

## **NFT Data**

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### **Introduction**

An FOI request was received by the NFIB requesting data relating to Non Fungible Tokens for the last four years with a year-end date of March 31. The below results provide the following data:

- The volume of investment and pension fraud crime reports concerning NFT investments reported to Action Fraud between 1st January 2019 – 31st March 2023 broken down by quarter and calendar year.
- The financial losses associated with the investment and pension fraud crime reports concerning NFT investments reported to Action Fraud between 1st January 2019 – 31st March 2023 broken down by quarter and calendar year.

### **Methodology**

Statistics were derived from analysis of Action Fraud crime reports classified as one of the eight investment or pension fraud Home Office Crime Codes.

- NFIB1E – Fraud Recovery
- NFIB2A – Share sales or Boiler Room Fraud
- NFIB2B – Pyramid or Ponzi Schemes
- NFIB2C – Prime Bank Guarantees
- NFIB2D – Time Shares and Holiday Club Fraud
- NFIB2E – Other Financial Investment
- NFIB16A – Pension Fraud by Pensioners (or their Estate)
- NFIB16B – Pension Fraud committed on Pensioners (Pension Funds)

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

## Results

### Reporting Volume

The below table provides the volume of investment and pension fraud crime reports concerning NFT investments reported to Action Fraud between 1<sup>st</sup> January 2019 – 31<sup>st</sup> March 2023 broken down by quarter and calendar year.

	2019	2020	2021	2022	2023	Total
Qtr1			1	14	11	26
Qtr2		1	1	14		16
Qtr3	2	1	2	6		11
Qtr4			4	7		11
Total	2	2	8	41	11	64

### Financial Loss

The below table provides the financial losses associated with the investment and pension fraud crime reports concerning NFT investments reported to Action Fraud between 1st January 2019 – 31st March 2023 broken down by quarter and calendar year.

	2019	2020	2021	2022	2023	Total
Qtr1			£5,000	£118,884	£53,224	£177,109
Qtr2			£35,385	£29,848		£65,233
Qtr3	£170,000	£63,000	£332,545	£3,234		£568,779
Qtr4			£335,593	£57,701		£393,294
Total	£170,000	£63,000	£708,523	£209,667	£53,224	£1,204,414

## **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 crime 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's, 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.