

READOUT: Treasury Officials Visit Mexico to Further Collaboration on Illicit Finance

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MEXICO CITY – U.S. Department of the Treasury officials from two key offices involved in the fight against fentanyl and its financing traveled to Mexico last week to meet with counterparts in the Government of Mexico and representatives of the U.S. and Mexican financial sector. The visit follows Secretary Janet Yellen’s [visit to Mexico](#) in December 2023, where she committed the Treasury Department to “use every tool at its disposal to disrupt the ability of drug traffickers to peddle this poison in our country.”

On February 8, officials from Treasury’s Financial Crimes Enforcement Network (FinCEN) co-led an illicit finance roundtable with the Government of Mexico’s Unidad de Inteligencia Financiera (UIF), the Mexican financial intelligence unit, and Unidad de Banca, Valores y Ahorro (UBVA), the Mexican banking and securities regulator. Building upon FinCEN’s previous [roundtable](#) in Mexico City on August 2, 2023, this public-private dialogue included discussions on cross-border financial crimes, such as those involving the laundering of the proceeds related to fentanyl precursors trafficking, human trafficking, fraud, and corruption, carried out by transnational criminal organizations (TCOs). The dialogue also focused on the role of professional money laundering organizations play in obscuring profits derived from these illicit activities. The roundtable brought together financial institutions, financial intelligence units, regulators, and law enforcement agencies from both the United States and Mexico. This public-private dialogue centered on useful red flags, typologies, and indicators, which help financial institutions identify cross-border financial activity that may be associated with these various financial crimes.

On February 9, Treasury’s Office of Terrorist Financing and Financial Crimes, in close collaboration with the Mexican Ministry of Finance and Public Credit, convened the 19th Bilateral Public Private Banking Working Group, to bring together financial institutions and policymakers, regulators, and supervisory authorities from both countries to advance bilateral strategic priorities on countering illicit finance. In this meeting, Treasury called on U.S. financial institutions to voluntarily increase cross-border information sharing with Mexican banks to enable more collaborative discovery and prevention of financial crime. The financial

institutions and authorities also discussed potential ways for authorities to share more operational information with financial institutions in both jurisdictions to tackle common threats, such as illicit finance related to fentanyl precursors and human trafficking. Treasury also provided important regulatory updates, including on the January 1, 2024 [launch](#) of the United States' Beneficial Ownership Information Registry, the latest step taken to fully implement the Corporate Transparency Act (CTA). It also highlighted the publication of the 2024 [National Risk Assessments](#) on Money Laundering, Terrorist Financing and Proliferation Financing.

The Treasury Department has long recognized the threat from money laundering linked to drug trafficking. The Department is a key implementer of the President's National Drug Control Strategy, which identifies counter illicit finance as a critical pillar to degrade and disrupt TCOs that traffic these drugs. Since President Biden signed the [Executive Order on Imposing Sanctions on Foreign Persons Involved in the Global Illicit Drug Trade](#) in December 2021, Treasury has imposed nearly 250 sanctions on people and entities involved in the trafficking of illicit drugs, with a particular focus on the illicit fentanyl supply chain. Treasury has also marshaled its resources and expertise in a coordinated and streamlined operation to combat the trafficking of illicit fentanyl by bringing together personnel, expertise, intelligence, and resources across key Treasury offices through the December 2023 launch of a [Counter-Fentanyl Strike Force](#).

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