

Online Child Sexual Exploitation

1.

Prevalence

There is no reliable figure estimating the proceeds generated by live-streamed sexual abuse of children globally, however, there is clear evidence that this crime type is large in scale and becoming increasingly more prevalent.

Key Findings.

In February 2025, the FATF Plenary approved a landmark report looking at how examining financial flows and producing financial intelligence can help to detect, disrupt and investigate the alarming monetisation of live streaming of child sexual abuse and the “sextortion” of children.

2.

Financial Intelligence

The report emphasizes the use of financial intelligence to detect, disrupt, and investigate online child sexual exploitation (OCSE). Financial transactions can provide critical leads to identify perpetrators and facilitators.

3.

Complex Crime

OCSE is described as a rapidly growing and complex cyber-enabled crime with severe and long-lasting impacts on victims and their families.

4.

Role of Facilitators

Facilitators play a crucial role in arranging and sometimes participating in the live-streamed sexual abuse of children. They often operate in different locations from where the abuse takes place.

5.

Global Cooperation

The report calls for enhanced international cooperation and coordination among financial institutions, law enforcement agencies, and other stakeholders to effectively combat OCSE

6. Terminology & Definitions

OCSE - Online Child Sexual Exploitation

CSAM - Child Sexual Abuse Material

FSEC - Financial Sexual Extortion of Children

LSAC - Live-Streamed Sexual Abuse of Children

A full list of indicators can be found in Annex A of the report

Live-streamed Sexual Abuse of Children (LSAC):

This involves the real-time broadcasting of sexual abuse of children for financial gain. Consumers pay to watch these live-streams, often directing the nature of the abuse.

Transactions To High-Risk Jurisdictions:

Transactions from developed countries to high-risk jurisdictions for child sexual exploitation. Jurisdictions noted as having high-risk of OCSE include Cote d'Ivoire, Nigeria and the Philippines as common countries of operation of perpetrators of FSEC). Bali is also noted as being prone to cases of OCSE.

Age Difference:

Significant age differences between remitters and receivers.

Multiple, Small Transactions:

Low even-denominated amounts in source / destination currency.

Repeated Transactions:

Repeated transactions at irregular intervals.

Timezones:

Transactions late at night / early morning indicating different time zones.

Historical Relationship:

Long financial history of payments indication relationship formed between consumer and facilitator.

No Connection:

Remitter has no apparent connection to the payment beneficiary.

Social Media Site Payments:

Accounts or customers that have a high volume of transactions to social media sites.

Transaction Purpose:

Transaction purpose refers to social media or usernames, sexual or pornographic terms, or date / time that the material was received.

Descriptors:

Descriptors such as “family support”, “school fees”, “assistance”, “support”, “medical bills”, “accommodation”, “education”, “financial assistance”, “gift”, “purchase of clothes”, “purchase of toys”, “uniform”, “friend”, “boyfriend”, “girlfriend”, or “sponsor”.

Anonymity:

Purchases at vendors that offer online encryption tools or other tools/services for online privacy and anonymity.

Financial Sexual Extortion of Children (FSEC):

Perpetrators threaten to expose sexually explicit images or videos of children unless they meet financial demands.

No Relationship:

Transactions conducted between two individuals where there is no apparent relationship.

Initial Payment:

Initial transaction between victim (remitter) and perpetrator (receiver) over 250 EUR.

Donation?:

Payment looks like a charitable donation.

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Background of Offence:

Transaction linked to an individual on public registry of sex offenders.

Different Jurisdictions:

Recipient is not local to remitter.

Higher Amounts:

Transactions Generally over 500 EUR. Sometimes up to 1500 EUR.

Real-Time Payments:

Typically making payments between 7pm - 7am (payments are happening in real-time).

Gambling Sector: Key Takeaways

Enhanced Monitoring:

Online gambling operators should ensure their monitoring systems detect suspicious transactions that may be linked to OCSE. This includes tracking unusual patterns, such as frequent small transactions or rapid movement of funds.



Virtual Assets:

The use of virtual assets in OCSE transactions highlights the need for online gambling platforms to implement robust measures to monitor and report suspicious activities involving virtual assets.



Collaboration with Authorities:

Increased collaboration with law enforcement and financial institutions is crucial. Sharing information and intelligence can help identify and disrupt OCSE networks.



Training and Awareness:

Staff training and awareness programs are essential to recognise indicators of OCSE-related transactions. This includes understanding typologies and indicators provided in the report

