



FRAUD'S FACTS

Fraud in cash and electronic payments:
taxonomy, estimation and projections



Fraud is estimated to cost the global economy \$4,1 trillion annually.



Cash related to illegal activities represents less than 1/4 of the underground economy.

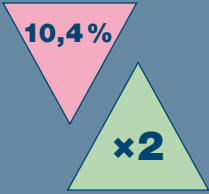
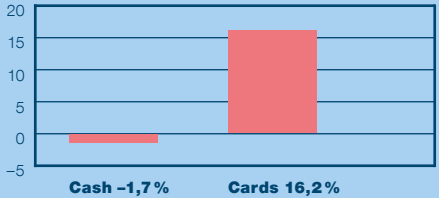


Other forms of fraud, such as card-not-present (CNP), have increased by more than six times between 2014 and 2018.



CASH VS CARDS

Since 2014, fraud with cash has been decreasing 1,7% annually while fraud with cards has been increasing 16,2% annually.

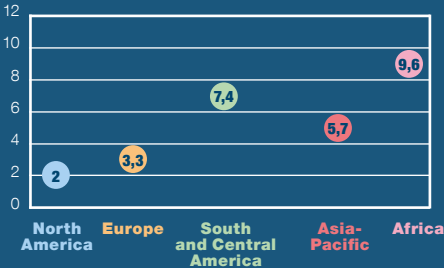


CURRENT TRENDS

If current trends persist, card fraud per transaction would double by 2025, while the illegal economy linked to cash would fall by 10,4%.



Card-not-present fraud grew more than any other type of fraud. It was 6,44 times larger in 2018 than in 2014. Card-not-present fraud constitutes more than half of total card fraud.



ILLEGAL ECONOMY

Globally, the illegal economy linked to cash has declined from 5,2% of gross domestic product (GDP) in 2014 to 4,8% of GDP in 2018. This component is particularly low in North America (2%) and Europe (3,3%) and larger in Central and South America (7,4%), Asia-Pacific (5,7%) and Africa (9,6%), but declined in all areas during the 2014–2018 period.

«Fraud in cash and electronic payments: taxonomy, estimation and projections.» Santiago Carbo-Valverde, Francisco Rodríguez-Fernández, a report for the International Security Ligue, April 2020