

# AML Screening for Crypto Industry

Make every wallet sign-on, and every token transfer, without fraud



## Crypto Laundering Has Evolved. Has Your AML System?

Annual crypto-based digital transactions are **estimated at \$3 trillion**. More cash flow makes digital systems prone to fraudulent transactions.

In 2024, **just 0.14% of cryptocurrency was illegal**. While it seems to be a small figure, it's **actually valued at a staggering \$40-51 billion**. That means last year, a huge amount of stolen funds flowed through mixers, cross-chain bridges, and DeFi rails.

**63% of the assets** were in stablecoins, preferred by criminals due to their high dollar value.



## Now, regulators are enforcing strict regulations.

### EU 6AMLD/7AMLD

expands AML to exchanges and wallet providers.

### MiCA

will soon enforce stable and smooth crypto-based operations in the EU.

### FATF's Travel Rule

will soon enforce stable and smooth crypto-based operations in the EU.

### US FinCEN's CDD Rule

hits MSBs/VASPs with BSA compliance duties.

## Primary Risks to Identify

### Mixer and privacy-coin cover-up

services like Tornado Cash (now sanctioned) and privacy tokens (e.g., Monero) don't trace illegal funding ([beosin.com](#)).

### Cross-chain bridge laundering

criminals use cross-chain bridges to transfer funds across blockchains, thereby hiding their sources

### Ransomware and extortion payments

**record 5,600+ reported attacks in 2024**, with most ransom payments transferred through crypto platforms ([FinTelegram](#)).

### DeFi hacks & exit-scams

**in 2024, hackers stole \$2.2 billion** from DeFi networks, then transferred funds through DEX aggregator tools ([CoinLedger](#)).

### Scam address hubs

**phishing and investment scams received \$12 billion in 2024**, creating new fake wallets for illegal money transfers ([CoinLedger](#)).

### Sanctioned-entity wallets

state-sponsored and politically exposed entities use on-chain networks to escape embargoes; sanctioned services facilitated **\$14.8 billion in high-value fund transfers** last year ([The Straits Times](#)).

## While Threats Rise Fast, Shufti Catches Them in Seconds.

Unlike traditional tools built for banks, Shufti was built for blockchain.

It screens in **2.32 seconds**, updates **3,500+ lists every 15 minutes**, and understands every aspect of wallet behavior, aliases, and indirect risk factors.



## How it neutralises threats:

### Flags sanctioned wallet addresses

instantly, even at initial crypto gateways for cash deposit or withdrawal. Major sanctions that Shufti covers include:

- GOV UK - Sanctions (Sanctioned Crypto wallets)
- Office of Foreign Assets Control (OFAC) - SDN and Blocked Persons List
- Etherscan - Frozen Wallets
- Israel Sanctioned Crypto Wallets List
- Ministry of Finance - Japan (Sanctioned Crypto wallets)
- All updates every 15 minutes.
- To see the full coverage, [click View](#).

### Detects adverse media risk

Detects adverse media risk across **50,000+ sources** using NLP and risk-tag classification.

- To see the sample of publishers we have integrated, [click View](#)

### Matches transliterated or alias identities

**in 80+ languages**, including phonetic name mapping.

- To see the languages' coverage, [click View](#).

### Screens smoothly

API checks deliver risk verdicts under **2.32s with <0.57% FNR**.

## Fully Aligned With Global AML Mandates

Whether you're registering a VASP or launching a DeFi product anywhere in Europe, **Shufti helps you comply with regulations**.

### FATF Rec. 15 / Travel Rule:

Captures originator/beneficiary wallet metadata.

### 6AMLD / 7AMLD

Enables real-time screening and supports EDD risk alerts.

### FATF Rec. 15 / Travel Rule:

Provides reliable and traceable processes designed for crypto operations.

## Use cases:



### Crypto Exchange Onboarding:

When onboarding "John Smith," instantly see if he's on a sanctions list and view his attributed wallets before enabling deposits/withdrawals.



### Custodian or Wallet Provider:

Monitor both the client and their wallets to ensure they comply with changing AML requirements.



### OTC Desk:

Check counterparties and their wallets before executing large trades.



### DeFi Protocols:

Integrate entity and wallet screening into dApps to block sanctioned addresses programmatically.

## What Crypto Platforms Gain With Shufti

**3-second onboarding decisions** that don't disrupt your sales conversion.

**80% fewer false positives**, thanks to advanced systems that detect and filter out spammers.

**Early-stage mixer defense** that blocks fund transfers on the spot.

**One API for CEXs, DEXs, and lending protocols**, no longer relying on outdated software

**Exportable audit logs and risk snapshots**, built for regulators.

**Operational in 235 jurisdictions**, so compliance issues never slow down your growth

| Head of Product, Global Payments Processor

## Don't Wait for a Regulatory Knock.

Cryptos are prone to regulatory sanctions and fraud within the blockchain system, putting virtual assets at a huge risk. **But don't worry**. Shufti steps in with an ultimate solution. It equips you with an up-to-date AML system that's:

**Built for velocity.**

**Proven across 215+ regimes.**

**Designed for DeFi.**

**Clean chains. Protected assets. Maximum growth.**

## Let's talk.

Ready to protect your smart contracts, on-ramps, and fiat rails?

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