**Position Paper**

**Country**: Brazil

**Committee:** UNODC: United Nations Office on Drugs and Crime

**Topics:** Money Laundering and Countering the Financing of Terrorism

Brazil is the largest country in both South America and Latin America with 8.5 million square kilometers and over 212 million people. Also Brazil is the leader country economically and politically in Latin America. So we can say that Brazil has low levels in unemployment and poverity rate. Moreover, it has the seventh largest economy in the world by GDP, according to the IMF.

Let’s go back to our topics. Money laundering is a persistent problem that plagues countries around the world. Ill-gotten funds are used to finance terroristic acts and criminal activities, and anti-money laundering regulations are becoming more complex over the years. Nowadays Criminals have incorporated cryptocurrencies in their money laundering techniques. The anti-money laundering software market is projected to reach $1.77 billion by 2023. Identity theft has become one of the top money laundering trends. Anti-money laundering activities recover only 0.1% of criminal funds. Money laundering activities cost the world 2% to 5% of its GDP.

Then, let’s move on the another topic: Financing of Terrorism. Terrorist groups need money to sustain themselves and to carry out terrorist acts. Terrorist financing encompasses the means and methods used by terrorist organizations to finance their activities. This money can come from legitimate sources, for example from profits from businesses and charitable organizations. But terrorist groups can also get their financing from illegal activities such as trafficking in weapons, drugs or people, or kidnapping for ransom.

In Brazil, In 2021, Brazil had an index score of money laundering and terrorist financing of 4.98, slightly down from 5.02 the year before. The policies implemented by the state have been effective in this situation.

As a solution to this problem, we can legislate about this situation. For example The European Commission presented an ambitious package of legislative proposals to strengthen the EU’s anti-money laundering and countering the financing of terrorism (AML/CFT) rules. The package harmonises AML/CFT rules across the EU. It also proposes the creation of a new EU authority to fight money laundering and I guess in this way we may have the opportunity to give fair punishment to those who break the law.

**References:**

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