

IS THE LEGAL FRAMEWORK FOR MONEY LAUNDERING
IN THE TWENTY-FIRST CENTURY LIKELY TO
BE A CHALLENGE IN THE DIGITAL AGE?

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The challenges of money laundering criminality in the twenty-first century are discussed in this study. As criminals must explore new opportunities, which they will, this adaptation skill is crucial in crime, and money laundering is no exception. The virtual digital world's challenges to the AML in the twenty-first century are analyzed. One element that has contributed to the growth of ML activities is technological advancements, while another aspect that has undermined the AML system is a lack of international cooperation and coordination. As a such, mobile payments, digital money, and e-commerce – particularly virtual currency exchanges – are increasingly popular with criminals. Governments have highlighted virtual currency exchange regulation as a critical necessity for efficient anti-money laundering measures. Its goal is to lay forth the AML regime's legal, regulatory, supervisory, and law enforcement structures. Therefore, Following UN, Council of Europe, and FATF recommendations, the EU's Fifth and Sixth Anti-Money Laundering Directives went into effect in recent years, enhancing digital activity obligations and standard reporting requirements. The European Commission proposed the Markets in Crypto-Assets Regulation (MiCA) in September 2020, a framework that strengthens consumer protections, clarifies digital currency industry conduct, and adds additional licensing requirements. This study brings together two major ideas. Money laundering crime and its countermeasures, as well as emerging technology connected with stored value and smart cards, digital cash, and electronic commerce, will undoubtedly represent a challenge to regulators and law enforcement in the twenty-first century in the digital age.

Keywords: money laundering, twenty-first century, virtual digital world, legal framework, EU, FATF