

# Following the Financial Footprints: New approaches to Disrupting Human Trafficking and Modern Slavery

*Research Note*

## Following the Financial Footprints: New approaches to Disrupting Human Trafficking and Modern Slavery

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**Abstract:** A new front has emerged in the response to human trafficking and modern slavery. Focusing on the financial footprints of traffickers provides a new set of tools to disrupt human trafficking. This research note engages with the work being undertaken by financial institutions in this field - drawing on previous work to assess the methods and effectiveness of these initiatives. In particular, the paper reviews the ways in which this new front against human trafficking is evolving, the key factors that are facilitating financial institutions' engagement with human trafficking and the ways in which those in law enforcement and civil society who are already committed to the fight against human trafficking could benefit from, and further empower, the work of financial institutions.

**Keywords:** Financial footprints, financial institutions, money laundering, disruption.  
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## Introduction

Beyond the horizon of those typically engaged in responding to human trafficking and modern slavery, a new front aiming to identify, disrupt and support the prosecution of these crimes has been opened. This is a front that focuses less directly on the victims and those who exploit human beings for sex or labour, but on the financial footprints they leave behind. In recent years, a series of finance-focused anti-human trafficking initiatives have been established: the US Bankers' Alliance; the UK Joint Money Laundering Intelligence Taskforce; Canada's Project Protect; and the European Bankers' Alliance.

Furthermore, in December 2016, the UN Security Council passed Resolution 2331 (United Nations,

2016) that called upon The Financial Action Task Force (FATF), the global standard setter for anti-money laundering and counter-terror financing, and its Regional Bodies, “to consider including an analysis of financial flows associated with trafficking in persons that finance terrorism as part of its ongoing work,” and called upon “Member States who have not yet done so to develop the expertise of their Financial Intelligence Units (FIUs) to analyse cases of trafficking in persons that finance terrorism.”

As these various efforts indicate, belief in the power of ‘financial intelligence’ to support the efforts of law enforcement in tackling human trafficking has taken root and is being embraced as one of the ways in which greater partnership and information sharing between public and private sectors can be exploited.

A paper recently published by the Centre for Financial Crime & Security Studies at the Royal United Services Institute (RUSI) draws attention to the work being undertaken by financial institutions in this field (Keatinge and Barry, 2017).<sup>[1]</sup> *Disrupting Human Trafficking: The Role of Financial Institutions* (hereafter, ‘the RUSI Report’) seeks to assess the methods and effectiveness of these various finance-focused initiatives. In particular, the paper reviews the ways in which this new front against human trafficking is evolving, the key factors that are facilitating financial institutions’ engagement with human trafficking and the ways in which those in law enforcement and civil society who are already committed to the fight against human trafficking could benefit from, and further empower, the work of financial institutions.

This research note thus draws on the analysis conducted for the RUSI Report and seeks to promote a new path of research engagement alongside the extensive victimcentric body of literature that already exists from academics and practitioners alike (Clayton-Hathaway, 2015), in order to advance research into this potentially effective new front in efforts to tackle modern slavery and human trafficking, a front that is designed to complement the work being undertaken by human trafficking NGOs and, critically, place less reliance on the testimony of victims when those that traffic and exploit the vulnerable face justice.

Collaboration and innovation are frequently drawn into focus when considering means of achieving better outcomes against different forms of criminality. For example, Foot considers cross-sector working in collaboration against human trafficking, in particular the extent to which partnerships can augment efforts by bringing together diverse experience, leveraging resources and sharing information to inform those engaged in anti-human trafficking efforts (Foot, 2016: 3-4). Burke assesses innovations in the fight against human trafficking positing that by working in concert, NGO leaders, front line agency staff members, academics, researchers, journalists and activists will “propel new ideas outward” (Burke, 2015: 616). But as these examples reveal, the contribution that financial institutions can make to collaborative efforts and by way of innovation has not been considered.

A further issue that is revealed consistently in the existing literature is a concern for the rights of

trafficked victims. Burke posits that “When governments prioritize prosecution and punishment of traffickers, the rights of trafficked persons may be overlooked” (Burke, 2015: 620). This concern echoes Brotherton who suggests that traffickers prey on the fear of their victims that they or their family will face repercussions related to their immigration status if caught by the authorities. As a result, these victims are “often reluctant to speak out about those who forced them to commit crime” (Brotherton, 2013: 17).

This article acknowledges and explores concerns NGOs may have with financial sector collaboration, but argues that effective collaboration between financial institutions, law enforcement and human trafficking NGOs can significantly add to the effectiveness of anti-human trafficking identification and disruption efforts and reduce the burden placed on victims during the investigation and prosecution of their traffickers. As this article will detail, where this is already happening, it is proving effective.

This article therefore proceeds as follows: it will firstly review the general development of financial institutions to tackle financial crime since the founding of the FATF in 1989; it will then consider the rapidly emerging focus applied to the creation of public-private partnerships in tackling financially-motivated crime generally and the way in which these partnerships have led to the creation of engagement mechanisms targeted at identifying and disrupting human trafficking. Acknowledging the concerns that human trafficking NGOs may raise when faced with the involvement of financial institutions in this sensitive field, the article will then address the important but underutilised role these NGOs can play in empowering financial institutions to be effective and complementary partners in supporting the identification, disruption and prosecution of cases of human trafficking and modern slavery.

## **Financial institutions and the fight against financial crime**

The role played by financial institutions in the fight against financial crime is extensive and, generally speaking, mandated by domestic and international laws and recommendations. At the heart of this responsibility is the Financial Action Task Force, the global standard setter for anti-money laundering and counter-terror finance. Formed by the G7 in 1989, the FATF was initially created to coordinate international responses to the laundering of the proceeds of the Latin American narcotics industry through the banking system. The FATF created 40 Recommendations (FATF, 1990) that directed countries to strengthen the integrity of their financial systems and exclude illicit finance. Whilst the FATF’s call for appropriate anti-financial crime legislation and governance— such as the establishment of a national financial intelligence unit (FIU) and the criminalising of money laundering—is directed at countries themselves, much of the practical responsibility for disrupting financial crime falls to the banks and other financial institutions that are granting clients access to the financial system and facilitating payments.

Although the FATF was created in 1989, it was not until two major events occurred that the FATF—and as a result, anti-financial crime efforts—rose up the international agenda. Firstly, the investigations into the financing of the 9/11 attacks on New York and Washington DC revealed the extent to which the financial system had been used by the hijackers as they funded their terrorist attacks.<sup>[2]</sup> These insights led the international community to task the FATF with expanding its focus to include counterterrorist financing, resulting in the publication of 9 further Recommendations (the so-called “Special Recommendations”) focused on disrupting the abuse of the financial system by terrorists (FATF, 2001). Secondly, the combination of the Global Financial Crisis (GFC) of 2008 and the investigation of banks such as HSBC, Standard Chartered and BNP Paribas for facilitating money laundering and sanctions evasion shone a harsh light on the failings of the anti-financial crime systems and procedures of the banking sector. Put simply, although banks were meant to be applying diligent checks to the activities of their clients and the nature of the financial transactions they were undertaking, and reporting suspicions to their national FIU, compliance with these requirements was limited. Financial institutions were revealed to be blind to, or complicit in, a range of crimes: from processing payments connected with drug trafficking (Department of Justice, 2012a) and human smuggling (Department of Justice, 2017), to facilitating sanctions evasion (Department of Justice, 2012b). At the heart of all these failings are a lack of investment in anti-money laundering capabilities and a failure to prioritise systemic integrity over the desire to do business.

Fast forward to 2017 and financial institutions have worked hard to reverse these failings through a combination of financial investment and staff commitment. According to the British Bankers’ Association, banks in the UK already face an estimated £5 billion compliance cost each year (British Bankers’ Association, 2016); and banks such as HSBC have hired hundreds of staff – often from law enforcement or intelligence agencies—to build their anti-financial crime compliance and investigations capabilities.<sup>[3]</sup>

Thus, whether they like it or not, financial institutions have been placed firmly on the frontline in national and international efforts to disrupt financial crime. Here, they seek ways of not only complying with their mandated regulatory obligations but also determining how they can use their immense databases of transactions and insight into their clients’ activities to assist national authorities in targeting key forms of criminality, including human trafficking and modern slavery. Yet, as this article will explore, the effectiveness of this desire to contribute to the efforts of governments and NGOs to identify and disrupt cases of human trafficking is not matched by the knowledge and experience necessary to distinguish related suspicious client and payment activity. Financial institutions therefore seek to draw on and interpret the expertise of law enforcement and NGOs engaged with cases of human trafficking and modern slavery by forming partnerships that help inform their transaction monitoring and client screening.

## **The Power of Partnership**

As indicated in the previous section, the approach taken by financial institutions to addressing

financial crime has evolved through three stages: from ambivalence, via “doing what needs to be done,” to proactively endeavouring to become a “force for good” (Keatinge, 2017). Key to reaching this final stage has been the development of partnerships with the public sector, in particular law enforcement agencies.

Historically, and indeed continuing today, financial institutions have had a formal, structured and legally-mandated relationship with their national law enforcement agencies. Firstly they are required to file suspicious transaction reports (STRs) with their national FIU and secondly, they are required to support law enforcement investigations by providing financial information in response to production orders and subpoenas when served on them.

In a number of countries, this formal relationship is now being supplemented by the creation of partnerships, established to facilitate information sharing. As noted earlier, financial institutions hold immense troves of transaction data and client information. Yet it is very often challenging for them to identify client activity and transactions that are genuinely indicative of suspicious activity and worthy of law enforcement investigation. Conversely, whilst law enforcement may be investigating subjects of interest, their access to financial data that might enhance their investigations and identify networks of related bad actors is restricted. Combining the financial data and investigatory power of financial institutions with the ‘intelligence’ held by the authorities can, many believe, create a stepchange in the effectiveness of the response to a range of criminality.

Several different partnership models exist, but all are predicated on this same belief. The two most advanced and established examples can be found in the US and the UK. Following 9/11, the USA PATRIOT Act was introduced, including a number of measures aimed at strengthening the integrity of the financial system by developing information sharing mechanisms and creating powers that allowed the authorities to target illicit finance, particular related to terrorism. The two relevant provisions are Section 314(a) and (b). The former encourages US regulatory and law enforcement authorities to share information with financial institutions about individuals, entities, and organisations either engaged in or suspected of being engaged in terrorism or money laundering (Financial Crimes Enforcement Network, 2017). The latter, “provides financial institutions with the ability to share information with one another, under a safe harbor that offers protections from liability, in order to better identify and report potential money laundering or terrorist activities” (Financial Crimes Enforcement Network, 2016). As the desire to develop partnerships and share information have developed, it is to these provisions that both law enforcement and financial institutions, wishing to work together to develop joint investigations, have turned to facilitate constructive engagement.

The second model that has attracted global attention and is arguably more practically orientated than Section 314 of the USA PATRIOT Act, is the Joint Money Laundering Intelligence Taskforce (JMLIT) established by the UK’s National Crime Agency (NCA) in February 2015.<sup>[4]</sup> Using the information gateway provisions provided by Section 7 of the Crime & Courts Act (2013) (HM Government, 2013), the NCA has created a forum in which particular information that enables it to

exercise its duties, can be shared between itself and financial institutions that are members of the JMLIT's Operational Group. This group is then supplemented by a series of Expert Working Groups focused on specific threat themes, including human trafficking and organised immigration crime. Interviews conducted with private sector participants for the RUSI Report revealed the way in which this forum has both helped financial institutions develop a better understanding of human trafficking indicators and supported the uncovering of specific human trafficking cases as a result of greater information sharing (Keatinge and Barry, 2017: 29).

As is increasingly evident, these partnership models can be effectively exploited to tackle a range of criminality, from identifying those involved in terrorist financing to those connected with organised crime, including human trafficking. Further evidence of this commitment is illustrated by the publication of guidance papers from those agencies seeking to build lasting public-private partnerships. For example, in 2014 the US Financial Crimes Enforcement Network (FinCEN, the US financial intelligence unit) published an Advisory providing "Guidance on Recognizing Activity that May be Associated with Human Smuggling and Human Trafficking—Financial Red Flags" (Financial Crimes Enforcement Network, 2014); and in collaboration with the JMLIT initiative, the UK's NCA has likewise published an Alert describing "Potential Indicators of Slavery and Human Trafficking" (National Crime Agency, 2014).

But as this section has illustrated, it is not just the publication of alerts that emerges from these partnerships. It is also the willingness of law enforcement and financial institutions, underpinned by the necessary laws, to share information and experiences that can guide and inform the investigative capabilities of each party. Leads provided by law enforcement can provide financial institutions with starting points for investigations that reveal networks and facilitators that spread far beyond the subjects of interest identified by law enforcement (Keatinge and Barry, 2017: 29). These can lead to further disruption and arrests beyond the original horizon of the law enforcement operation, uncovering further victims and perpetrators without the need to rely on the testimony of those that have suffered the trauma of exploitation.

As the next section will detail, as governments around the world increasingly prioritise efforts to eradicate human trafficking and modern slavery, the power of partnership between public and private sectors is being actively and effectively harnessed to empower law enforcement to achieve better arrest and prosecution results, and most importantly, contribute to the safeguarding and release of victims of exploitation.

## **Engaging with finance**

In 2012, the Manhattan District Attorney and the Thomson Reuters Foundation created the Bankers' Alliance Against Trafficking in the US, bringing together financial institutions, law enforcement agencies and NGOs to collaborate in targeting human trafficking through the use of

financial data. The result of this alliance was a guidance paper (Koch, 2014) and information that facilitated the production of FinCEN's human trafficking Advisory that "seeks to advise financial institutions on how to detect and report suspicious financial activity that may be related to human smuggling and/or human trafficking" (Financial Crimes Enforcement Network, 2014). The underlying rationale for this effort was clear. As FinCEN noted, "Financial institutions, large and small, can play a critical role in identifying and reporting transactions related to [human smuggling and/or human trafficking] based on their observations when interacting with customers and their monitoring processes" (Financial Crimes Enforcement Network, 2014).

Similarly, in the UK and supplementing the work of the JMLIT and its Expert Working Group on human trafficking and organised immigration crime, in 2017 the Thomson Reuters Foundation, this time supported by Europol, brought together relevant public and private sector actors, including the UK Independent Anti-Slavery Commissioner, to create the European Bankers' Alliance that published a set of financial and behavioural indicators of human trafficking for financial institutions to use in Europe (Thomson Reuters Foundation, 2017). In addition, consistent with the UK Government's determination "to ensure that modern slavery does not pay" (HM Government, 2015: 22), the government's Independent Anti-Slavery Commissioner's *Strategic Plan 2015-2017* (Independent Anti-Slavery Commissioner, 2015) makes a number of finance-related commitments including: targeting illicit financial flows; increasing the filing of suspicious activity reports by banks and other financial institutions in relation to modern slavery; working with partners to engage with the financial sector to develop tools and initiatives to tackle the unwitting facilitation of modern slavery; and improving the use of financial intelligence to ensure offenders forfeit their criminal assets.

And finally, in Canada in January 2016, Project Protect was launched, focused on sharing information between banks and law enforcement on the warning signs and financial indicators related to human trafficking. This initiative is underpinned by an operational alert (Financial Transactions and Reports Analysis Centre of Canada, 2016) issued by the Canadian FIU, FINTRAC, that includes indicators and red flags for financial institutions seeking to identify signs of human trafficking amongst their customers and their transaction data. The results are striking: in the year prior to Project Protect, 400 human trafficking or human smuggling-related suspicious transaction reports were filed with FINTRAC; the following year, 2,500 were filed. Equally importantly, the quality of the filings is reported to have improved, facilitating the interventions made by law enforcement (Grant, 2017).

The result of these concerted efforts by the authorities to take advantage of the increasing commitment and engagement of financial institutions is that the guidance provided by law enforcement is being adapted by financial institutions as they seek to apply it practically to their monitoring and investigation operations. This has resulted in a range of initiatives. For example, one bank requires its financial investigators to pass an exam that includes a section on human trafficking and has created a special investigations team with human trafficking expertise for reviewing alerts suspected to be linked to the crime; another bank has installed an app on the

smartphones of its branch staff so they can quickly and easily alert a central point of contact if an account holder shows signs of being a victim or perpetrator of human trafficking; most banks have introduced training for branch staff to assist with identifying indicators of customer exploitation; and financial institutions use the guidance received from law enforcement to conduct proactive transaction “look-backs” that filter transaction activity according to a set of indicators that have previously been associated with human trafficking so as to highlight any historic activity worthy of further investigation.<sup>[5]</sup>

A further, critical contribution made by this initiative is the possibility of placing less reliance on the testimony of victims who are often unwilling to come forward for fear of facing prosecution for working illegally or being in breach of immigration laws. This concern has been voiced particularly in the UK following the introduction of the Immigration Act which some believed would discourage victims of trafficking to come forward to report abuse for fear of being deported for working illegally (Grant, 2015). As Brotherton details, these concerns are not imagined and are exploited by gangmasters and traffickers (Brotherton, 2013: 7-8). According to the Manhattan District Attorney, by engaging with financial institutions, his office has “been able to secure convictions against traffickers without having to rely solely on the testimony of victims who often suffer emotional, physical, or sexual abuse” (Vance and the Thomson Reuters Foundation, 2014). The European Commission echoes this belief asserting that information yielded by financial investigations can improve the conviction rate and lessen the need to rely on complex witness protection measures, and “[e]vidence gathered from money trails might provide the necessary additional proof [...] thus relieving victims of the burden of testifying in court” (European Commission, 2012: 9). Yet, as the next section will explore, to achieve this finance-led intervention in a manner that does not further burden or harm the victims that this approach seeks to support, financial institutions need the guidance of human trafficking NGOs. Some, such as Liberty Asia, embrace the complementarity of such an approach (Jepson and Tan, 2015), but where the private sector and the NGO community come together, careful choreography is required to ensure victims are protected.

## **The Role of NGOs**

Thus far, this article has focused on the bilateral relationship between financial institutions and law enforcement authorities. Indeed, much of the enhanced contemporary effort applied to the disruption of financial crime is delivered this way as it is the financial institutions that hold the troves of transaction data that can be illuminated by the ‘intelligence’ held by law enforcement. Yet in some cases, to be most effective, this partnership requires the input of specialists who understand the specific nature of the crime at hand and who can guide the partnership that is developing between law enforcement and financial institutions. As relates to human trafficking, the NGO community can play a vital, collaborative role to inform the way in which this partnership evolves and augment existing efforts to prevent, protect and prosecute. Two primary routes should be considered.

Firstly, much of the work undertaken by human trafficking NGOs is focused on supporting victims and prioritising their protection and rehabilitation. This is only right and of critical importance. But in this process, NGOs may gather information that could help financial institutions identify accomplices, networks and facilitators of the trafficking ring under investigation without needing to rely on the testimony of victims. This information need not be personal to the victim in order to be of value to a financial institution. For example, the location where the victim was held (in general or specifically) may be a region at high-risk of human trafficking where banks can inform their branch staff to be alert to the signs of customers who are also victims. NGOs may discover properties where victims have been held or forced to work which financial analysis might link to other, previously unknown properties being used for the same purposes. Or NGOs may be able to report that a victim's bank account was being controlled by their exploiter or particular payments were being made by the victim to the same individual when salary payments were received from an employment agency, illustrating bondage. Once the beneficiary of these payments is known, it may allow a financial institution to identify other potential victims who are making coerced payments to the same beneficiary and thus uncover additional victims. All this information is invaluable for financial institutions and can be interpreted in a way that allows them to refine their monitoring and investigations work and inform their branch staff to assist with the identification of similar cases, illuminating financial evidence that can assist the work of law enforcement.

Secondly, in addition to drawing on their own immediate experience, NGOs can also leverage the client and transaction monitoring capabilities of financial institutions. One NGO, Liberty Asia, is tapping into the banks' thirst for client-related knowledge highly effectively. In their efforts to understand the fullest possible picture of their clients and their activities, banks draw on a range of due diligence tools. In particular, they use databases that aggregate the names and identifying features of individuals and entities that are subject to sanctions designation by the United Nations or individual countries. These databases also gather information from reputable media sources and official outlets that, for example, bring subscribers' attention to reports of court cases and convictions. Based on this information, financial institutions review relevant client activity and potentially trigger investigations leading to the filing of suspicious transaction reports and law enforcement action.

Recognising this effective means of raising the awareness of financial institutions to financial flows linked to human trafficking, Liberty Asia gathers data and information about human trafficking and modern slavery through a network of regional, specialist human trafficking NGOs that monitor local press sources feeding the details of convicted criminals into the system where they should then be seen by financial institutions. As CEO Duncan Jepson rightly notes, "the global anti-money laundering regime [is] a powerful tool in the combat and disruption of human trafficking and modern day slavery" (Thomson Reuters, 2015).

Yet such engagement is rare. Whilst a handful of NGOs see value in engaging with financial institutions, most have proved wary, fearing the implications that such engagement might have for victims of trafficking. This is understandable given the gulf in perspectives and culture between the

two groups, but this gulf must not be allowed to deter engagement. The increasingly demonstrated benefit that financial institutions can bring to the fight against human trafficking means that NGOs are neglecting a key tool to support their mission if they do not. Ultimately, to be effective partners in the identification and disruption of human trafficking, financial institutions need information and guidance, and the NGO community is ideally placed to provide this invaluable input.

Responses and reactions to the RUSI Report received by this author suggest that some human trafficking NGOs do not see financial institutions as natural partners. Concerns about the implications of sharing victim details are rightly raised, as are questions related to the diversion of scarce resources to support the collation of information for financial institutions' client and transaction monitoring systems. These concerns are valid but if, as seems widely agreed, collaboration is an effective way of advancing efforts to tackle modern slavery and human trafficking then approaches that foster partnership – such as that developed by Liberty Asia – should be nurtured, funded and championed.

## **Looking to the future**

By any measure, the level of disruption and prosecution of human trafficking remains low (HM Government, 2015: 20-21), a failure that is attributed to a range of reasons including the lack of data and intelligence gathered on human trafficking; the unbalanced focus on sexual exploitation over labour exploitation; the transnational nature of human trafficking that requires time-consuming cross-border law enforcement collaboration; and the unwillingness of victims to cooperate with the authorities for fear of themselves facing prosecution for working illegally or being in breach of immigration laws (Jepson and Tan, 2015).

Financial institutions can assist with addressing this gap by assessing the human trafficking risk inherent in the services they source and the clients they fund, and attempting to apply their transaction monitoring and data analytic capabilities to support the pressing need for improved evidence that could increase human trafficking-related prosecutions without relying on victim testimony. Financial institutions have potential access to the financial data of both traffickers and their victims, and can thus play a critical supporting role by providing valuable evidence to support the identification of victims and the prosecution of traffickers.

The reasons for tackling trafficking in human beings are moral, legal, economic and commercial. Moral and legal because, in light of legislation such as the UK's Modern Slavery Act 2015, there is an imperative to ensure that everything is being done to protect people from being used as commodities, or providing criminals with the services or the demand that allows them to do so. Economic and commercial because the significant illicit proceeds that are generated by human trafficking are laundered and integrated into the legitimate economy, threatening the integrity of the financial system.

With these challenges in mind, it seems self-evident that greater involvement of the financial services industry in efforts to tackle human trafficking can without doubt significantly enhance the response of law enforcement to this crime. The evidence that is emerging indicates that the use of proactive financial investigations and anti-moneylaundering techniques to target human trafficking can contribute significantly to law enforcement efforts to disrupt this crime (Keatinge and Barry, 2017). Training on human trafficking and modern slavery for both bank financial investigators and front line branch staff; building profiles and typologies reflecting the activity of networks involved in the crime; and working with other agencies with relevant information and knowledge on the issue are just some of the methods the RUSI Report highlights as being employed by some financial institutions to enhance their contribution to the disruption of human trafficking. Most significantly, effective financial indicators from financial institutions can provide law enforcement agencies with a picture of money flows and open lines of enquiry to actors 'upstream', identifying those coordinating or colluding with traffickers in a transnational context and allowing prosecutions to be secured with less need to rely on victims' testimony alone.

However, this process is not without significant challenges and relies on a considerable investment of goodwill by the private sector, investment that is voluntary, not mandated by law, underpinned by a commitment to partnership and information sharing by law enforcement agencies. The willingness of human trafficking NGOs to engage in this process will add considerably to the effectiveness of this collaboration by assisting with the development of leads and profiles that help trigger investigations.

Individually, law enforcement, NGOs and financial institutions can make valuable contributions to this effort, contributions which in collaboration will surely be most successful. Whilst engagement of NGOs in the criminal justice process may seem controversial to some, the contribution of expertise that NGOs can make to the willing, but generally under-informed efforts of the financial sector can be critical in advancing efforts to tackle modern slavery and human trafficking in a manner that reflects greater understanding and sensitivity.

This article thus concludes by arguing that there are five key issues that should be embraced by all that dedicate themselves to fighting human trafficking. First, despite closures, banks still have branches in thousands of locations across the country. With appropriately trained staff, each branch has the capability of adding pairs of eyes on the lookout for signs of human trafficking such as account holders subject to coercion or undertaking unusual transactions. Ensuring staff are trained appropriately and can respond accordingly could be a significant force multiplier for law enforcement efforts.

Second, financial institutions have immense and impressive financial investigations capabilities. Properly informed and targeted, these capabilities have already demonstrated the ability to deliver valuable information in support of human trafficking investigations.

But this work is undertaken voluntarily and is not easy, it is time consuming and intensive, and it

would be wrong to assume that financial institutions can simply screen their data and use transaction monitoring systems to bring to light cases of human trafficking. Support from and the experience and advice of NGOs is critical in continuing this success as financial institutions and law enforcement will not achieve progress on their own. Creating the right collaborative and trusting atmosphere in which NGOs either directly or through consolidator/umbrella organisations such as Liberty Asia are willing and able to provide their expertise and insight will be a key determining factor of success. However, unlike many forms of financial crime where law enforcement and financial institutions often have, in general, the information they need to enhance disruption responses between them, understanding human trafficking requires expert knowledge. Therefore, those NGOs that dedicate themselves to the investigation of human trafficking and the support of victims should seek ways, either directly or via intermediaries, to inform and support the efforts of financial institutions by sharing their knowledge of typologies, profiles, and operating models so that financial institutions can conduct their monitoring and investigations in a more intelligent and targeted fashion. A particular benefit of this approach should be a reduction in the reliance on victim testimony in the prosecution of those suspected of trafficking and exploitation.

Third, financial institutions already consider a range of risks when taking on new clients, granting loans or underwriting capital raisings. Financial institutions should be encouraged to conduct anti-human trafficking due diligence on new and existing clients and seek anti-human trafficking assurances from clients seeking their services. Whilst this is viewed as controversial in some quarters of the financial community, such an approach is already taken by banks when considering the environmental impact of clients and their proposed projects (Equator Principles, 2013), such as new mining or infrastructure projects. The provision of finance and financial services can act as a powerful catalyst for change. As relates to human trafficking, this approach can be taken to drive up the standards of banks' clients, motivating them to harden the whole supply and financial chain against abuse.

Fourth, if they wish—directly or for example by taking advantage of the platform provided by Liberty Asia—human trafficking NGOs can exploit the desire of financial institutions to understand the nature of the activities of their clients and associates by leveraging their expertise and gathering human trafficking media content from court cases and prosecutions. Often this information goes unnoticed as it is produced in local languages not monitored by existing service providers. NGOs can thus play a valuable role bring such information to light. This information can then be provided to the due diligence companies on which financial institutions rely when investigating their clients and screening their transactions, strengthening the ability of financial institutions to identify and disrupt the finances of traffickers.

And finally, underpinning all of this is the need for continued and increased partnership. Efforts in Canada, the US and UK are already proving their worth, and should act as models and inspiration for other countries, but these existing efforts should be expanded to ensure that all relevant information is drawn upon, particularly by including the NGO community in these forums.

## Conclusion

As this article has demonstrated, financial institutions are proving to be effective partners for law enforcement agencies as they seek to achieve a step-change in tackling a range of financially-motivated crimes, including human trafficking. The information that banks hold and the resources they can deploy to monitor and investigate transactions can significantly enhance the effectiveness of law enforcement. Agencies in a range of countries have already recognised this capability (Maxwell and Artingstall, 2017).

Despite the challenges faced by the financial sector to detect and disrupt human trafficking, there is clearly a strong willingness on the part of the industry to engage, voluntarily, with law enforcement and the anti-human trafficking NGO community to develop ways to deploy the industry's considerable troves of transaction data and investigation and analysis capabilities. In so doing, the reliance placed on victims' testimonies in prosecutions may be reduced or replaced, helping to minimise the stress of this process on victims.

Human trafficking is a crime that touches many different agencies and sectors and as such requires joined-up thinking. Often little is known about the workings of the perpetrators behind these crimes, and even less is known about their finances. The emerging successes revealed by the involvement of the financial sector in the disruption of human trafficking suggests that the argument for continuing and developing engagement is overwhelming and should be embraced and shaped by the NGO community.

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