

THE PIRACY MONEY CYCLE

TRICKLE ROUND ECONOMICS

ACTS OF PIRACY

About  x 179 ships hijacked (2005 - 2012)

RANSOM

Estimated US \$339-413 M paid in ransom (April 2005 - December 2012)

Core Business

PIRATE FINANCIERS

"Money Kingpins"; Investors and Beneficiaries. Collect 30-50% of total ransom. Working individually or as a group.

Costs
Piracy Business Expenses

Investments
Recycling the Ransom Money

LOW-LEVEL PIRATES

"Foot Soldiers,"
Standard fee: US \$ 30 - 75 K per ship = 0.01% - 0.025% of an average ransom payment

SUPPLIERS OF GOODS AND SERVICES

"The Cooks and Mechanics"

CRIMINAL ACTIVITIES

Arms Trafficking, Human Trafficking

LEGITIMATE BUSINESSES

Khat, Transport, Petroleum, Hotels

HOW DO WE INTERRUPT THE CASH FLOWS?



GLOBAL AND REGIONAL AUTHORITIES



Better Monitoring of Financial Flows e.g. regional financial intelligence sharing



Improving Cross-border Controls e.g. enhanced control of border entry - exit points



Improving Regional Cooperation and International Support

BROUGHT TO YOU BY



THE WORLD BANK

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