



Disrupting Money Laundering by Mexican Transnational Organized Crime

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Money Laundering is a huge problem, but how much?

There is a great deal we don't know, like:

- The overall volume of the illegal drug trade between Mexico and the U.S.?
- How much “dirty” money is brought back to Mexico? (NDIC says Mexico is the “primary placement area” for US generated dirty money. Others say 20%.

- How much is transferred back electronically, in bulk cash, and through trade-based money laundering – via commercial transactions that appear legitimate but either over or under value the amount being shipped?

USG estimates of Mexican DTO revenues (USD billions)

| <i>Agency</i> | <i>Date</i> | <i>Low</i> | <i>High</i> |
|---------------|-------------|-------------|-------------|
| <i>ONDC</i> | <i>2006</i> | <i>13.8</i> | <i>13.8</i> |
| <i>NDIC*</i> | <i>2009</i> | <i>18</i> | <i>39</i> |
| <i>ICE</i> | <i>2010</i> | <i>19</i> | <i>29</i> |

Mexican DTO's: Estimates of Gross Export Revenues, 2011 (USD billions)

| <i>Drug</i> | <i>Low</i> | <i>Best</i> | <i>High</i> |
|------------------|------------|-------------|-------------|
| <i>Marijuana</i> | <i>1.4</i> | <i>1.9</i> | <i>2.5</i> |
| <i>Cocaine</i> | <i>2.1</i> | <i>2.8</i> | <i>3.6</i> |
| <i>Meth</i> | <i>0.5</i> | <i>0.6</i> | <i>0.8</i> |
| <i>Heroin</i> | <i>0.7</i> | <i>0.9</i> | <i>1.2</i> |
| <i>Total</i> | <i>4.7</i> | <i>6.2</i> | <i>8.1</i> |

Cash Seizures

- According to the U.S. National Drug Intelligence Center (NDIC), bulk cash seizures in the U.S. totaled \$798 million from January 2008 through August 2010 (approximately \$25 million per month)
- Since 2002, Mexico has seized over \$457.5 million in bulk currency shipments. In 2010, bulk-cash seizures amounted to US \$32.4 million and 87.3 million Mexican pesos (approximately \$7 million) amounting to some US\$ 39.4 million.

Cash Seizures

- Given that Mexican authorities seized USD 39.4 million in 2010, Mexico was only able to capture approximately 0.20 percent of drug-trafficking revenue at its lowest estimate and 1.13 percent at its highest.

