

Eleventh Meeting of the Global Counter-Terrorism Coordination Compact  
Committee New York, 5 February 2025

*The Pact for the Future and the UN Global Counter-Terrorism Coordination Compact: Strengthening Policy Interventions and Building Member State Capacities to Prevent and Counter Terrorism*

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Remarks of **Mr. James Lee**, Global Head of Capacity Building, Chainalysis

Good morning, Crime Fighters! I always enjoy being in the same room with so many like-minded people.

My name is Jim Lee and I am the Global Head of Capacity Building at Chainalysis. I very recently retired from Federal Law Enforcement after 30 years at IRS Criminal Investigation where I led the division as the Chief the past 4 years.

I often comment to groups like this that Most Crimes are committed to make money!

Question for everyone.....Can you think of any crimes that are committed for any other reason? If you take random acts of violence out of the conversation, then NOT MANY.

- Narcotic trafficking, human smuggling, child solicitation, gun smuggling, ransomware attacks, and the list goes on.....
- All of these crimes are committed to make money and all of these crimes are also committed in an effort to fuel terrorist activities.

In my humble opinion, as a career Law Enforcement Officer, Criminals are doing the same things they were doing 30 years ago, they're just using new tools/technology to be more efficient.

Some of the most striking evolutions, in financial crime, I suggest in the past 30 years revolves around:

- Speed and convenience of moving money.
- Evolution of Virtual Assets aiding in the pseudo-anonymous nature of transactions

I just said that all crimes are committed to make money. Crypto is now associated with all of these crimes as a vehicle to move illicit value.

Over the past few years, I have realized that long gone are the days where law enforcement investigators have the luxury of transferring a crime they are investigating, where crypto is involved, to a 'cyber team' because it is too complex.

- In fact, I stopped calling it crypto crime several years ago. RIGHT NOW, crypto is being used by the criminal element to move value and introduce illicit income into the financial system in EVERY CRIME that involves money. ALL CRIME FIGHTERS NEED TO UNDERSTAND THIS the same way they understand cash moving!

- The good news is that those equipped with the right tools and data can trace these crypto transactions.
- Within Action 24, the Pact for the Future addresses terrorism revolving around the need to prevent and combat crime and related illicit financial flows.
  - This suggests to me that the illicit movement of value involving crypto should be part of the discussion and should be considered in capacity building efforts.

The Compact plays a critical role *revolving around* building Member State capacities to prevent and counter terrorism.

Public/Private Partnerships are critical to understand the complexities of value moving on the blockchain all in an effort to introduce illicit income into the financial system.

Since coming to the private sector I have learned that industry really wants to help - across the board.

As the Chainalysis Global Head of Cap Building, I am here to stay that we (Chainalysis) want to partner to build a long term strategic relationship with the UNOCT in an effort to:

- Create a training relationship to drive crypto awareness throughout high risk jurisdictions supplementing your ongoing missions and strategies.
  - I want to work closely with you to develop Training themes, that can be repeatedly delivered, in regions in line with UNOCTs strategy. This will promote efficiency and avoids duplicative efforts
  - I also want to work with you to create unique workshops based on regional or jurisdictional threats
  - And then finally work with you to deliver this capacity building strategically in a coordinated fashion.

My thoughts for consideration are that this committee, and respective working groups, are critical in this effort as they oversee and provide strategic insight where capacity building is necessary within various jurisdictions that face like-kind challenges revolving around threats involving virtual assets.

- I want to partner and provide insights, bringing industry perspective, to assist in strategically engaging in the jurisdictions where there is high priority.

In my humble opinion, these types of partnerships are not a ‘nice to have’ but a ‘must have’ to thwart the financing of terrorism and subsequent terrorist activities and as a result greatly appreciate the invite today.

Thank you. It is a true honor to participate in this discussion - and please know that I am always available for additional conversations regarding capacity building efforts that align with your priorities.

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