



Octopus Conference 2023

The interplay of cybercrime and financial investigations

CRYPTOCRIME IN LATIN AMERICA





CONTEXT

CONTEXT

- Argentina, Brazil and Mexico are in the top 20 in cryptocurrency adoption

The screenshot shows the Cointelegraph website interface. At the top, there is a navigation bar with the Cointelegraph logo and a table of cryptocurrency prices:

Coin	Price	Change
BTC	€38,148	-1.17%
ETH	€2,027	-1.69%
XRP	€0.57	-1.01%
BNB	€237	+3.63%
ADA	€0.531	+3.83%
SOL	€62	-4.56%

Below the navigation bar, there is a search bar and a list of menu items: Noticias, Destacado, Análisis de precios, Herramientas de Mercado, and Criptopedia. The main content area features a featured article by Ray Jimenez Bravo, dated 23 Sep 2023, titled "Brasil, Argentina y México se encuentran dentro de los 20 países con mayor adopción criptográfica, según informe". The article includes a sub-headline "La adopción criptográfica evoluciona con fuerza tanto a nivel individual como institucional. Este informe de Chainalysis revela qué países lideran en adopción" and an illustration of a Bitcoin character holding a globe. To the right of the article, there is a sidebar with several news snippets, including "ELECCIÓN DEL EDITOR: Bono volcánico de El Salvador recibió aprobación regulatoria", "Bitcoin roza los USD 42,000", "Tokens BRC-20 ofrecen oportunidades a compradores de BTC", "Sólo se han aprobado 11 de 330 proyectos de ley de Warren", and "Animoca Brands tendrá nuevo enfoque en 2024". At the bottom of the page, there is a YouTube channel subscription prompt for Cointelegraph and an advertisement for Changelly's "Intercambios Instantáneos".

CONTEXT

- Latin America shows the highest preference for centralized exchanges

The screenshot shows the Cointelegraph website interface. At the top, there is a navigation bar with the Cointelegraph logo and the tagline "The future of money". To the right of the logo is a table of cryptocurrency prices:

Coin	Price	Change
BTC	\$41,321	-0.26%
ETH	\$2,195	-0.85%
XRP	\$0.62	-0.25%
BNB	\$255	+3.83%
ADA	\$0.576	+4.97%
SOL	\$68	-2.62%

Below the navigation bar is a search bar and a list of menu items: News, Markets, Magazine, People, Cryptopedia, Research, Video, Podcasts, Markets Pro. A pink banner for "jellyverse" with the text "defi 3.0 coming soon" and "DEFI! HOW YOU WANT IT?" is visible. The main content area features an article by CIARAN LYONS dated OCT 15, 2023, titled "Latin America takes global lead in preference for centralized exchanges: Report". The article text states: "According to Chainalysis, Latin American crypto users significantly prefer centralized exchanges, in contrast to the rest of the world." Below the text is a video player with a cartoon illustration of a gold coin character with arms and legs, wearing a blue and white striped shirt and blue shoes, running on a sandy beach with palm trees and a building in the background. The video player shows 12232 Total Views, 100 Total shares, and a duration of 2:40. To the right of the article is an "EDITOR'S CHOICE" section with several headlines: "El Salvador's Bitcoin bond gets regulatory approval, targets Q1 launch", "Buy the dip, sell the rip? BTC price levels to watch as Bitcoin taps \$42K", "Binance's CZ must stay in US, Elon Musk seeks \$1B for AI, and other news: Hodler's Digest, Dec. 3-9", "BRC-20 tokens are presenting new opportunities for Bitcoin buyers", and "Don't panic: Only 11 of Elizabeth Warren's 330 bills have ever passed". At the bottom right, there is a "COINTELEGRAPH YOUTUBE" section with a "Subscribe" button and a video thumbnail showing a person's hands working at a desk.



CONTEXT

- In Argentina, the use of cryptocurrencies is distributed throughout the country





LEGAL TOOLS



LEGAL TOOLS - REGULATION

There are different approaches, from prohibition to use as official currency.



LEGAL TOOLS - REGULATION

There are different approaches, from prohibition to use as official currency.

There are no regional regulations



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In many countries VASPs are not yet regulated



LEGAL TOOLS - REGULATION

There are different approaches, from prohibition to use as official currency.

There are no regional regulations

In many countries VASPs are not yet regulated (but that does not prevent them from operating freely)



LEGAL TOOLS - INVESTIGATION

Use of search and seizure of stored computer data rules to seize crypto (articles 18 & 19 Budapest Convention)



LEGAL TOOLS - INVESTIGATION

Use of search and seizure of stored computer data rules to seize crypto (articles 18 & 19 Budapest Convention)

Use of search and seizure of stored computer data rules to obtain basic subscriber information from a VASP (article 18 Budapest Convention and -in the future- article 8 2nd Additional Protocol)



LEGAL TOOLS - INVESTIGATION

Use of search and seizure of stored computer data rules to seize crypto (articles 18 & 19 Budapest Convention)

Use of search and seizure of stored computer data rules to obtain basic subscriber information from a VASP (article 18 Budapest Convention and -in the future- article 8 2nd Additional Protocol)

Use of public / open source stored computer data rules to obtain to obtain information on the blockchain (article 32 "a" Budapest Convention)



LEGAL TOOLS - INVESTIGATION

Use of search and seizure of stored computer data rules to seize crypto (articles 18 & 19 Budapest Convention)

Use of search and seizure of stored computer data rules to obtain basic subscriber information from a VASP (article 18 Budapest Convention and -in the future- article 8 2nd Additional Protocol)

Use of public / open source stored computer data rules to obtain information on the blockchain (article 32 "a" Budapest Convention)

Use of free & commercial tools for investigate transactions



LEGAL TOOLS - LIGATION

We created a crypto - investigations guide for prosecutors, judges and police officers



LEGAL TOOLS - LIGATION

We created a crypto - investigations guide for prosecutors, judges and police officers

We are working in a step-by-step crypto seizure guide



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CASE STUDY



CASE STUDY #1

Stolen cell phone + illegal access to victim's VASP account + funds transferred to suspect's account

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Stolen cell phone + illegal access to victim's VASP account + funds transferred to suspect's account

Freezing of funds + seizure and return to the victim's account



The image shows a screenshot of a news article from the website 'infobae'. The article is titled 'Fallo inédito: la Justicia argentina le ordenó a Binance devolver Bitcoins sustraídos de la cuenta de una víctima de un robo de su celular'. The author is Martín Kanenguiser. The article was published on September 14, 2022, at 01:06 p.m. and updated at 04:30 p.m. AR. The main image is a graphic with a red background, a yellow line graph, and the Binance logo and name in yellow. The article text below the image reads: 'La Justicia le ordenó a la plataforma Binance la restitución de los cryptoactivos que habían sido sustraídos a una víctima al robarle su celular.' There is also a small text at the bottom right: 'Lo Último | Economía' and 'Secuestraron un cargamento con casi USD 20.000 en billetes de'.

CASE STUDY #2

Comando Vermelho's money laundering investigation + search warrants + discovery of seed phrases + crypto seizure in real time

Policiales

Lavaban dinero para el Comando Vermelho: cómo era el negocio "cripto" que manejaban desde su casa en Nordelta

- La Policía encontró en una caja de seguridad la clave de 12 billeteras virtuales con las que se lavaba dinero del poderoso grupo criminal brasileño.
- El centro de blanqueo estaba en una financiera del Microcentro. Hay un barra de Boca entre los sospechosos.



Marcelo Cleyton Alves De Sousa y su esposa, la pareja sospechada de lavar dinero narco para el Comando Vermelho que vivía en Nordelta.

CASE STUDY #3

Chinese supermarket organization's money laundering investigation + search warrants + seed phrase discovery + real-time crypto seizure

The screenshot shows a news article from the website Perfil.com. The article is titled "La increíble red de lavado detrás de una cadena de supermercados chinos" (The incredible money laundering network behind a chain of Chinese supermarkets). The sub-headline reads: "La investigación, realizada por la Policía de Seguridad Aeroportuaría, se inició en junio de 2020. En las últimas horas hubo 26 allanamientos en el AMBA y uno en Puerto Iguazú." (The investigation, carried out by the Air Force Security Police, began in June 2020. In the last hours there were 26 searches in the AMBA and one in Puerto Iguazú.)

The main image shows several men in blue vests with "AFIA ADUANA" (Air Force Security Police Customs) on the back, inspecting a counter in what appears to be a supermarket. A man in a dark uniform with a "PSA" (Policía de Seguridad Aeroportuaría) patch is also visible. The counter is cluttered with various items, including boxes and bags.

Below the main image, a caption reads: "El operativo fue realizado por personal de la Policía de Seguridad Aeroportuaría. | PSA" (The operation was carried out by personnel of the Air Force Security Police. | PSA).

On the right side of the article, there is a promotional banner for "SUPERBET" with the text "50 LEI Fără Depunere" (50 LEI No Deposit) and "Exclusiv clienți noi" (Exclusive new clients). Below that is an "OPINIÓN" (Opinion) section with a sub-headline: "La reducción del déficit fiscal que propone el gobierno implica un ajuste muy significativo" (The reduction of the fiscal deficit that the government proposes implies a very significant adjustment).

CASE STUDY #4

Recovering illegal profits
with the help of VASPs





THANK YOU!

**UNIDAD FISCAL ESPECIALIZADA EN CIBER
DELINCUENCIA
-UFECI-**



MINISTERIO PÚBLICO
FISCAL
PROCURACIÓN GENERAL DE LA NACIÓN
REPÚBLICA ARGENTINA

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