



UNODC

United Nations Office on Drugs and Crime



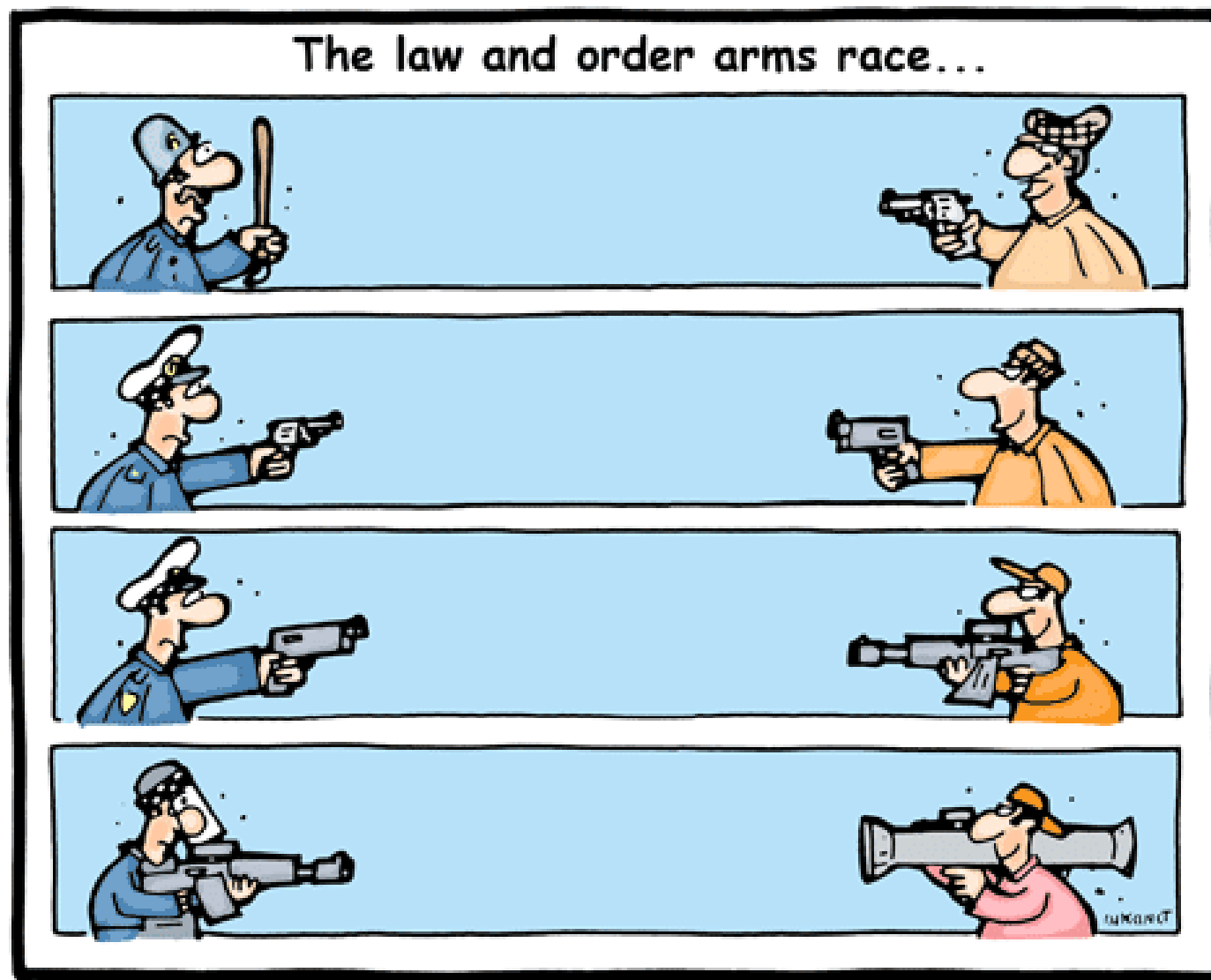
New Technologies
Financial Crime and Legislation



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Arms Race

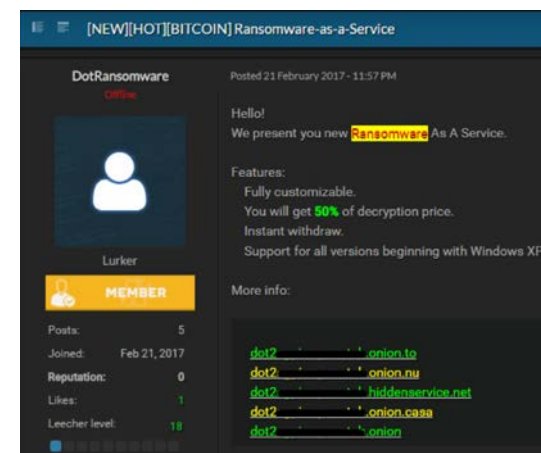
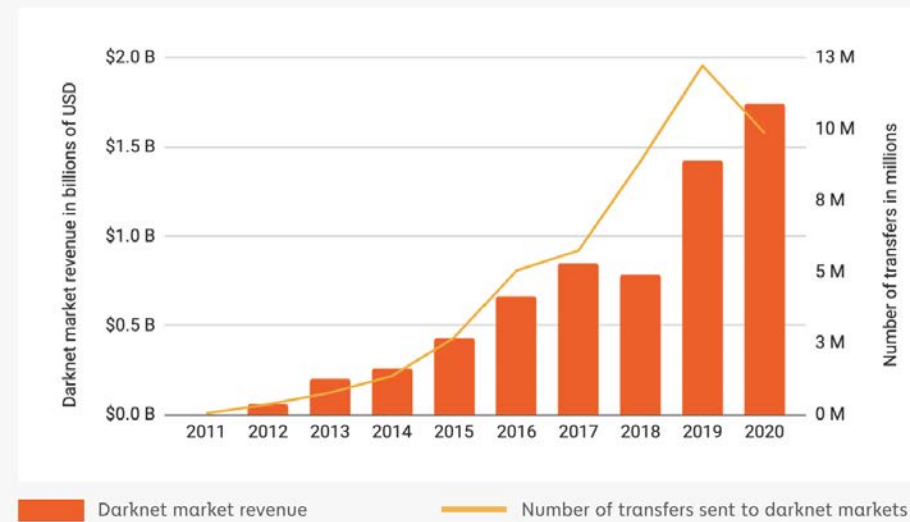


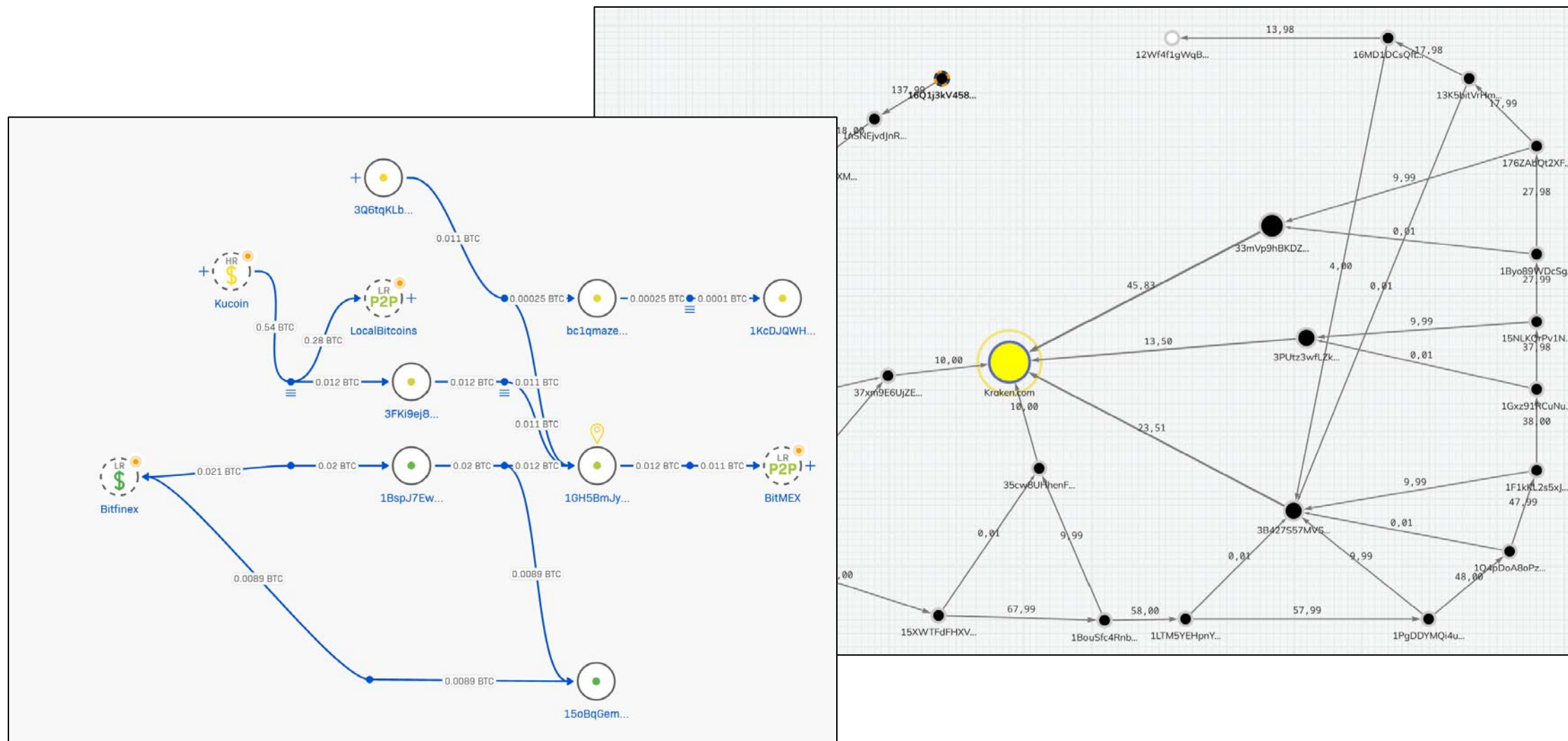
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Blockchain: Pandora opens the first box...

- Use for online drug and other illicit trade
- Support of regular crime
- Bypass sanctions and currency control
- Shifting profits, tax evasion

Darknet market revenue vs. Total transfers to darknet markets
| 2011 - 2020



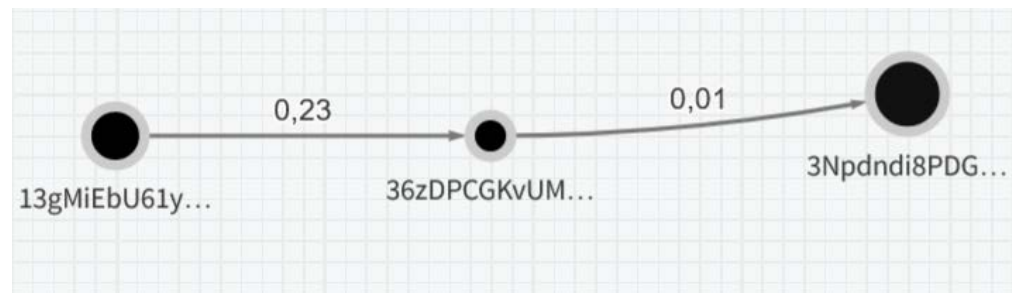


Legal challenges

Problem: Ownership of **bitcoin**?

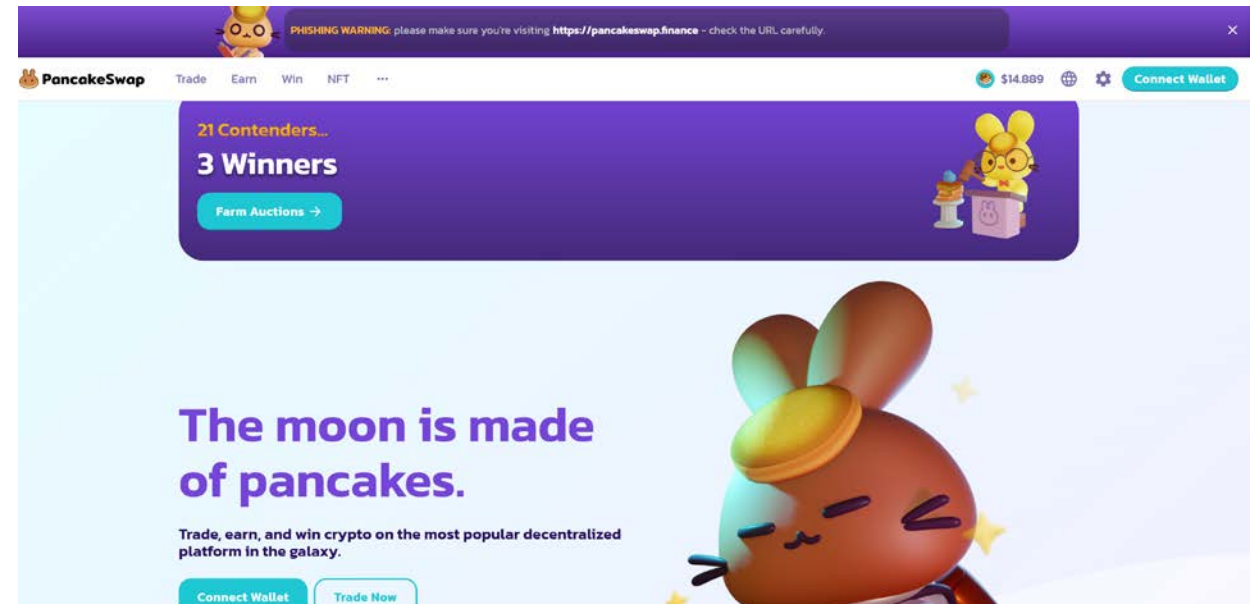
Answer (after 10 years): Who has the key – controls the coin....

.... At the moment of transaction only



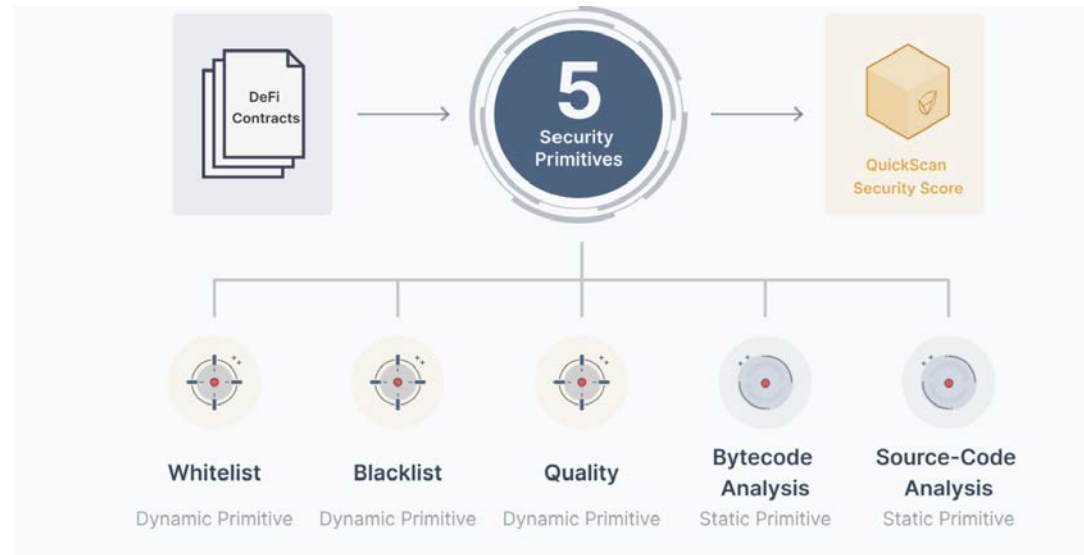
Smart Contracts

- Smart contract/DAO:
 - Not a person
 - Not a company
 - Can have no “owner” or “administrator”
 - Operates with \$ billions
 - Earns profits



Solution: On-Chain Security

- Each token has a “tag”: risk score
- Trusted exchanges and smart contracts
- Accept only tokens with low risk
- Exchanging/minting tokens: a new token gets the risk score based on the “parents” score
- Examples: CertiK, Hacken
- Evolution: KYC -> KYT -> KYTkn



Solved the bitcoin ownership? Here is a new box...

Multi-party computation (MPC):

- No keys
- Many participants have just their parts of key information
- They can jointly approve transactions and take decisions

Solution???

....and the sum of our fears

CBDC
+
gateway to blockchains
+
offline wallets
=
100% crypto economy



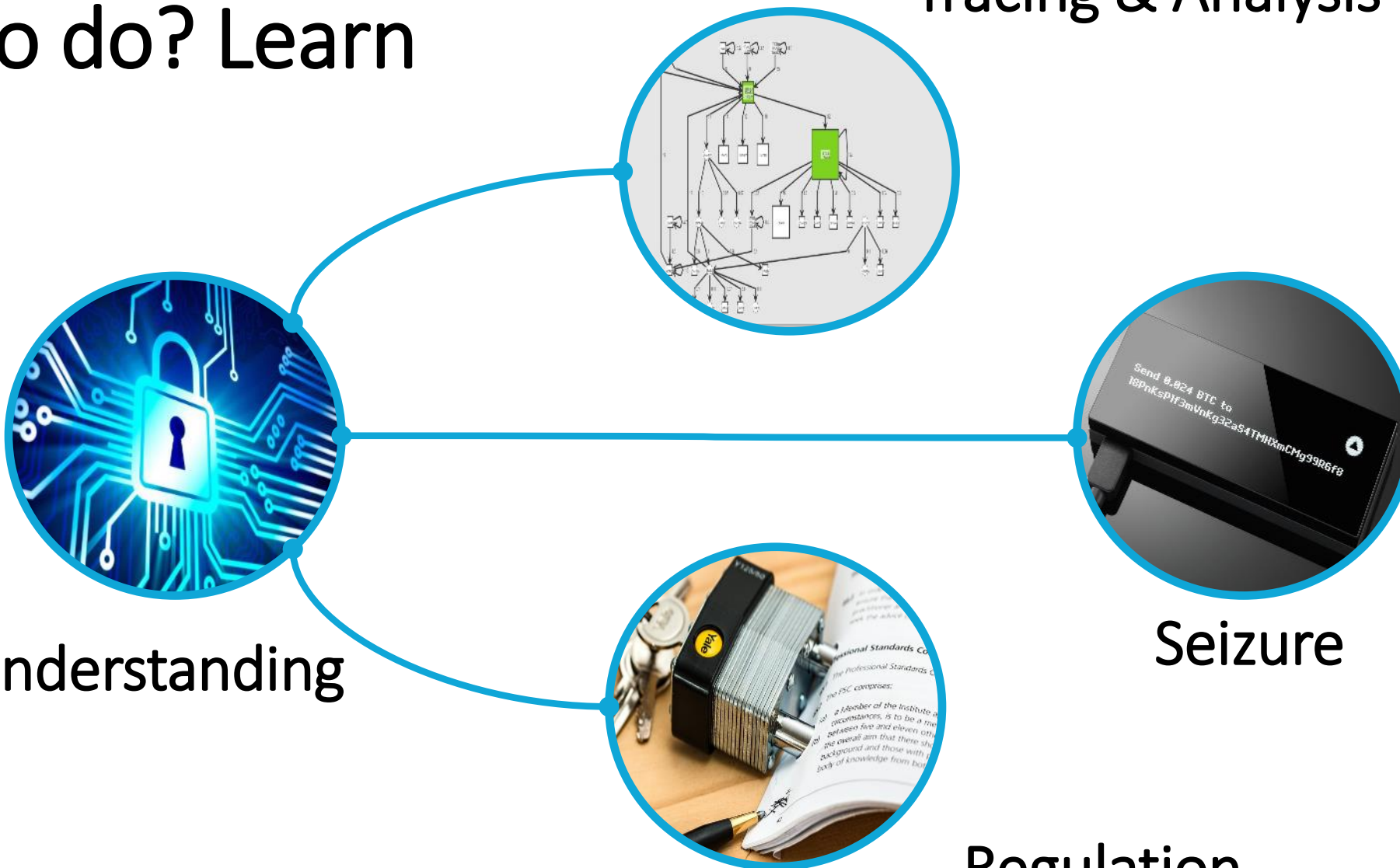
What to do? Learn

Tracing & Analysis

Understanding

Seizure

Regulation



UNODC Training

- What is crypto
 - Profiling skills
 - Tracing skills
 - Seizure
 - Regulation
-
- Practical course –
3 days are enough
-
- Delivered since 2016





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Available versions

- Basic (UTXO)
- Advanced (Smart contracts and DeFi)
- FATF Rec.15 Roadmap
- Online & e-Learning
- Hybrid
- Classroom
- Train-the-trainers



Thank you!



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