

# Treasury Publishes 2024 National Risk Assessments for Money Laundering, Terrorist Financing, and Proliferation Financing

February 7, 2024

*Reports Confirm and Update Key Illicit Finance Concerns in Response to Evolving Threat and Risk Environment*

WASHINGTON – Today, the U.S. Department of the Treasury published the 2024 National Risk Assessments on Money Laundering, Terrorist Financing, and Proliferation Financing. These reports highlight the most significant illicit finance threats, vulnerabilities, and risks facing the United States.

The reports detail recent, significant updates to the U.S. anti-money laundering/counter-financing of terrorism framework and explain changes to the illicit finance risk environment. These include the ongoing fentanyl crisis, foreign and domestic terrorist attacks and related financing, increased potency of ransomware attacks, the growth of professional money laundering, and continued digitization of payments and financial services. These assessments also address how significant threats to global peace and security—such as Russia’s ongoing illegal, unprovoked, and unjustified war in Ukraine and Hamas’s October 7, 2023 terrorist attacks in Israel—have shaped the illicit finance risk environment in the United States.

Today’s publications are the fourth iterations of the money laundering and terrorist financing risk assessment, and the third update of the proliferation financing risk assessment, in less than a decade. The public and private sectors can use these updated risk assessments to better understand the current illicit finance environment and inform their own risk mitigation strategies.

“Whether it’s terrorism, drug trafficking, Russian aggression, or corruption, illicit finance is the common thread across our nation’s biggest national security threats,” said Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson. “Treasury, through our National Risk Assessments, is at the cutting edge of analyzing the global risk environment to protect the U.S. and international financial systems from abuse by illicit actors. We urge both

the public and private sectors to engage with these reports, as well as our forthcoming National Strategy for Combatting Terrorist and Other Illicit Finance.”

## KEY FINDINGS:

- **Money Laundering:** Criminals use both traditional and novel money laundering techniques, depending on availability and convenience, to move and conceal illicit proceeds and promote criminal activity that harms Americans. The crimes that generate the largest amount of illicit proceeds laundered in or through the United States remain fraud, drug trafficking, cybercrime, human trafficking and human smuggling, and corruption. The United States continues to face both persistent and emerging money laundering risks related to: (1) the misuse of legal entities; (2) the lack of transparency in certain real estate transactions; (3) the lack of comprehensive AML/CFT coverage for certain sectors, particularly investment advisers; (4) complicit merchants and professionals that misuse their positions or businesses; and (5) pockets of weaknesses in compliance or supervision at some regulated U.S. financial institutions.
- **Terrorist Financing:** The United States continues to face a wide range of terrorist financing threats and actors, both foreign and domestic. Consistent with the 2022 risk assessment, the most common financial connections between individuals in the United States and foreign terrorist groups entail individuals directly soliciting funds for or attempting to send funds to foreign terrorist groups utilizing cash, registered money services businesses, or in some cases, virtual assets. The 2024 report also discusses Hamas and the ways they exploit the international financial system, including through solicitation of funds from witting and unwitting donors worldwide. Additionally, domestic violent extremist movements have proliferated in recent years, posing an elevated threat to the United States and continued challenges for law enforcement.
- **Proliferation Financing:** Russia and the Democratic People’s Republic of Korea (DPRK) presented heightened risk since the 2022 assessment. To support its unlawful war in Ukraine, Russia has expanded efforts to illegally acquire U.S.-origin goods with military applications using a variety of obfuscation techniques, such as the use of front companies and transshipment points around the world. Networks linked to the DPRK increasingly

exploit the digital economy, including through hacking of virtual asset service providers and the overseas deployment of fraudulent information technology workers.

Treasury's Office of Terrorist Financing and Financial Crimes led the assessment process and coordinated closely with offices and bureaus across the Department, relevant law enforcement and regulatory agencies, staff of the federal functional regulators, and across the intelligence and diplomatic communities.

In the coming weeks, Treasury will release the 2024 National Strategy for Combatting Terrorist and Other Illicit Finance, a strategic plan directly informed by the analysis contained in the risk assessments. In the strategy, Treasury will share recommendations for addressing the highlighted issues. This valuable feedback has aided Treasury in assessing and addressing illicit finance risk identified in prior iterations of the strategy to support improvements to the AML/CFT regime, including the launching of the new beneficial ownership reporting requirement that went into effect on January 1, 2024, and informing forthcoming proposed rules to address illicit finance vulnerabilities in the residential real estate sector and for certain investment advisers.

## READ MORE:

[The 2024 National Money Laundering Risk Assessment](#) 

[The 2024 National Terrorist Financing Risk Assessment](#) 

[The 2024 National Proliferation Financing Risk Assessment](#) 

####