Money laundering

Money laundering is the process of concealing the proceeds of a crime so that they appear to have originated from legitimate sources.

Criminal activities Collection of criminal proceeds

E.g. Proceeds obtained from illegal activities, e.g. drug trafficking, theft

Money laundering Cycle



1. Placement

Introduction of illegal proceeds into financial system E.g. Purchase or sale of

precious stones and precious metals using illegal proceeds



2. Layering

Layers of financial transactions created to disguise source to avoid detection E.g. Repeated transactions involving precious stones and

precious metals



3. Integration

Laundered proceeds placed back into the financial system

E.g. Cash obtained from the sale of precious stones and precious metals from layering banked into an account without detection

