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CFTC Division of Enforcement Creates Two New Task Forces

One Team Will Address Cybersecurity and Emerging Technology, Another to Combat Environmental Fraud

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Washington, D.C. — The Commodity Futures Trading Commission’s Division of Enforcement today announced it has established two new task forces. The Cybersecurity and Emerging Technologies Task Force will address cybersecurity issues and other concerns related to emerging technologies (including artificial intelligence). The Environmental Fraud Task Force will combat environmental fraud and misconduct in derivatives and relevant spot markets. The task forces are comprised of attorneys and investigators across different offices within the Enforcement Division, who will prosecute cases, serve as subject matter experts, and coordinate efforts with the CFTC’s other divisions and offices.

“We must be dynamic and proactive in protecting derivatives markets against evolving threats,” said Chairman Rostin Behnam. “Recent events that directly impacted derivatives markets highlight the concerns that cybersecurity breaches raise in our markets. Meanwhile, as more firms tout their environmental credentials and as voluntary carbon markets grow, there exists the potential for fraud and manipulation. The creation of these two task forces demonstrates the vigorous and forward-looking approach the CFTC will take to address misconduct in these critical areas.”

“When I was a federal prosecutor leading a unit focused on complex frauds and cybercrime, I saw firsthand the growth of cyberattacks, cyber-enabled financial fraud, and environmental fraud. These new task forces will address these vital topics that will only increase in importance in the future,” said Director of Enforcement Ian McGinley. “The Cybersecurity and Emerging Technologies Task force will help ensure the derivatives markets are as secure as possible and essential information — including both customer and market information — remains confidential and protected. The Environmental Fraud Task force will focus on addressing fraud and manipulation in carbon credit markets and other forms of greenwashing, including material misrepresentations about ESG investment strategies.”

The mission of each task force is as follows:

- **Cybersecurity and Emerging Technologies Task Force:** This task force will address issues in cybersecurity and involving emerging technologies including ensuring registrants have sufficient cybersecurity controls as well as controls for the protection of customer information and system safeguards more broadly; prosecuting hacks/exploits/and account intrusions performed for the purpose of manipulating commodities markets; prosecuting technology-enabled thefts of material non-public information; exploring the role that emerging technologies such as artificial intelligence and machine learning may play in violations of the Commodity Exchange Act and CFTC regulations; and ensuring that registrants adequately supervise their use of emerging technologies.
- **Environmental Fraud Task Force:** This task force will address fraud and other misconduct not only in regulated derivatives markets, but also in relevant spot markets (such as voluntary carbon credit markets), relating to purported efforts to address climate change and other environmental risks. The task force will examine, among other things, fraud with respect to the purported

environmental benefits of purchased carbon credits, as well as registrants' material misrepresentations regarding ESG products or strategies. [See CFTC Press Release No. [8723-23](#)]

You can report suspicious activities or information, such as possible violations of commodity trading laws, to the CFTC Division of Enforcement via a Toll-Free Hotline 866-FON-CFTC (866-366-2382) or [file a tip or complaint](#) online.