

FinCEN Issued Alert on Oil Smuggling Schemes



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SUMMARY

- FinCEN issued an alert on oil smuggling by Mexico-based cartels (CJNG, Sinaloa, Gulf) along the U.S. southwest border.
- The guidance was issued in coordination with OFAC, DEA, FBI, and HSI.

KEY RED FLAGS

- High-volume U.S./Mexico transactions with no digital footprint
- Shell companies tied to Mexico or using fake U.S. registrations
- Unregistered importers purchasing waste oil and paying Mexican entities
- Wire transfers referencing waste oil, though only crude oil is traded
- Sale of WTI/crude oil far below market rates