respondents. For example, one response identified pollution crimes (High Rating), illegal wildlife trade and Illegal Fishing (both medium rating) as part of their NRA while another response identified Illegal logging and trade in timber (low rating) and pollution crimes (medium-low rating). Differences in the types of environmental crime topics and their respective ratings may be explained by differences in laws, jurisdictional role in legal and/or illegal supply chains, geography and natural resources respective to the jurisdictions of the responding FIUs.

Application of a targeted risk-based approach for national risk assessments to address environmental crimes and money laundering can facilitate the identification of high-risk areas, sectors, or actors that are more likely to be involved in these crimes. This will enable efficient use of resources by focusing on the most pressing impactful risks, such as industries prone to illicit financial flows associated with environmental crimes and a jurisdictions level of risk as a source and/or destination and/or transit jurisdiction.

2.3 Detailed Overview of Key Finding 3 - Resources to Support FIUs

FIUs identified a desire for the following resources that could support their efforts to combat environmental crimes:

- A guide for identifying typologies related to Environmental crimes related to AML/CFT
- A Database of environmental crime offenders
- A catalogue of red flags related to environmental crimes to be shared widely with obligated entities
- High quality and comprehensive training for holders of judicial functions, in its initial phase as well as in continuity
- Sectoral Risk Assessments focused on money laundering risks associated with the various environmental crime types
- A case study repository of cases that demonstrate how FIU's have supported investigations/regulatory enquiries and sharing success stories



2.4 Detailed Overview of Key Finding 4 - Strategies Proposed By FIUs to Bolster their Ability to Combat Environmental Crime

Strategies proposed by FIUs to enhance their ability to combat environmental crime include:

- Develop a Public-Private Partnership (PPP) with reporting entities and national authorities to raise awareness on the topic of ML linked to environmental crimes
- Enhance collaboration with agencies that have access to more information when developing typologies
- Continuous training to strengthen typology and/or advisory development related to environmental crime and to deepen knowledge
- High quality and comprehensive training for holders of judicial functions, in its initial phase as well as in continuity
- Undertaking Sectoral Risk Assessments focused on money laundering risks associated with the various environmental crime types
- Improvement of STR quantity and quality in terms of STR submission by obliged entities
- Automation of detection processes
- Use of typologies to identify the various methods used by criminals and to aid investigations
- Focusing on the analysis of the value chain of environmental crimes and their link with other transnational crimes.
- Harmonization of activities of national authorities with international standards (primarily FATF standards)
- A whole government approach with regular assessment on topic of environmental crimes ML risks
- Strengthen ML investigation and punishment in relation to all major threats, including environmental crimes.



3. Recommendations and Next Steps

3.1 Recommendations

On the basis of the above key findings, the Project Team has identified the following 6 recommendations to improve the effectiveness of FIUs in the prevention, detection, and deterrence of environmental Crimes:

1. FIUs should leverage existing resources on the financial activity associated to environmental crimes to provide guidance for regulated entities on trends, typologies, and indicators of the laundering of the proceeds of environmental crimes to facilitate the submission of suspicious transaction reports.¹ **(Relevant to Key finding 1 and Key finding 3)**
2. FIUs should establish and promote channels within their jurisdiction that allow for meaningful sharing of intelligence on environmental crimes between and among themselves and relevant law enforcement authorities and other relevant agencies, as appropriate. **(Relevant to Key finding 1 Key finding 3, and Key finding 4)**
3. FIUs should proactively share financial intelligence on environmental crimes internationally via established FIU-to-FIU channels, in line with the Egmont Group of Financial Intelligence Units Charter. **(Relevant to key finding 4)**
4. FIUs should take steps within their jurisdiction to ensure that offences connected to environmental crimes are treated as predicate offences for money laundering. **(Relevant to Key finding 1)**
5. FIUs should identify and assess the money laundering risks relating to environmental crimes, particularly in the context of national risks assessments on money laundering. **(Relevant to Key finding 2)**
6. FIUs should actively seek to establish, maintain, and enhance AML-focused public-private partnerships that facilitate the sharing of relevant information as appropriate, at the tactical and strategic level, on the laundering of the proceeds of environmental crimes. **(Relevant to Key finding 1 and Key finding 2)**

3.2 Next Steps

In order to implement these recommendations, the Project Team proposes that the Egmont Group consider developing the following deliverables either as part of a second phase of the project or gradually over time, as resources allow:

- **Drafting of targeted indicator/red flag bulletins** on illicit financial activity/money laundering associated to specific issues within each of the identified project areas of focus (illegal wildlife trade, illegal/unregulated fishing, illegal logging and trade in timber, illegal mining, and other environmental crimes). These bulletins will support FIUs in providing guidance to regulated reporting entities in support of submissions of suspicious transaction reports.
- **Preparation of an FIU Toolkit for environmental crimes** which will consolidate indicators/red flags, keywords, case studies, and reputable publications on the identified areas of focus to support improved detection and analysis of transaction reports linked to environment crimes by FIUs.
- **Organize subject matter expert briefings for Egmont FIUs** to better inform FIUs on the financial aspects of environmental crimes.

¹ Specific existing examples of such guidance includes:

[Operational alert: Laundering the proceeds of crime from illegal wildlife trade](#)

[EWG report – Financial flows associated with IWT in South Africa: an updated perspective – FIC](#)

[Illegal wildlife trafficking financial crime guide | AUSTRAC](#)



EGMONT GROUP

OF FINANCIAL INTELLIGENCE UNITS

WWW.EGMONTGROUP.ORG



The goal of the Egmont Group of Financial Intelligence Units (Egmont Group) is to provide a forum for financial intelligence units (FIUs) around the world to improve co-operation in the fight against money laundering and the financing of terrorism and to foster the implementation of domestic programs in this field. The IEWG builds opportunities for FIUs to share operational intelligence, develop technical solutions for effective information exchange, and work collaboratively to address emerging ML/TF risks and vulnerabilities.
