

Spanish and UK police forces recover €6 million in two-year long Ponzi scheme investigation



Hundreds of victims of a €15 million Ponzi scheme may soon recover up to 40% of their losses as a result of an international law enforcement effort to recover the ill-gotten funds.

The cooperation between the Spanish regional Catalan Police (Mossos d'Esquadra) and the UK West Yorkshire Police, facilitated by Europol, has made it possible for the Spanish authorities to recover over €6 million in the framework of an investigation into a Ponzi scheme exceeding €15 million with over 200 victims.

An investigation was launched at the beginning of March 2019 after a complaint was filed in Gerona, Spain, after the main suspect disappeared. Several other complaints soon followed, describing a pyramid fraud committed by the missing suspect, a Spanish national residing in the UK who duped his victims into investing in seemingly secure investments with high returns.

Returning stolen funds

Timely investigative support is vital in asset recovery cases that cross multiple borders in order to locate, freeze, confiscate and finally repatriate stolen assets.

Europol's [European Financial and Economic Crime Centre](#) (EFECC) supported the case from the onset and brought together the Spanish and British investigators at its headquarters to discuss procedural requirements and identify a clear way forward. Its asset recovery experts there after organised the intensive exchange of information needed to prepare for the confiscation of the ill-gotten assets.

The asset recovery approach which was in this case a major angle of the

investigation clearly paid off: over £642 000 was held in UK bank accounts from the outset and frozen to ensure it was secured for confiscation. The British investigators were also able to successfully trace back a consequent amount of the diverted funds which had been invested in online gambling companies, a luxury vehicle, jewellery and IT equipment.

After two years of intense cooperation, the West Yorkshire Police transferred at the end of April 2021 more than €6 million to the Spanish judicial authorities to be used, if the judicial process so decides, to compensate the victims. The main suspect has been in custody since 2019 by order of the Court of Gerona.

Confiscation is a strategic priority in the EU's fight against organised crime. The recovery of proceeds from crime deprives criminals of what they have strived to acquire and strengthens the notion that "crime should not pay". The faster the tracing of assets derived from crime is, the more effective the confiscation and recovery of criminal profits can be. Europol's EFECC helps investigators across Europe in identifying assets that have been illegally acquired on their territories and facilitates the exchanges of relevant information at European level.