

## **NFT Data**

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### **Introduction**

An FOI request was received by the NFIB regarding scam reports involving non-fungible tokens between 1<sup>st</sup> September 2022 to present.

The below results provide the following data:

- The volume of crime reports relating to NFT investments reported to Action Fraud between 1<sup>st</sup> September 2022 and 27<sup>th</sup> February 2023 broken down by month and the associated financial losses.

### **Methodology**

Statistics were derived from analysis of Action Fraud crime reports classified as one of the nine investment or pension fraud Home Office Crime Codes. An explanation of each Home Office Crime Code can be found online.<sup>1</sup>

- NFIB1E - Recovery Fraud
- NFIB2A - Share Fraud or Boiler Room Fraud
- NFIB2B - Pyramid or Ponzi Schemes
- NFIB2C - Prime Bank Guarantee Fraud
- NFIB2D - Time shares and Holiday Club Fraud
- NFIB2E - Other Financial Investment Fraud
- NFIB16C - Pension Liberation Fraud

A series of keywords were then searched against the reports to identify instances where an NFT asset had been referred to.

- Non fungible token
- Non-fungible token
- NFT
- N-F-T
- N.F.T
- NFT's
- NFTs

### **Results**

<sup>1</sup> [Home Office Crime Codes \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

## NFT Reporting Volume and Financial Loss

The volume of crime reports relating to NFT investments reported to Action Fraud between 1<sup>st</sup> September 2022 and 27<sup>th</sup> February 2023 broken down by month and the associated financial losses.

<b>Month</b>	<b>Reporting Volume</b>	<b>Financial Loss</b>
<b>2022</b>		
Sep	5	£6,411
Oct	4	£246,887
Nov	3	£23,401
Dec	7	£39,254
Total	19	£315,954
<b>2023</b>		
Jan	3	£1,413
Feb	3	£30,000
Total	6	£31,413
<b>Grand Total</b>	<b>25</b>	<b>£347,367</b>

## **Caveats**

- Action Fraud is a self-reporting tool; information provided within Action Fraud reports may not have been verified by law enforcement or interrogated for authenticity or accuracy and may be subject to discrepancies.
- There is no formal agreement with Scotland to report to Action Fraud and Action Fraud data is not a full representation of the level of fraud in Scotland. Police Scotland remain responsible for the gathering and enforcement of fraudulent activity affecting Scottish victims.
- Underreporting to Action Fraud may affect the extent and loss, as it may not be a true value of the fraud that is occurring nationally. Action Fraud is based on victim reporting and reports have not been verified.
- The Action Fraud reporting system is a live reporting system. Reports can be updated by the reporting person or other administrators as necessary; loss amounts, details and fraud classifications can change on occasion throughout the life of a report. For consistency, and to enable an accurate temporal dataset for reporting volumes, the original version of a report has been extracted from the system for use in this dataset. This dataset is accurate as of the time it was extracted.
- The inclusion of the relevant reports is reliant on the information provided in the 'Additional Information' section of the report provided by the reporting person. Only those containing the specific search terms identified above within the body of the report are included; any reports that contain misspellings or differing formats of the defined keywords will not have been captured.
- Whilst defined keywords have been used to identify reports relating to NFT investments, it is possible that the resulting data set from this methodology may include some reports that do not relate directly to this. If fraud reports have been recorded using other terminology or spelling than the defined search terms used, then it is possible that some reports relating to this fraud may not have been captured.
- Reports have been captured by date of initial reporting to Action Fraud. This date is consistently used across NFIB data analysis, as it is a consistently populated data field, and is automatically generated by the system. Any other date fields are liable to inaccurate data entry, or of not being populated at all by the reporting person.