

## **Shocking numbers on 419 Nigerian Advance Fee Frauds A fast growing multinational industry.**

The Nigerian 419 Advance Fee Fraud came to the attention of the public and regulators during the 1970s over letters - generally aimed at small businesses rather than individuals - purporting to come from figures in the Nigerian government (often the Central Bank or Nigerian National Petroleum Corporation) wanting help disposing of new oil wealth. Those letters were posted in Africa and Europe. In 2002 the US Department of Justice gained a court order to open every item of mail from Nigeria passing through JFK airport in New York, with around 70% involving scam offers. Russell Smith notes that between August and November 1998 Australia Post confiscated 4.5 tonnes of advance fee correspondence (1.8 million items) that had counterfeit postage. Uptake of faxes during the 1980s and 1990s saw the scammers move from print to fax messaging. That was followed by several explosions of email at the end of the millennium and in 2003, with the scammers spamming recipients in advanced economies (primarily those in English-speaking nations). The addressing of that email was indiscriminate, encompassing organisations and personal addresses. Today a mix of all the following approaches is used by the fast growing AFF scam rings which are now based around the globe:

Mail

Fax

E-mail

Chat rooms

Dating web sites

Matchmaking web sites

Personal introduction

Web sites publishing general business contacts or for specific industries

Call centre / boiler-room

Door-to-door - in countries where an internet connection or sometimes phone or fax connections are not yet common circumstances.

### **There are no reliable statistics on 419 Advance Fee Fraud. Why?**

Centralized counter-419 operations are the only way that viable statistics on 419 can be maintained. Decentralized counter-419 operations mean fragmented information and data. Everybody has a Piece of the picture, but nobody has the Full picture in decentralized counter-419 operations. Centralized counter 419 operations are the only way there can be centralized contact data for the public in reporting 419 attempts and 419 losses. Reporting must be kept as simple for the public as possible, to encourage maximum reports. Only by encouraging maximum reporting can the best statistics and information be generated on 419 activities, and it is always good to have the best information so one can accurately estimate the size of the problem and analyze trends within 419 activities.

## **The AFF statistics by the 419unit@ultrascan.nl**

### What's different with our numbers?

- The numbers are based on our investigations from 1996 till now, but mainly recent from March 2003 to February 2006.
- Our estimates are based on our records analysed and prepared by 419 AFF experts.
- We investigate what AFF scammers do, we do not wait for victims to report or file a complaint -where and if they choose to do that - if they choose to come forward at all.
- We investigate and follow the sudden changes and the trends in AFF.

### What is not different with our numbers?

- Our numbers also do not show the complete AFF situation in the world, not even in one specific country.
- Our estimates are also low, for some countries even extreme low. (We can but will not give estimates if we have no records of our own)

### What is the situation and what should be done?

- Majority of Nigerian Advance Fee Fraud is still perpetrated by Nigerians, but no longer initially from Nigeria.
- Centralized 419 reporting and counter-419 operations in countries with a high AFF activity are essential.
- Direct cooperation between law enforcement from the countries where the victims come from and the countries where the scammers work is an advantage

**If you have questions about our numbers please send an email to [stats419unit@ultrascan.nl](mailto:stats419unit@ultrascan.nl)**

For general questions about 419 Advance Fee Fraud please first take a look at the website of

The 419 coalition <http://home.rica.net/alphae/419coal/index.htm>

or Ultrascan [http://www.ultrascan.nl/html/419\\_advance\\_fee\\_fraud.html](http://www.ultrascan.nl/html/419_advance_fee_fraud.html)

Please do not call us for information before you have introduced yourself in an email or fax.

419unit release March 25 2006	on our records*	
Nigerian Advance Fee Fraud records* and low estimates for the countries listed below.	AFF resident active scam rings	individual members of AFF scam rings
Belgium	3	72
France**	7	127
Germany	10	275
Italy**	8	149
Luxembourg		1
The Netherlands	24	802
Denmark	2	26
Ireland	6	117
United Kingdom	20	724
Greece**	4	155
Portugal**	3	24
Spain	18	561
Austria	2	62
Finland	1	5
Sweden	3	11
Cyprus	1	2
Tjech Republic**	2	9
Hungary**	2	16
Lithuania	1	3
Malta	1	2
Poland	2	11
Bulgaria	1	32
Romania**	2	19
Switzerland	3	7
Turkey**	3	5
Egypt	2	15
China**	2	73
South Africa	3	177
Ghana**	4	124
Dubai**	2	2
Thailand**	3	31
Malaysia**	2	51
Australia	2	12
Japan	1	2
United States	8	271
Canada***	5	79
India	3	79
other countries**** excl. Nigeria	36	272
<b>totals</b>	<b>202</b>	<b>4405</b>

419 AFF low estimates for 2005 only			
total active resident AFF scammers	profits before sharing with other scamrings in million US\$	profits after sharing with other scamrings in million US\$	AFF losses suffered in 2005 by companies and private citizens in million US\$
300	51	37,2	70
810	119	55,9	130
1270	137	81,5	210
200	70	33,6	120
3	17	15,1	3
1610	308	138,6	72
42	34	24,8	7
110	102	60,2	45
2030	284	119,3	520
50	85	52,7	11
30	9	7,0	12
2530	262	99,6	320
140	34	29,2	8
20	2	1,8	3
33	12	3,2	26
4	0,3	0,3	0,6
17	6	5,0	9
55	6	5,2	1,2
5	17	7,7	0,7
2	4	1,6	0,07
25	3	2,5	1,7
51	1	0,8	0,3
10	4	3,0	0,8
120	65	50,7	102
60	2	1,7	5
30	12	9,7	28
85	31	26,4	20
780	80	34,4	136
290	32	20,8	0,4
45	66	53,5	1,3
110	35	24,5	1,1
80	6	5,0	11
210	25	17,0	92
3	21	18,5	320
3800	370	62,9	720
3200	410	307,5	172
150	22	12,1	3,5
<b>18310</b>	<b>2744,3</b>	<b>1430,4</b>	<b>3183,7</b>

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**Nigerian Advance Fee Fraud records\* of additional damages for the countries below.**

<b>Belgium</b>
<b>France**</b>
<b>Germany</b>
<b>Italy**</b>
<b>Luxembourg</b>
<b>The Netherlands</b>
<b>Denmark</b>
<b>Ireland</b>
<b>United Kingdom</b>
<b>Greece**</b>
<b>Portugal**</b>
<b>Spain</b>
<b>Austria</b>
<b>Finland</b>
<b>Sweden</b>
<b>Cyprus</b>
<b>Tjech Republic**</b>
<b>Hungary**</b>
<b>Lithuania</b>
<b>Malta</b>
<b>Poland</b>
<b>Bulgaria</b>
<b>Romania**</b>
<b>Switzerland</b>
<b>Turkey**</b>
<b>Egypt</b>
<b>China**</b>
<b>South Africa</b>
<b>Ghana**</b>
<b>Dubai**</b>
<b>Thailand**</b>
<b>Malaysia**</b>
<b>Australia</b>
<b>Japan</b>
<b>United States</b>
<b>Canada***</b>
<b>India</b>
<b>other countries**** excl. Nigeria</b>
<b>totals</b>

on our records*			
bankruptcies caused by 419 AFF	loss of careers or jobs caused by 419 AFF	loss of home caused by AFF	AFF victims! prosecuted for fraud
4	5	3	3
1	2	6	1
3	13	3	5
2	3	4	1
	1		5
5	32	7	12
1	3	1	1
1	1	3	1
12	18	5	18
1			3
5			1
1	2		3
2	1	1	1
1	2	1	3
2	5	1	1
1	1	1	1
	1		
	1		
1	3		
	1	1	
1			
3	3	1	8
1	1		
2	241		1
7	5	1	3
5	28	2	2
	1		3
2	6		
3			5
1			
306	251	17	3
1	31	2	7
1	5	1	3
2	377	2	5
<b>378</b>	<b>1044</b>	<b>63</b>	<b>100</b>

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Nigerian Advance Fee Fraud low estimates of the additional damages for the countries listed below
Belgium
France**
Germany
Italy**
Luxembourg
The Netherlands
Denmark
Ireland
United Kingdom
Greece**
Portugal**
Spain
Austria
Finland
Sweden
Cyprus
Tjech Republic**
Hungary**
Lithuania
Malta
Poland
Bulgaria
Romania**
Switzerland
Turkey**
Egypt
China**
South Africa
Ghana**
Dubai**
Thailand**
Malaysia**
Australia
Japan
United States
Canada***
India
other countries**** excl. Nigeria
<b>totals</b>

lowest estimates for the period April 1996 - February 2006				
bankruptcies caused by 419	loss of jobs and careers caused by 419 AFF	loss of home caused by AFF	AFF victims! prosecuted for another fraud caused by AFF	AFF victims that went from savings to serious debt problems
17	60	25	30	3500
70	900	110	130	11000
110	4500	100	160	15000
350	800	300	65	7000
5	20	40	10	5000
	600		20	3000
1200	3500	800	1100	60000
80	350			
20		20	110	7000
60	10	30	300	6000
20		10	5	700
	40	10	20	500
		10		
		1		1
	3			
	2			12
130	25	23	180	850
30	15		35	900
270			600	12000
85	20		1200	
	10			60
			20	
	30			
120	30	150	300	4000
550	80	90	530	8000
				11000
8350	70000	9000	1820	310000
1550	9000	1100	250	22000
				3000
<b>13017</b>	<b>89995</b>	<b>11819</b>	<b>6885</b>	<b>490523</b>

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**Nigerian Advance Fee Fraud records\* deaths, key positions, key ownership and political ambitions for the countries listed below**

<b>Belgium</b>
<b>France**</b>
<b>Germany</b>
<b>Italy**</b>
<b>Luxembourg</b>
<b>The Netherlands</b>
<b>Denmark</b>
<b>Ireland</b>
<b>United Kingdom</b>
<b>Greece**</b>
<b>Portugal**</b>
<b>Spain</b>
<b>Austria</b>
<b>Finland</b>
<b>Sweden</b>
<b>Cyprus</b>
<b>Tjech Republic**</b>
<b>Hungary**</b>
<b>Lithuania</b>
<b>Malta</b>
<b>Poland</b>
<b>Bulgaria</b>
<b>Romania**</b>
<b>Switzerland</b>
<b>Turkey**</b>
<b>Egypt</b>
<b>China**</b>
<b>South Africa</b>
<b>Ghana**</b>
<b>Dubai**</b>
<b>Thailand**</b>
<b>Malaysia**</b>
<b>Australia</b>
<b>Japan</b>
<b>United States</b>
<b>Canada***</b>
<b>India</b>
<b>other countries**** excl. Nigeria</b>
<b>totals</b>

recorded\* at some point between April 1996 and February 2006

suicides AFF victims	murders related to 419 AFF	kidnappings or taken hostage connected to 419 AFF scam ring	Key positions held by AFF scam ring	Key ownership connected to AFF	AFF scam ring bosses financing political change in Nigeria
		1	66	1	3
1	1		2	3	1
			1	2	2
			1		2
	1	3	3	3	5
			1		5
			5	3	11
			1	2	1
			4	2	4
					1
			1		
	1		2		
1					
			2	1	1
			1	1	
			1	1	1
			1		
	2				
	5	15	1	2	
	2		3	3	2
			1		1
1				2	
3					
1	3	5	599	8	4
1	3	1	7	4	1
	3	8	3	2	
<b>8</b>	<b>18</b>	<b>25</b>	<b>703</b>	<b>38</b>	<b>45</b>

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- Growing 419 AFF activity

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- After a decline renewed 419 AFF growth expected.

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- Other countries (excl. Nigeria) with a fast 419 AFF activity growth. Examples are Russia, Korea, and Hong Kong.

**In Nigeria there are too many 419 rings and 419ers to enumerate and to quantify the losses to victims worldwide from 419 operations.**

**\*(our record)** = numbers established through investigations by the 419 unit of Ultrascan and/or confirmed from open source. Our investigations are focused on countries with a high AFF victim/loss count excluding Nigeria itself and South-America. We believe that what we have on record can only be seen as an indication of what is a lot larger and rapidly growing.

### **Explanations with the records\* and estimates**

#### **AFF resident active scam rings**

Advance Fee Fraud scamrings working from country A. to scam victims from another country B.

In general a 419 AFF scammer will not scam people in the country that he's working from, it's one of the basic rules for the AFF scam to create distance and jurisdictions between him/her and the (targeted) victim.

#### **Individual members of AFF scam rings**

Local AFF scam rings are groups of individual scammers with different tasks and training to perform the scam at hand, specifically adjusted to the victim's state of mind and the type of AFF scam.

#### **Total active resident AFF scammers**

There are also active resident scammers of whom we have established the existence at some point during an investigation, but we have not yet been able to identify the scamring they work with. We add them to the known members of scamrings to come to an estimate of the total number of scammers in a country

#### **Profits before sharing with other scamrings in million US\$**

These are the profits from scams performed by scamrings in one country these profits are to be shared with scammers in other countries who provided victims or necessary services to expedite the scam. (Example-

AFF scamrings based in The Netherlands made with the assistance of scammers in other countries 308 million)

### **Profits after sharing with other scamrings in million US\$**

These are the profits from scams performed by scamrings in one country after sharing with scammers in other countries who supplied the victim or provided necessary services to perform the scam. Basic element of this scam is to share the profits as agreed upon. (Example- scamrings based in Belgium made a profit of more then 37,2 million. This does not mean this loot is still in Belgium)

### **AFF losses suffered in 2005 by companies and private citizens in million US\$**

These are the losses including all the real expenses incurred by the victims in the country itself. Victims very often sustain a lot more loss then the obvious advance fees that they pay. The advance fees are paid to scammers in other countries (example- Belgian victims lost over 70 million to foreign AFF scammers in 2005)

### **Bankruptcies caused by 419 AFF**

In some cases victims and/or their companies get so deep in debt to pay all the different advance fees they file for bankruptcy.

We do not specifically log bankruptcies that occur during or after the 419 scam but only the ones brought to our attention.

### **Loss of careers or jobs caused by 419 AFF**

Many "professionals" that are victim to AFF lose their career and/or their practice.

Many AFF victims lose their job.

Also many lose their job and don't even know that it is because of an AFF. When the companies fall victim to AFF they have to size down or file for bankruptcy. Very often the victim still does believe the scammers or doesn't want to go on the record as an AFF victim.

One example is a factory with 271 staff that went bankrupt because, only after the production started the management of the factory was asked to advance fees to release a first down payment of 12 million US\$ the complete contract value was for 42 million US\$. The victim was shown in person the following convincing but counterfeit or stolen instruments, a diplomatic passport, completion plans for an existing project of national importance, business, banking and government references from several Middle Eastern, Asian and European countries. And last but not least a bank account with a payment in favour of the victim accessible through internet banking on an exact copy of the website of a large Canadian bank, the victim received the account number and the codes to access the bank account via internet banking. Only making transfers from the account didn't work and never did. The victim also visited the project and was received with all governmental VIP decorum. During his visit the



victim met other contractors who were pleased with the project, everything appeared in order. The financial loss excluding subcontractors was 9million US\$ the company went bankrupt and the staff that lost their job think it's because of bad market conditions and orders that were cancelled. We don't know what happened to the subcontractors, we assume nothing good. We do know that the scammers involved only made a net profit of 1,2 million US\$. *Who cares about the difference between AFF profits and the real total damages?*

### **Loss of home caused by AFF**

In almost all countries that we come across during 419 investigations we were confronted with AFF victims that were evicted from their home by their landlord or by the bank when the mortgage couldn't be paid anymore.

We have found evidence of scammers being proud of the number of victims that lost their homes because of the AFF the scammer played on the victim. The higher the number AFF victims that lose their home, is seen as an accomplishment by a majority of AFF scammers and also mentioned during some of the AFF training for new recruits of the scamrings.

### **AFF victims Prosecuted for fraud!**

During the AFF scam the victims are very often threatened with the possibility that a government or international institution will investigate their part in "the deal" for example for tax evasion, money laundering or corrupting officials, this is to make sure that the victim will not ask his own government or other outsiders that he would normally trust and consult on "the deal". While in general victims have nothing to fear from such threats, they should fear being prosecuted in their own country for bank fraud after they received and cashed counterfeit checks or bogus wire transfers to their bank account.

For example in cashier's check AFF, local authorities are always trying to charge the victim with attempting to defraud their bank, or Nigeria, or somebody, when in fact it is the AFF victim himself who is being defrauded. Much time and energy is wasted by local authorities on such cases, which are always eventually dismissed as they learn more about AFF.

**Key positions** held by resident members of a scam ring that we have recorded are with: postal services, banks, credit card organizations, insurance, transport, oil companies, embassies, hotels, airports, police, immigrations, academic hospitals, intelligence related companies and state departments.

**Key ownership** connected to AFF scamrings we have recorded in: banks, Western Union and Moneygram agencies, Internet cafes, customs clearing agents, car dealerships, hotels