

Case Ref: 06060
Distribution: Unrestricted
Chapter: Alternative/Emerging Remittance Services

An African national residing in a European country (Country Z) declared that he performed Hawala banking activities. His account was exclusively credited by cash deposits and numerous transfers for small amounts.

Over the course of several months the funds were transferred to company A in Africa. Shortly thereafter the funds were transferred to company B in Country Z. Companies A and B performed international money remittance services. According to the subject, he performed Hawala activities for fellow countrymen wishing to send money to Africa. However, he did not hold any position within companies in country Z where he executed the transactions and he was not registered as a representative of an authorised exchange office.

Police enquiries revealed that he was known to be a member of a terrorist organisation and it is thought that this alternative remittance system may have been used for terrorism financing.

Indicators

- Underground banking / alternative remittance services
- Wire transfers
- Use of foreign bank accounts