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STATISTICAL INFORMATION ON GOVERNMENT,
CRIME, VICTIMIZATION AND JUSTICE



Results of the pilot to measure illicit financial flows in Latin America

26 May 2021

**Kick-off meeting of pilot activities for measuring
illicit financial flows in Asia-Pacific countries**

Illegal markets and other crime-related IFFs

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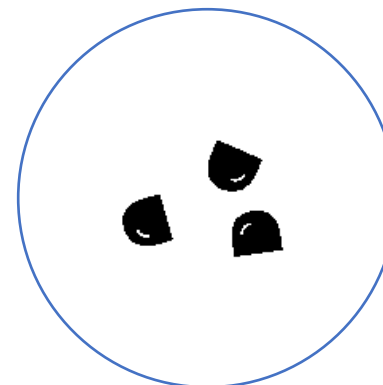


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Outline



**1.
SMUGGLING
OF
MIGRANTS**



**2. DRUG
TRAFFICKING**



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Smuggling of migrants:

- **Mexico**
- **Ecuador**

Collected data

VARIABLES	SOURCE
<ul style="list-style-type: none">• Number of irregular migrants apprehended in Mexico (by nationality)• Number of irregular migrants apprehended by the U.S. Border Patrol (by nationality)• Number of irregular migrants apprehended in Central America (Panama, Costa Rica)	<ul style="list-style-type: none">• Ministry of the Interior, Center for Migration Studies• U.S. Department of Homeland Security, U.S. Border Patrol• National Immigration Service of Panama• General Department of Migration and Alien Affairs of Costa Rica• Department for the Prevention of Trafficking in Persons and Smuggling of Migrants, Ministry of Government of Ecuador.
<ul style="list-style-type: none">• Approximate % of irregular migrants who hire a smuggler to cross Central America / Mexico• Approximate % of irregular migrants who hire a smuggler to irregularly enter the US	<ul style="list-style-type: none">• Colegio de la Frontera Norte de México, Migration Surveys at the Southern and Northern Borders (EMIF)• International Organization for Migration (IOM))• Department for the Prevention of Trafficking in Persons and Smuggling of Migrants, Ministry of Government of Ecuador.
<ul style="list-style-type: none">• Prices paid by irregular migrants to cross Mexico• Prices paid by irregular migrants to irregularly enter the US	<ul style="list-style-type: none">• Department for the Prevention of Trafficking in Persons and Smuggling of Migrants, Ministry of Government of Ecuador.



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Formulas to measure inward IFFs

$$\begin{aligned} \text{Inward IFFs} &= \# \text{ of foreign irregular migrants} \\ &\times \\ &\% \text{ of those hiring a smuggler} \\ &\times \\ & \$ \text{ price} \\ &\times \\ &\% \text{ earned by the resident smugglers} \end{aligned}$$



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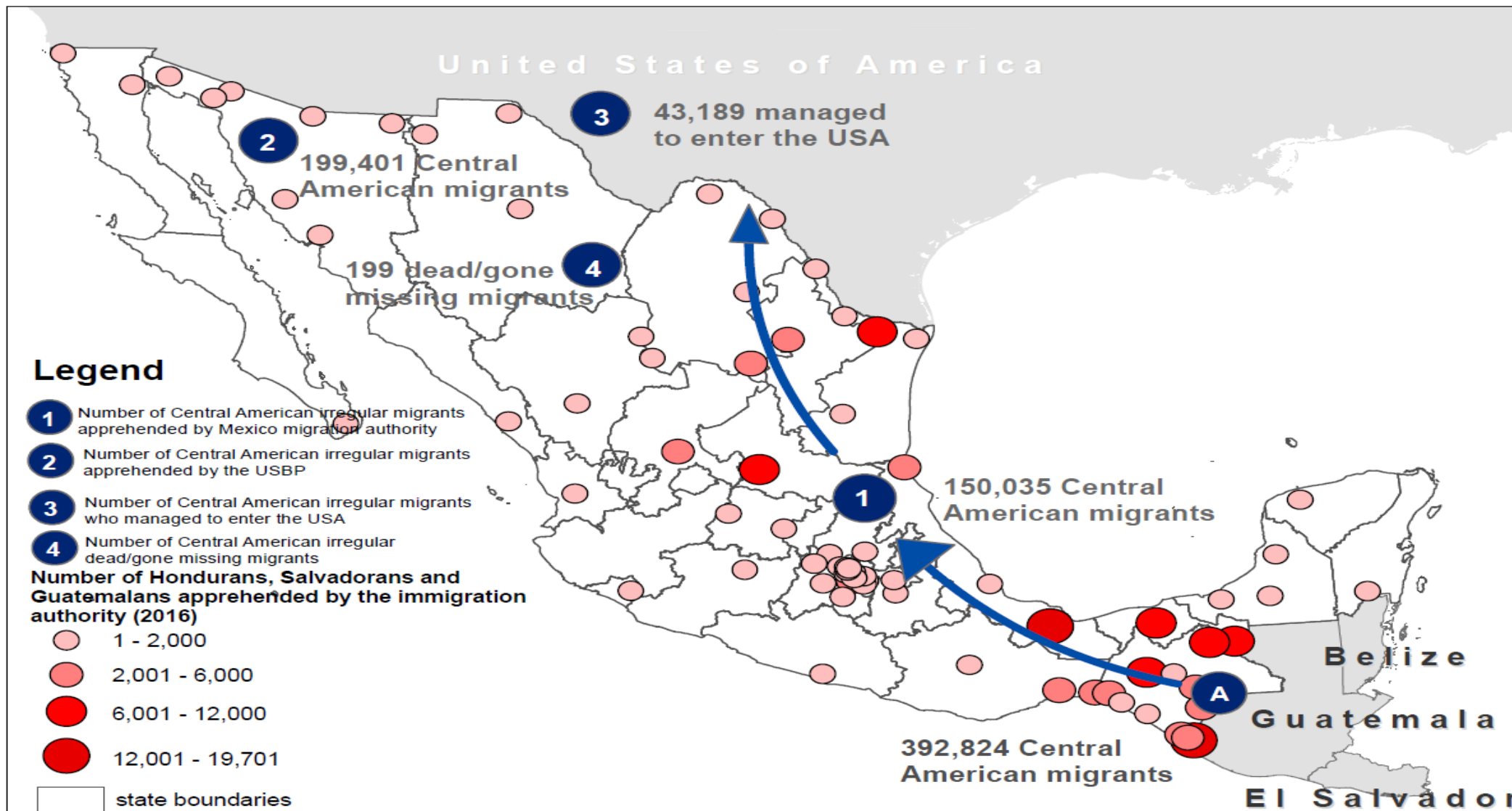
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Formulas to measure outward IFFs

$$\begin{aligned} \text{Inward IFFs} &= \# \text{ of national irregular migrants} \\ &\times \\ &\% \text{ of those hiring a smuggler} \\ &\times \\ &\$ \text{ price} \\ &\times \\ &\% \text{ earned by non-resident smugglers} \end{aligned}$$



Inward migration flows into Mexico *



*To estimate the number of irregular inward migrants, this equation was used: $A = 1 + 2 + 3 + 4$



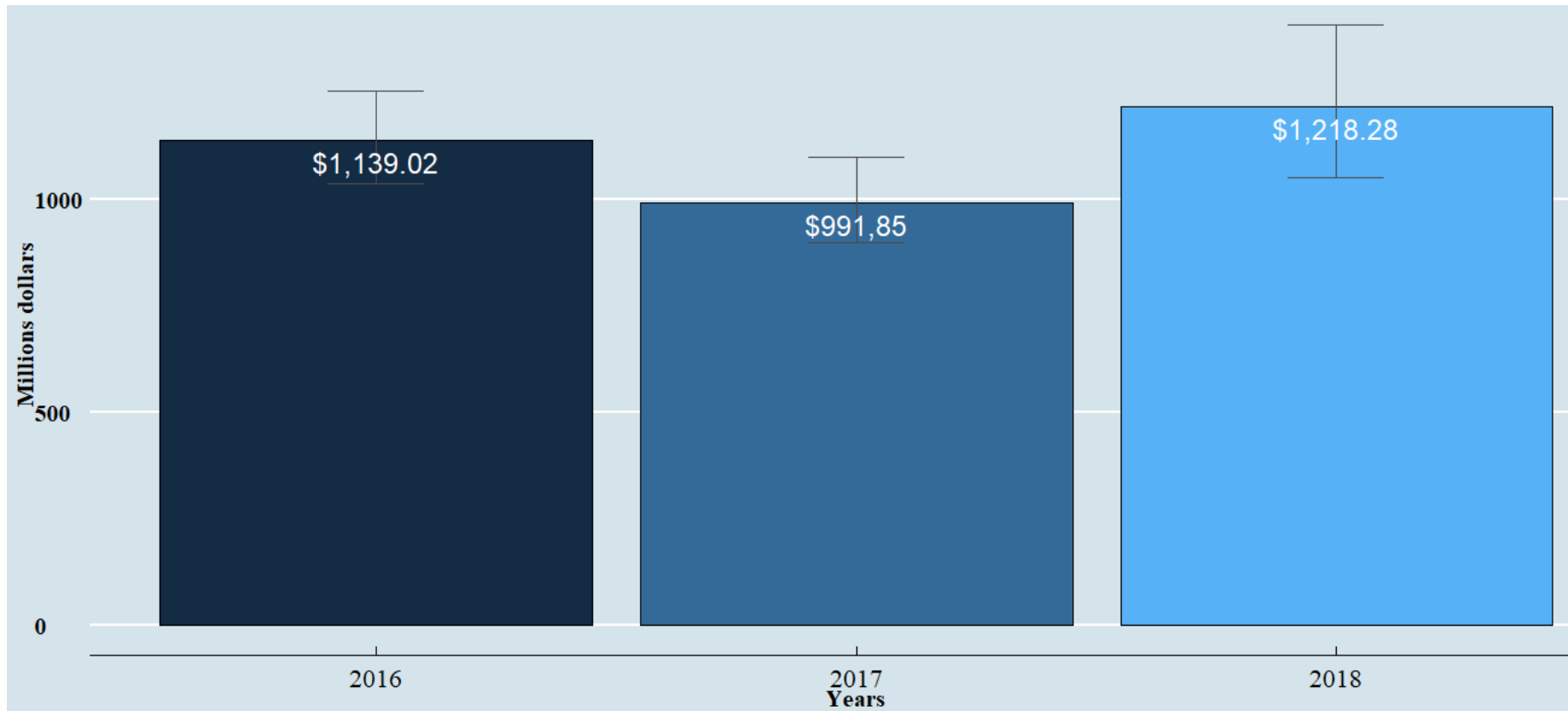


Inward IFFs into Mexico

Range in **million** US dollars (average 2015-2018)

MINIMUM	AVERAGE	MAXIMUM
994.84	1,116.36	1,253.82

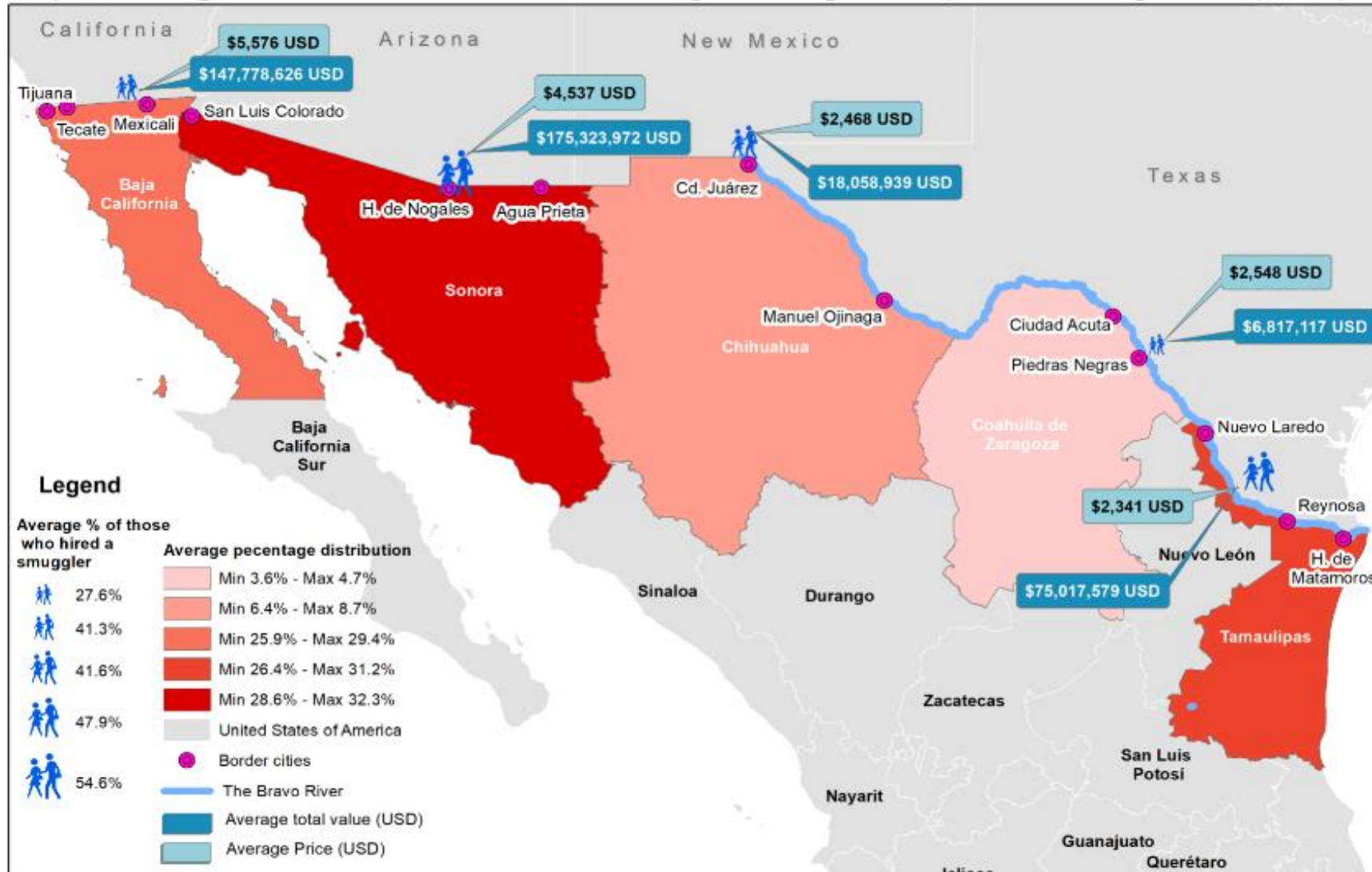
Inward IFFs per year, in **million** of US dollars*:



*The inward IFFs include two services: i) cross the Mexican territory, ii) irregularly enter the US.



Distribution of total income paid by irregular Mexican migrants departing to the United States (2016)



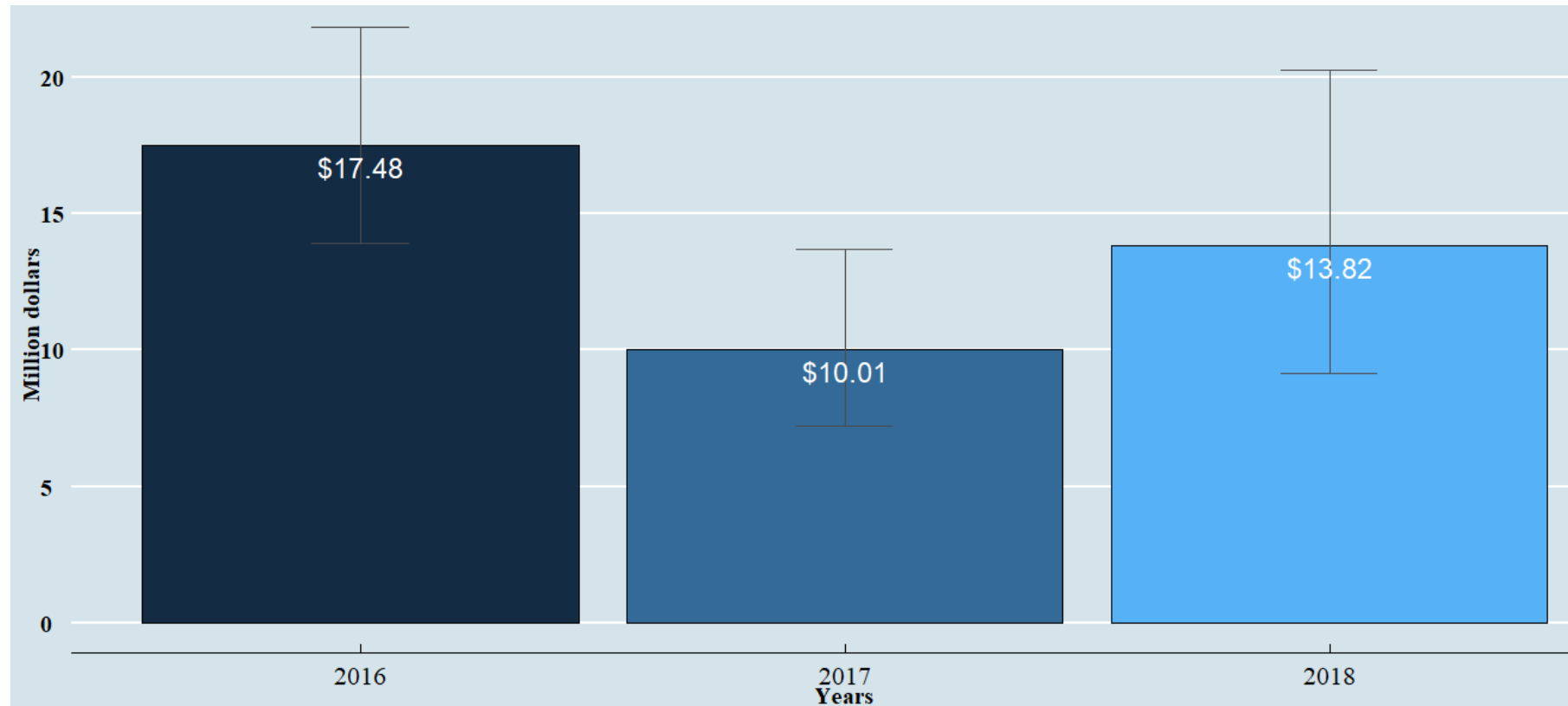


Mexico outward IFFs

Range in **million** US dollars (average 2015-2018)

MINIMUM	AVERAGE	MAXIMUM
10.08	13.77	18.58

Outward IFFs per year in **million** US dollars*:



*On average, 3.9% of the total value was earned by U.S. residents.

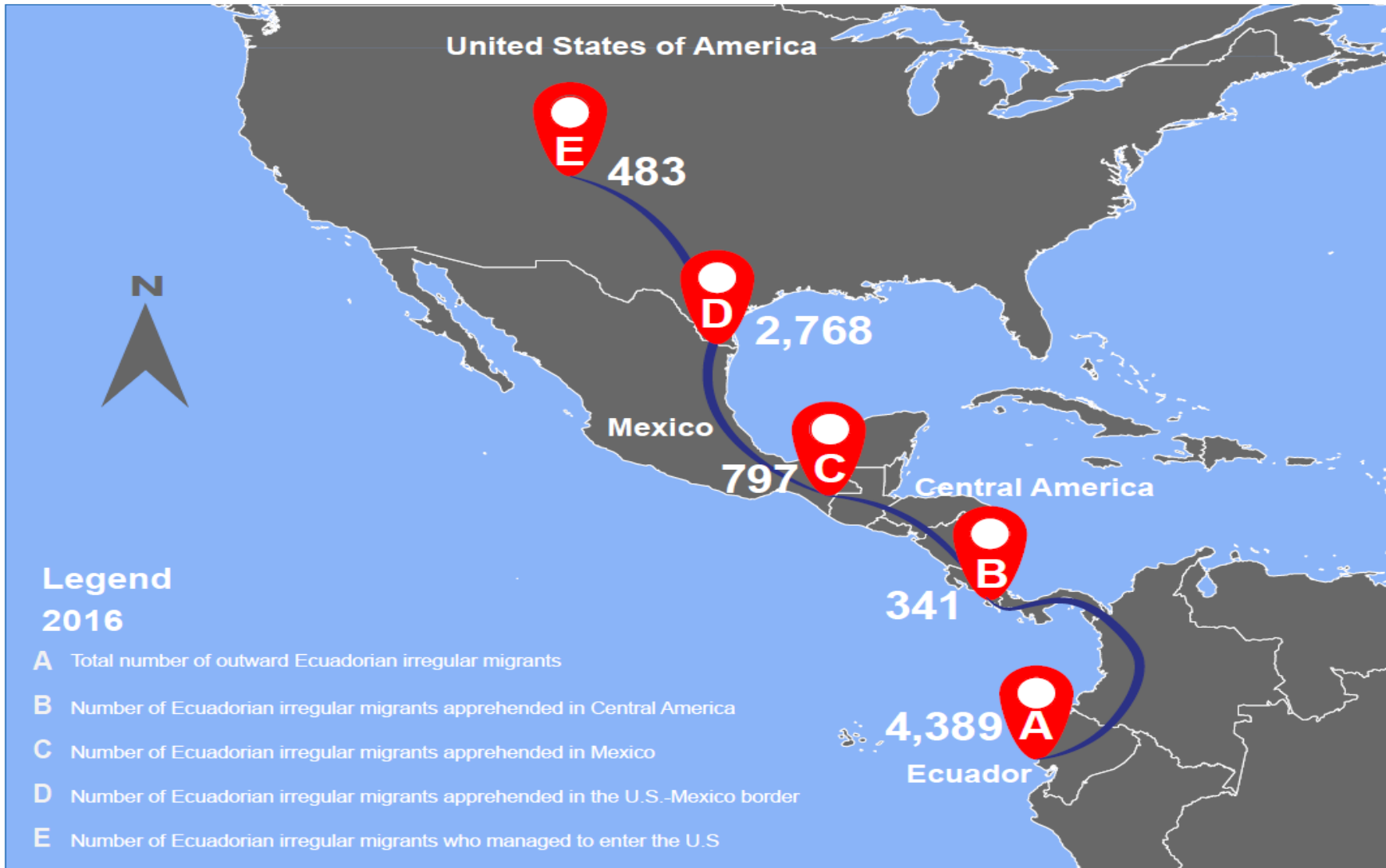
Data obtained as a proxy based on EMIF North question 28.1 "Where did you make contact with the person who guided you across the border?"





Irregular outward migratory flows from Ecuador (land route)

According to the map data , the following equation was used: $A = B + C + D + E$



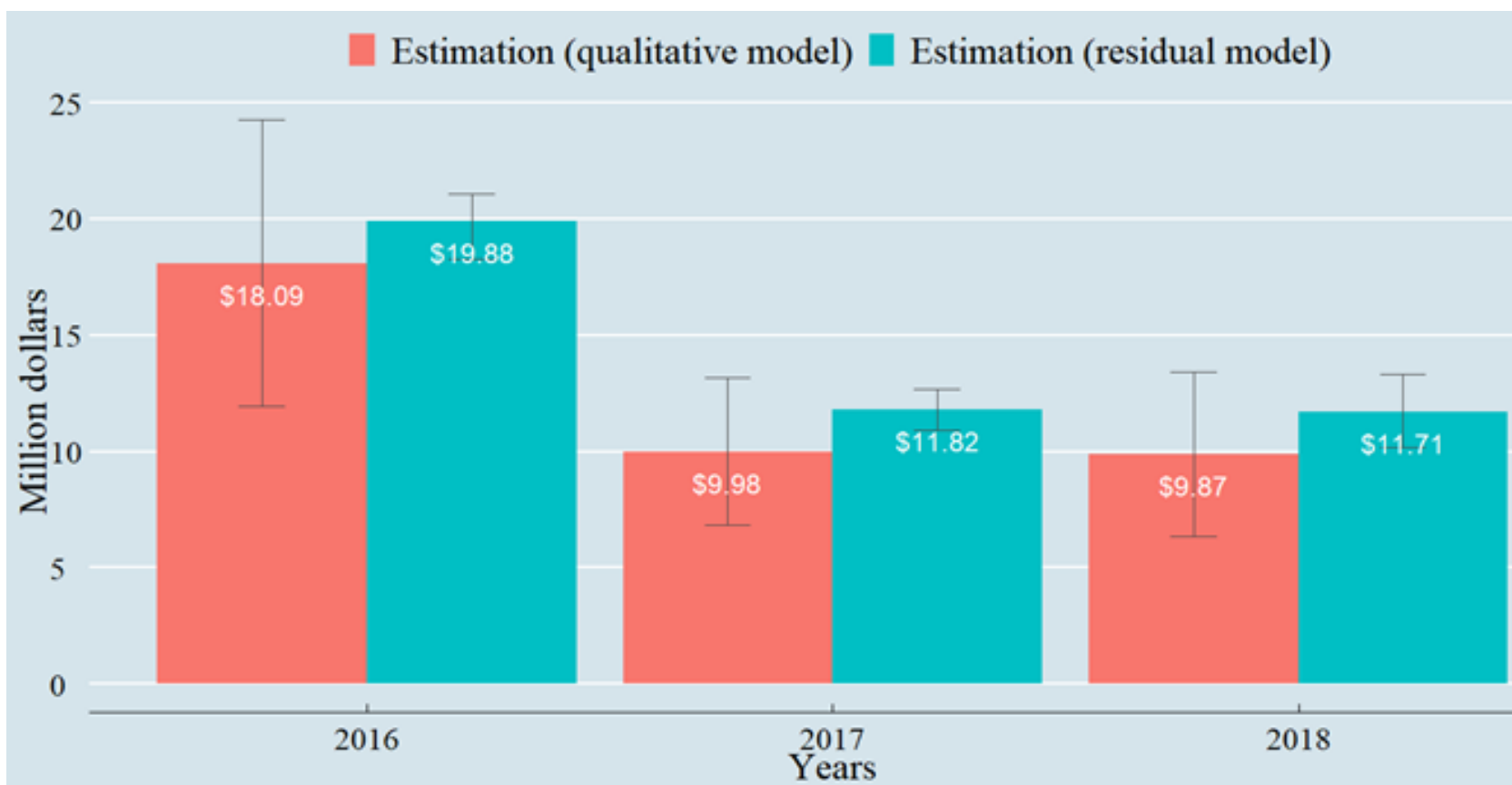


Value of outward IFFs from Ecuador in million US dollars

Range in **million** dollars (average 2016-2018)

MINIMUM	AVERAGE	MAXIMUM
10.74	13.56	16.32

Outward IFFs per year in **million** dollars*:



*Qualitative method: non-resident smugglers earn between 50 and 60% of the total incomes

**Residual method: the incomes earned by the non-resident smugglers only correspond to the segment Mexico-United States



Illicit drug trafficking:

- **Mexico**

VARIABLES	COLLECTED DATA	SOURCE
National production	Areas under illicit crop cultivation Conversion factors	UNODC Annual Questionnaire Reports (ARQ)
National consumption	Size of population 15-65 population (# of inhabitants)	National Statistical Offices
Destination countries consumption	Annual prevalence rate (%) Quantity consumed per capita (gram)	UNODC / Ministry of Health
National seizures		ARQ/ Office of the Attorney General of the Republic ARQ
Destination countries seizures	Quantities seized (kg) (per destination country) and trafficking routes	
Prices	Wholesale and retail prices of destination countries	
Purity	Domestic wholesale / retail Wholesale and retail (destination countries)	

Formulas to measure inward IFFs

Supply-based model (heroin)

Exports x exports prices

Where: Exports = Production – Seizures – Consumption

**Inward
IFFs**

=

Demand-based model (methamphetamine and cocaine)

(Consumption + destination countries 'seizures)

x

Market share of the country of interest in the destination country market

x

Prices

Formulas to measure outward IFFs

Outward IFFs

= Imports x import prices

Where:

Imports = Consumption + Seizures + Exports

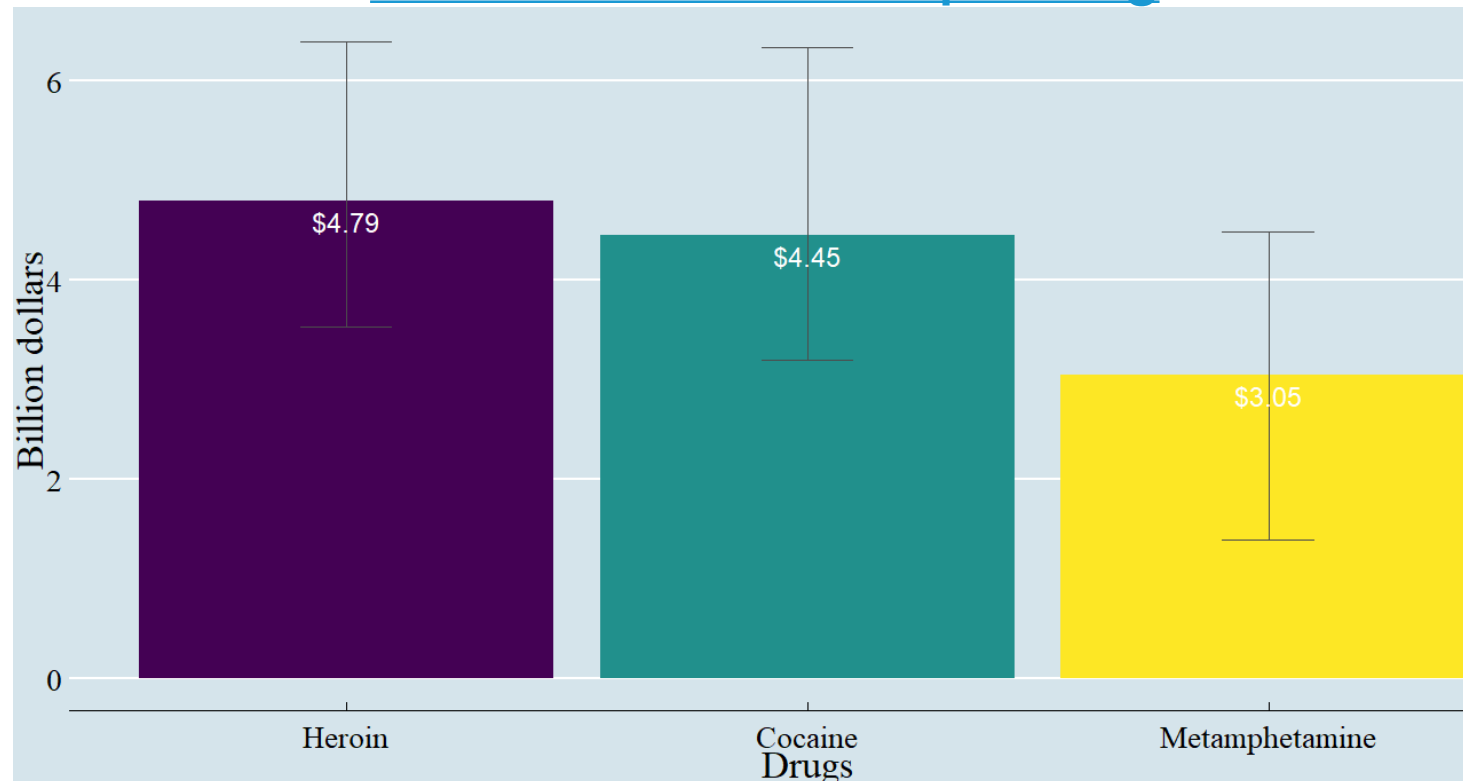
Transit
countries
(Mexico)



Range of Mexico inward IFFs, in billion US dollars, 2015-2018 average

IFF TYPE	MINIMUM	AVERAGE	MAXIMUM
Inward IFFs	8.12	12.29	17.20
Outward IFFs (cocaine)	0.26	0.34	0.45

Inward IFFs estimated per drug



Agricultural exports amounted to 12.63 billion dollars between 2015-2018 (4-year average, INEGI, national accounts)

Thank you for your attention

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